



# **PARLIAMENT OF TASMANIA**

## **TRANSCRIPT**

### **LEGISLATIVE COUNCIL**

### **ESTIMATES COMMITTEE B**

Hon. Guy Barnett MP

**Monday 5 June 2023**

### **MEMBERS**

Hon Rosemary Armitage MLC (Deputy Chair);

Hon Jane Howlett MLC;

Hon Tania Rattray MLC (Chair);

Hon Rob Valentine MLC; and

Hon Meg Webb MLC;

Hon Josh Willie MLC



## **IN ATTENDANCE**

**Hon. Guy Barnett MP**, Minister for State Development, Construction and Housing; Minister for Energy & Renewables; Minister for Resources; Minister for Veterans' Affairs

### **Ministerial Office**

Ilise Bourke	Chief of Staff
David Bushby	Senior Adviser, State Development, Construction and Housing
Nic Waldron	Senior Adviser, State Development
Aaron Vlahov	Senior Energy Adviser
Cassandra Leigh	Senior Energy Adviser
Mikayla Fuller	Adviser, Housing
Justin Derksen	Adviser, Veterans

### **DEPARTMENT OF STATE GROWTH**

#### **Capital Investment Program (CIP) incl investment in BP1, Table 6.2**

Kim Evans	Secretary, Department of State Growth
Gary Swain	Deputy Secretary Transport and Infrastructure
Ben Goodsir	Acting Chief Executive Officer, Infrastructure Tasmania
Angela Conway	Acting Deputy Secretary, Business Services
Anne Beach	Macquarie Point Development Corporation

#### **Output 1.1 Office of the Coordinator General**

John Perry	Coordinator General
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#### **State Development and Construction (included in Output 1.2 Industry Business and Development)**

Kim Evans	Secretary
Brett Stewart	Deputy Secretary Resources, Strategy and Policy
Mark Bowles	Deputy Secretary Business and Jobs
Gary Swain	Deputy Secretary Transport and Infrastructure
Angela Conway	Acting Deputy Secretary, Business Services
Jenna Cairney	Executive Director, Business Tasmania
Andrew Smythe	General Manager Strategy, Policy and Coordination
Megan Geason	Director Commercial and Agribusiness Finance
Renee Woodhouse	Director Global Education and Migration

Gary Swain	Deputy Secretary, Transport and Infrastructure
Ben Goodisr	Acting Chief Executive Officer, Infrastructure Tasmania
Glen Dean	Director Finance
Travis Boucher	Manager Budget

#### **Output 7 Renewables, Climate and Future Industries Tasmania**

Kim Evans	Secretary
Anton Voss	CEO, Renewables, Climate and Future Industries Tasmania
Sean Terry	Executive Director, Renewables Climate and Future Industries Tasmania
Adrian Christian	Director, Renewables, Climate and Future Industries Tasmania
Kim Enklaar	Director, Energy Policy Strategy and Regulation

## **DEPARTMENT OF PREMIER AND CABINET**

### **Output Group**

Craig Limkin  
Eleri Morgan-Thomas  
Richard Gilmour  
Jessemy Stone  
Rod Fazackerley

### **Part 4 (Other Entities) Homes Tasmania**

Associate Secretary, Department of Premier and Cabinet  
CEO, Homes Tasmania  
Director, Community Infrastructure, Homes Tasmania  
Director, Housing Policy and Programs, Homes Tasmania  
Manager, Budget Management, Homes Tasmania

### **Output Group 7**

#### **7.7 Veterans' Affairs**

Mellisa Gray  
Courtney Hurworth

Deputy Secretary, Community Partnership and Priorities  
A/Executive Director, Community Partnerships and Priorities

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The Committee met at 9.01 a.m.

**CHAIR (Ms Rattray)** - I would like to welcome everyone to the Estimates Committee. This is the Committee B for this year. My team at the table today is the Honourable Meg Webb, the Honourable Rob Valentine, myself, Tania Rattray, the Honourable Rosemary Armitage, and the Honourable Josh Willie. We have an apology from the Honourable Jane Howlett, who won't be joining us today. Also, I would like to thank our secretariat support, Simon Scott, and we have Gay from Hansard.

Minister, and you may like to introduce your team at the table and anyone who joins you during the course of this process. Please introduce them for the sake of Hansard and for those who may well be listening. Would you like to give your overview? Thank you, minister.

**Mr BARNETT** - Thanks very much, Chair and committee members. It's a pleasure and an honour to be with you again for Budget Estimates 2023. I'd like to introduce Anton Voss on my right, CEO of Renewables, Climate and Future Industries Tasmania. On my left, I should say. Sean Terry, executive direction of ReCFIT on my right. We do have other wonderful support team members in the room, which we'll call to the table as and when required, subject to your consent, Chair.

So, a bit of an overview now. Under our government, Tasmania enjoys a strong economy. It's getting stronger. Our population is increasing. Existing industries are looking to expand, and new industries are wanting to invest in Tasmania. With growth comes growing pains. We're currently in a fine balance between supply and demand for energy. Under our plan, Tasmania and Tasmanians will always be put first. We're committed to ensuring Tasmanian's have access to the lowest or amongst the lowest regulated electricity prices in Australia, and we'll work hard to achieve this. Under our Tasmania first plan, our Tasmanian renewable energy action plan, our Tasmanian renewable hydrogen action plan will bolster Tasmania's economy through new jobs and investment, reduce emissions, and deliver reliable, affordable, and clean energy for our consumers. To deliver this, we need to be connected to the national grid.

Madam **CHAIR**, our Budget invests \$3.75 million to progress initiatives to grow our energy sector, like project Marinus, onshore and offshore wind, battery of the nation projects, and creating renewable energy zones. These projects will also attract new industries such as green hydrogen, delivering our vision for Tasmania to be a global leader in large scale green hydrogen production by 2030. Yesterday's announcement of a planned \$1.2 billion investment in a green methanol plant at Bell Bay is most welcome.

This budget provides \$900 000 to progress the Tasmanian green hydrogen hub at Bell Bay. The budget also provides \$9 million to implement our bio-energy vision, replacing and upgrading aging fossil fuel boilers in schools, hospitals, and correctional facilities. As we build our strong, renewables future to deliver long-term, downward pressure on power prices, we're also delivering for those who are feeling the strain and impacted by costs of living and cost of doing business right now. Our budget includes \$45 million in our contribution to the energy bill relief fund to support those on concessions. So, pensioners, veterans, carers, seniors, those who hold a Health Care Card, and those on the Family Tax Benefit scheme. So more than 60 per cent of the households in Tasmania. Also of course, small business customers.

## PUBLIC

This funding is matched by the Australian Government. It'll deliver for those 140 000 eligible households around Tasmania who will receive \$250 this coming financial year, then \$250 in the next financial year. For small business, as I mentioned, there are an estimated 35 000 eligible businesses who will received \$650 in credit during the next financial year. In addition to that, we have targeted measures, including the \$4.5 million, to underpin our popular Energy Saver Loans Scheme. It provides no interest loan of up to \$10 000 for households and small businesses to invest in energy efficient products to help lower their electricity bills, including solar panels, batteries, double glazing, and energy efficiency appliances.

We're also supporting larger businesses with a \$3.45 million in the budget to underpin the business energy efficiency scheme for large energy users to invest in energy efficiency initiatives. Businesses can access loans of up to \$10 000 at no interest for up to three years, and loans of up to \$50 000 at low interest. So in short, our Rockliff Liberal Government understands the importance of energy to the future of our state, and also ensuring that energy is affordable to Tasmanian families, and Tasmanian business, and the budget backs that plan in.

**CHAIR** - Thank you.

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

**CHAIR** - Thank you very much. That was a quite to the point overview. Ms Webb had something in regard to the overarching, before we get to line items.

**Ms WEBB** - Thank you, Chair. I appreciate that. Yes, I'm just interested in a couple of overarching matters. The first one is in relation to the Efficiency Dividend that's spelled out in this budget. In these areas that we're covering in this session, what's the total amount of the Efficiency Dividend that's expected within the department?

**Mr BARNETT** - Well, the Efficiency Dividend is part of the budget. As you're probably aware, it's the 60 cents in every \$100, and it really kicks in from not 1 July this year, but 1 July next year. It's consistent with other departments, which will kick in - - -

**Ms WEBB** - Yes. So I'm asking for a - sorry, minister.

**Mr BARNETT** - Yes.

**Ms WEBB** - The question was just in relation to: do you have a dollar figure for the efficiency dividend that will cover these areas that we're scrutinising today?

**Mr BARNETT** - Yes. So it's something in terms of a dollar figure. There is no dollar figure, but it's something that the various agencies work through with treasury. I'm happy to hand to Anton Voss. But there's no specific figure.

**Ms WEBB** - That's fine. If there's no specific figure, then I'm happy to move on. Is there a particular approach that's going to be adopted to applying the Efficiency Dividend within these areas of the department?

**Mr BARNETT** - I'll pass to Anton Voss, our Chief Executive.

## PUBLIC

**Mr VOSS** - Thank you, minister. Thank you for the question. No, there hasn't been any decisions made at all on this as yet. The Efficiency Dividend's been presented in finance general because it hasn't yet been allocated across agencies. The footnote to finance general's pretty clear. It's initially represented within them - within finance general - pending allocation to individual agencies. The government will work with agencies to identify the most appropriate approach with the implementation of this budget adjustment in individual agencies prior to commencement in 2024-2025. So the work's to be done.

**Ms WEBB** - So there's nothing to share yet in terms of an approach.

**Mr VOSS** - No, there's not.

**Ms WEBB** - Thank you. I'll move on to another question if that's all right over to you, also.

**CHAIR** - One more and then -

**Mr VALENTINE** - Is that on the Efficiency Dividend?

**Ms WEBB** - No.

**CHAIR** - Thank you. Supplementary, Mr Valentine?

**Mr VALENTINE** - So just with respect to that, I mean, obviously there are things in departments that you can look at and rationalise a bit. But how do you think you're going to approach this? Do you believe that there are areas that can be significantly trimmed back in your portfolio?

**Mr BARNETT** - Thanks very much for the question. I can understand where you're coming from. The government has taken a very prudent and responsible approach to allow the departments to think through very carefully, with their relevant ministers, their plans for the Efficiency Dividend. So as I say, it doesn't commence 1 July this year, but 1 July next year, with obviously that discretion and an ability to plan in advance. Having said that, I will pass to Anton Voss to add to that answer.

**Mr VOSS** - I haven't got a lot to add. Obviously, it's still a work in - work to come. With respect to ReCFIT, we are part of State Growth, as you know. So it's how State Growth works through its allocation of the efficiency dividend; that will be something I'll work through with the DSG exec and Kim Evans as to how it might impact directly on ReCFIT.

**Mr VALENTINE** - Do you think there are gains or savings to be made in the digital space, maybe? Is that what, you know, where you might target it?

**Mr VOSS** - I really couldn't comment at this stage. I mean, also, it starts small and then sort of gets larger throughout the forward estimate period. We just haven't started the work yet.

**Mr VALENTINE** - Did you get a chance to at least have an input into the decision-making on delivering an efficiency dividend?

## PUBLIC

**Mr VOSS** - We have. As the minister said, the ministers will also work within the various agencies, so with regard to State Growth overall, Kim Evans will have to work through how that works across his agencies and with his respective ministers. So we'll definitely have inputs, yes. Definitely will.

**Mr VALENTINE** - Yes. It is probably more for the minister, I suppose. When these sorts of things are announced - I mean, I've worked in the state service for 42 years and they just think, not again. What's going to go west this time that really matters? Yes, I'm just keen to know whether all ministers were consulted before this 0.6 was arrived at, this 0.6 per cent was arrived at.

**Mr BARNETT** - Can I just quickly jump in and put in an apology for Kim Evans, the secretary of the Department of State Growth. Obviously, we're talking about energy and renewables this morning and that part of the State Growth Budget. But Kim Evans can't be everywhere today, so he is not here in the room at the moment, but –

**CHAIR** - I'm surprised he's not with committee B from Leg Co, but anyway.

**Mr BARNETT** - He will be later today, and he is absolutely listening and available as and when required. But the point I'm making is that it's part of the Budget process. These things are very important to the government. Of course, you would be aware of what's occurred in other states, specifically Victoria, where the taxes just went up to billyo. Jobs were lost and put out of business a productive industry, as in forestry, and spent \$800 million plus of taxpayers' money on that.

**CHAIR** - We're scrutinising this Budget, aren't we? This state's Budget?

**Mr BARNETT** - That's not what we're doing in Tasmania. We're taking a prudent and responsible approach. It's strongly supported by our government. We are very confident it can be managed and that's why it's in the Budget.

**Mr VALENTINE** - Normally, what happens is that services get chopped a little bit and end up going out to private enterprise and it costs more to deliver them.

**CHAIR** - The question is; do you agree?

**Mr BARNETT** - No. There are different ways to work this through. As the CEO has outlined, that will be worked through with the Secretary, with Treasury, across government. It is, as I say, 60 cents in \$100. It's not a massive amount. It is doable, we believe. It is an efficiency dividend. We've all got to tighten our belts from time to time, and this is an appropriate measure and it allows one year to prepare for those measures to be implemented.

**CHAIR** - Thank you.

**Mr VALENTINE** - I was just interested to know how many ministers were involved in actually making the decision that we would go for 0.6 per cent. Whether it was owned by all the ministers or whether it was just forced on them.

**Mr BARNETT** - There's a two-part response to that. First of all, it's a matter that's worked through in the Budget process. There are a lot of discussions, lots of briefings, lots of



## PUBLIC

feedback from the Department to the various ministers, and of course, it's a decision of Cabinet and our government, which we totally support. Having said that, I cannot breach Cabinet confidentiality, and I know you wouldn't wish me to. So we don't go into those sorts of matters anywhere at any time.

**CHAIR** - Thank you. Supplementary, Mr Willie.

**Mr WILLIE** - Thank you, Chair. I think the point here, minister, is that the Premier announced this in his State of the State speech, and it seems like it's policy on the run because you're saying we need to go and develop this policy now, after the Premier has made this announcement in his State of the State speech. Were you consulted before that speech?

**Mr BARNETT** - Let's be very clear, with respect to the very responsible and prudent approach that this government is taking. Prior to COVID, an efficiency dividend was planned, it was public, it was expected. We then had COVID. We dealt with COVID in a most resolute and measured and sensible way to manage the health, and to care for the health of the Tasmanian community while maintaining and keeping our economy strong. We had a 4.6 percent increase in growth in our economy in the last financial year, which is leading the nation, yet again. As a result of prudent measures by our government, we have now worked through COVID. Of course, it's still there, of course we still need to be healthy, but we've worked through that and we are back to ensuring and continuing our responsible approach to managing the Budget.

**Mr WILLIE** - My question, minister, was did the Premier consult with you before he announced this policy in his state of the state speech. It sounds like it isn't formed yet.

**Mr BARNETT** - Sorry, could you just -

**Mr WILLIE** - We're interested in what the process was involved before the Premier mentioned it in his speech.

**Mr BARNETT** - As I say, there's a Budget process for preparing the Budget, and I know that's what we're discussing today. With regard to the state of the state Address by the Premier, it has the full support of our government and he's demonstrated -

**Mr WILLIE** - I didn't ask if he supported it. I asked -

**Mr BARNETT** - He's demonstrated the leadership there and has delivered that state of the state Address. Happy to talk about that, but I know you want to talk about the Budget as well.

**Mr WILLIE** - We're talking about this policy that doesn't sound like it's been formed yet and we're interested in the process in how it came into being.

**Mr BARNETT** - Are you talking about the efficiency dividends?

**Mr WILLIE** - Yes.

**Mr BARNETT** - When you say 'about this policy', it's very clear what the policy is. It's an efficiency dividend. It's outlined very clearly in the Budget.

## PUBLIC

**Mr WILLIE** - You don't know how you're going to deliver it.

**Mr BARNETT** - It's outlined in the Budget papers. We absolutely understand there's a Budget process. We've got 12 months to work it through. 1 July this year. It doesn't commence until 1 July next year. My Chief Executive on my left, together with my Secretary, Kim Evans, will work these matters through. It's been done before. We were planning to do this prior to COVID with a more significantly - a more significant efficiency dividend: 60 cents in every \$100 is manageable. The government believes that and we'll work that matter through with our Secretaries and our various departments across the Government.

**CHAIR** - Thank you, minister. Ms Armitage has an overarching question. We're still in the overview. This is relating to what the minister has just provided to members.

**Ms ARMITAGE** - Thank you, minister. My question is just a little different. It's with regard to some of the concessions that you were mentioning for the community. With regard to the Commonwealth Seniors Health Card, I know many of the states give concessions because of the Commonwealth Seniors Health Card. Can you advise me with regard to the state? I don't believe that the State of Tasmania does, and can you tell me why not?

**Mr BARNETT** - Yes. We can assist you with respect to those receiving the concessions under the government's -

**Ms ARMITAGE** - Yes. Because it's still a health care card, basically. A Commonwealth Seniors Health Card.

**Mr BARNETT** - There is a range of Tasmanians that receive the \$250 in the first year and then \$250 in the second year. There's been an outline of those. I mean, to provide further and better particulars, I'm happy to check with my officers here. But it's increased from the \$180 winter bill Budget relief which was for 94 000 concession card holders in Tasmania. As a result of the negotiations with the federal government, that's now increased to 140 000 households in Tasmania.

**Ms ARMITAGE** - What about the Commonwealth Seniors Health Card? My understanding is - and this is mainly from people who have relocated to Tasmania from other states, where they receive it in other states - will they be receiving it?

**Mr BARNETT** - Thank you for the question. We'll just pass to my CEO.

**Mr VOSS** - Yes. I have to double-check, but I think what you're referring to - I understand the larger - the minister mentioned the larger number of customers captured in the concession framework net under the Commonwealth, State joint Energy Price Relief Plan. I understand that the concession card holders that you're referring to are captured in that plan. So, yes.

**Ms ARMITAGE** - That will be interesting, because previously they haven't been. I will be writing back to you if for some reason they're not.

**Mr VOSS** - No, no. I think they're captured in the larger one, and I think that you're referring - I'm not sure they're captured in the state-based concessions. As you know, there's two rounds, there's two concessions. The state one, and then the new one that's come over the

## PUBLIC

top. The new one is bigger, as the minister said. It has a larger net and I think they're captured in that, but they may not be captured in the first one, so I can just probably confirm it.

**Mr BARNETT** - Can I add to that?

**Ms WEBB** - Yes.

**Mr BARNETT** - Of course, this is all going through Treasury. We are ReCFIT, and energy and renewables, and of course, this is to the best of our knowledge, and it's a matter for Treasury, and the Treasurer is answering questions as we speak. I don't know if it's that very question. But my point about it's gone from 94 000 households to 140 000 households, which is more than 60 per cent of all Tasmanian households, so it's a very generous initiative for which we negotiated very hard. I thank both the Treasurer and the Premier for their efforts to get that \$45 million in our Budget to provide those concessions where it's needed.

**Ms WEBB** - I'll just move onto another overview area I'm interested in and you'd appreciate given what's gone at a national level we're all quite interested in the use of consultants by government at the moment and so I'm interested in this particular area that we're scrutinising at the moment in the department if in the year we're currently in, 2022-23 there has been engagement of consultants and if so could you provide the details of that. The project details including the timeframe and the costs of each in terms of the consultants. Particularly, I suppose any that are coming through from previous years but any newly established this year. I'm also interested to have an explanation about why those things that have been purchased from consultants; work that's been purchased, why that wasn't done in-house.

**Mr BARNETT** - Thanks very much for the question. I will pass to the CO and/or Executive Director in a moment.

**CHAIR** - We're always happy to have tabled papers if that assists the minister.

**Mr BARNETT** - Yes.

**Ms WEBB** - Because there's a bit of detail in that so I'm happy for it to come to us.

**Mr BARNETT** - Let's just see if we can answer the questions for which we are here. To try to assist the members, this relates a little bit to achieving efficiencies to some degree. Just to quickly respond to the member for Elwick who referred to the efficiency dividend and you referred to the Premier's state of the state Address, but I think you're confusing it with the renewable energy dividend. There was no mention of the Energy Efficiency Dividend until the Budget came out through the Treasurer so I thought for clarification purposes there might have been a mix up at your end on that but happy to assist.

**Mr WILLIE** - We can go back to it, and you might be able to answer it.

**Mr BARNETT** - It went through the Budget process. It was released in the Budget.

**Mr WILLIE** - I'm talking about the Premier's - if you want to answer the Premier's state of the state.

## PUBLIC

**Mr BARNETT** - I'm happy to answer that as well but I'm happy to assist the committee in any way you feel useful.

**CHAIR** - We have a question before the minister at this point in time and if we get time we'll go back.

**Mr BARNETT** - It's quite a lengthy question with a number of parts to it so I'll pass to the CO.

**Mr VOSS** - Thank you, minister. Yes, we have used a number of consultants. I suppose it's also a difference between contractors and consultants. We use consultants across all agencies really and similar do in ReCFIT around skills obviously and skillsets that we may not have in ReCFIT so the area that we work in is particularly technical as you might understand and.

**CHAIR** - And complex.

**Mr VOSS** - And complex. I was thinking this morning as I was driving in, it's complex even for those who work in it all the time.

**CHAIR** - I was thinking about that driving down yesterday. Thinking, oh this is complex.

**Mr VOSS** - The minister's point of efficiency, ReCFIT's is a relatively small organisation, so we just don't necessarily have some of those skills on hand, so we have to use consultants for a range of those. We have engaged a number of consultants last year. We'll be engaging some this year as a result of that. I'd have to get you the list of those.

**CHAIR** - Thank you, I would like a list. We can provide that through to you in writing to get later.

**Mr VOSS** - I've got some information and as I mentioned there's a difference between consultants and sub-contractors so.

**CHAIR** - I'm interested in any outsourced work that wasn't done internally; so that we paid external folk for. It might be a better use of our time to get it from you as a table.

**Mr VOSS** - I've got some here.

**Mr BARNETT** - We are just talking about energy and renewables, not the whole department.

**CHAIR** - In the session that we're in at the moment. That's right.

**Mr VOSS** - For example in the energy saver loan scheme we've used Bright Capital to assist us with that so that's an outsource provider to assist with the provision of the loans and working through it with all of the various customers. You know we've had - it's been a very successful scheme and don't have the people in ReCFIT to be able to manage that so that again they're all -

## PUBLIC

**CHAIR** - And that's called Brighte? I'm sure we'll go into more detail on that when we get to the line item that it relates to. I'm simply looking for a pretty straightforward presentation of information about outsourced consultancies or contract work and the timeframes and the costs of those over the 2022-23 financial year and looking ahead for 2023-24 what's anticipated. That's the gist of my question so perhaps we can get that to you for follow up.

**Mr VOSS** - I might throw to Mr Terry because quite a number of them fall in his area as well. There's one around spatial analysis mapping for example from Aurora Comm which is part of the renewable energy zone work. Again very specialised consultants that we've used there. I don't know, Sean, if you've got anything through you, minister, to add.

**Mr TERRY** - Yes, through you, minister. Yes, I'm sure of the exact timeframes of some of the consultancies we've used but we'll get the list for you. We have engaged GHD to do some work for us on our hydrogen hub submission and our negotiations with the Commonwealth. We used an organisation called Aurecon to undertake a spatial mapping exercise. That was to help support our renewable energy zone work. I'm happy to talk about that in a little detail and we've got a number of other consultancies out at the moment. That's to help us - we're looking at incentives for the pull-through mechanisms for new generations, we don't have that expertise in-house, so we are using an external consultant to provide that and we've also engaged another firm to help us on what we call our Res Access and Market Design Work. Once again, a very specialised skill and that work is out for - well that work is in progress at the moment. So we'll get you the detailed list but they're just a couple of the examples of the ones we've used.

**Ms WEBB** - I appreciate that and in terms of work that we do have done by consultants or contractors, how does the department secure the intellectual property of the Crown in relation to that work and in that context of having consultancies. Again you'd appreciate the national context in which I'm asking that question around the PWC issues and intellectual property there, so how do we secure the intellectual property of the Crown when we're engaging consultants?

**Mr VOSS** - As per PWC -

**Ms WEBB** - Good question.

**Mr VOSS** - The PWC case is obviously look quite a concerning one frankly. I think everyone will agree with that. The terms and conditions of the contracts generally cover off on those matters. Obviously, we haven't seen the PWC contract that we're referring to, but they would've had a whole of confidentiality provisions that you'd expect, you know, outside of the confidentiality and the contractual terms that a professional services firm of one of the big four would not be doing what they've done which is hence why that's been looked at. You know, possible criminal investigation. So in the normal course of affairs those types of issues are, you know in the state's intellectual property, the state's confidentiality are all part of the standard contract provisions.

**Ms WEBB** - Thank you. I have one other overview question but I'm mindful of time.

**CHAIR** - Thank you. The supplementary, **Mr VALENTINE**.

## PUBLIC

**Mr VALENTINE** - The intellectual property generally stays with the state though, doesn't it?

**Mr VOSS** - It would depend on the nature of the contract but in general I think that's correct.

**Mr VALENTINE** - No, but in general terms.

**Mr VOSS** - Yes, I think that's reasonable. Thank you.

**CHAIR** - I am mindful that we do need to get to the actual output area, so I'll move to energy and renewables. I'm interested in whether the state has received its compensation from Basslink. I know that it's been a long running saga and I'd just like to know what the status is around the monies which is owed to the State of Tasmania.

**Mr BARNETT** - Yes. Thank you very much for the question, the Basslink sale.

**CHAIR** - Could help towards that efficiency dividend.

**Mr BARNETT** - Yes, of course it's obviously as a result of a very long process in terms of a legal process and has delivered the returns that the state was seeking, and we're pleased with the result, and we're also pleased and we welcome APA's investment in Basslink and they intend to seek the independent regulator's agreement to have the link become a regulated interconnector, like other interconnectors across the National Electricity Market. They are a very competent, capable entity, but in terms of the exact figures, I'll give you an answer.

**CHAIR** - Well, the determination was -

**Mr BARNETT** - The answer is yes.

**CHAIR** - So, we've received the \$7.2 million?

**Mr BARNETT** - We have received the funds owing, and in terms -

**CHAIR** - Plus the 1.4 cost?

**Mr BARNETT** - Well, we've received the moneys owing, and I think it was in and around October last year. For the detail, I'll pass to the CEO.

**CHAIR** - Thank you.

**Mr VOSS** - Thank you, minister. Yes, we have received the funds. It's around \$50 million all up to the state. Hydro also received moneys owed to it by arbitration. And we received those informed in October.

**Mr BARNETT** - Can I quickly add to that?

**CHAIR** - Yes.

## PUBLIC

**Mr BARNETT** - We have also received confirmation from APA that they have fixed a number of technical matters with Basslink to make it more efficient in terms of its operation. This is a matter that the government saw as a priority during the litigation and during the negotiations, and as a result of a good relationship with the APA - the new owner - they have made those fixes and we are very pleased with that.

**CHAIR** - Right. And before I move to the member for Hobart, can I just enquire as to the \$1.4 million in cost, is that correct? That was what my understanding was.

**Mr VOSS** - Are you referring to the -

**CHAIR** - To the actual determination. Is that enough to cover what it would have cost the state to actually proceed with that, or am I wrong in that assumption?

**Mr VOSS** - Just so I'm clear, are you referring to this really post - the adviser costs, are you talking about?

**CHAIR** - Yes. The costs that it costs the state. That doesn't seem very much, really, in the context of the time and the effort.

**Mr VOSS** - We were awarded some costs and it was \$1.6 million.

**CHAIR** - Right.

**Mr VOSS** - That was the amount. I can do a breakdown, minister, if you want a look. So, the state: we recovered \$49.6 million from the sale prices to APA. So, we got our arbitration award; it's \$38.5 million. Arbitration costs as well; that was \$7.2 million. Interest on the outstanding award to 30 June last year was \$2.2 million, and post-insolvency costs were \$1.6 million. So, around \$50 million. \$49.6 million altogether and it was received in October last year.

**CHAIR** - Okay, thank you. The supplementary, Mr Valentine?

**Mr VALENTINE** - That was just to how that was split up.

**CHAIR** - Yes, it was.

**Mr VALENTINE** - Obviously Hydro and State Growth are involved there. How much did State Growth get out of that?

**Mr VOSS** - No, that amount there was what came back to the Government overall. That includes Hydro as separate.

**Mr VALENTINE** - So, it goes into consolidated revenue, does it?

**Mr VOSS** - Yes, it does. And then Hydro was a separate award.

**CHAIR** - A separate claim.

**Mr VOSS** - Yes, a separate claim.

## PUBLIC

**CHAIR** - Do you know what Hydro got? Just seeing you've got that right in front of you.

**Mr VOSS** - No. Hydro did make - I'm just going to check with it. I don't believe it's known. I think that was a commercial arrangement between the two of them. There was a commercial settlement, but it was a significant sum of money. Yes.

**Mr VALENTINE** - Are you talking about APA wanting to change the model basically. Is it a regulated entity? Is that what you're saying? What was the term you used?

**Mr VOSS** - Yes. Currently and previously Basslink, as you know, Mr Valentine, was an arrangement between Hydro Tasmania and the owners of the cable. We had what used to be called the Basslink Services Agreement. We've got a different thing in train now: Network Services Agreement. It's similar conceptually, but different. A different commercial arrangement was held with the APA on that.

**CHAIR** - It's still a regulated arrangement?

**Mr VOSS** - No, it's not regulated. So, it's a commercial arrangement, but APA has signalled their intention to make Basslink a regulated asset in the future. So, they're working through that process now. And when they go through that process, that'll be going through the AER. So, we're expecting a submission from APA to AER in the relatively near term. It'll be a very open process. Every other interconnector in Australia is a regulated asset. This is the only sort of NSP, it's called - Network Services Provider - of this type in the country. So, APA's intention was always to get this regulated. So, we're expecting that over the next 18 months or so.

**Mr VALENTINE** - So, we'll end up similar to Marinus Link, is the intention to be.

**Mr VOSS** - Ultimately, Marinus Link will also be a regulated asset that will be regulated differently, but yes, Basslink will be going through the standard AER process. When I say 'standard', it's not quite that straightforward. Nothing is in energy, as I said before.

**CHAIR** - The more you keep talking, the more complicated it's becoming.

**Mr VOSS** - No, no. Look, the APA hasn't gone through a process. This is pretty uncommon, as you might imagine. The last interconnectors were sort of regulated many, many years ago, and this one's a bit unique because it goes through Tasmanian land and waters into Commonwealth waters and then in Victoria. So, it's quite a different environment today physically, but also just the way the NEM operates to widen those previous interconnectors were regulated. So yes, they've got to go through the process with the AER. As I said, very open, very transparent process. Everyone will see what the AER is doing and the submissions from APA.

**Mr VALENTINE** - How does that end up affecting you in ReCFIT? Like, in terms of the way it's run and, you know, being able to achieve your projects and goals and things? Does it make any difference?

**Mr VOSS** - Look, it won't achieve us in ReCFIT, per se, but the three ministers - but having a regulated asset will involve a lot more transparency, obviously, around the value of



the assets of the Tasmanian and Victorian communities. Its value to state for a whole range of reasons from energy, security, trading, et cetera. It won't make a specific difference to ReCFIT, per se, but I think APA going through the regulatory process, and as the minister said, APA taking over the code were a very, very large, well-resourced, big balanced sheet infrastructure company.

As the minister said, they very quickly after they took it over, implemented a range of technical fixes that were very important to the Tasmanian system, which we've been sort of trying to get the previous owners to do for many years. There are a lot of positives, from my perspective, coming out of the Basslink-APA arrangement.

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

**CHAIR** - What a world we had when we weren't connected to the NEM.

**Mr WILLIE** - I guess the question there is, will the regulated asset be better for the State of Tasmania than the previous service agreement? Will it impact energy users differently?

**Mr BARNETT** - The Government welcomes APA's investment. They're a very credible entity. We support their efforts to progress through their process to become a regulated asset with the independent regulator, the Australian Energy Regulator. We certainly will, from our point of view, ensure that the best interests of Tasmanians is always protected. It should be noted that transmission infrastructure like this is regulated in every other part of Australia, and up until now this has been the only merchant link in Australia, or the last remaining merchant link. That may change at some stage in the future, but it's moving to a regulated asset, and we think that'll be a good outcome for Tasmania. It'll need to be to have our support.

**CHAIR** - Thank you. Any more -

A member - Plenty of questions.

**CHAIR** - Yes, we've got plenty of questions. I just wanted to keep on this same line, if not.

**Mr BARNETT** - I should just - one little add through you, Chair, and for committee members. Obviously, this relates in much to do with Hydro Tasmania which is relevant to GBE hearings later in the year. I'm sure their annual report will cover some of the questions that you're asking and, of course, there'll be more opportunities later in the year on Hydro Tasmania.

**CHAIR** - Given you're the shareholder, minister, of both, we thought you'd be right across it. It does say 'energy', so I know that.

**Mr BARNETT** - Happy to assist, but I'm just giving you the heads up.

**CHAIR** - **Mr VALENTINE**, and then I'm going to go to Ms Armitage. Thank you.

**Mr VALENTINE** - Reading TasCOSS's 'Wellbeing First' paper actually, 2023-24 Budget priority statement, they make a statement in there, 'The number of households in energy debt in Tasmania has increased 30 per cent in the past year, and 77 per cent on pre-COVID-19

## PUBLIC

levels to 11 413 with an average debt of \$964.46'. That's a fair bit of money and a fair number of people to be in stress when it comes to energy debt. You talk of keeping downward pressure on energy prices in the moves that are being made. Providing bill relief is a bit like feeding a person a meal of fish rather than giving the fishing rod to supply their own fish long term.

I know where I'm coming to here is, wouldn't it be better for subsidies and the like to be given more towards putting photovoltaic cells on their roofs and batteries on their walls, to be able to achieve a much better result for the individual rather than simply handing them a bit of a discount on their bill? That's basically what I'm getting at. Why have you chosen to do it this way and not get out of the NEM and achieve for Tasmanians in effect?

**Mr BARNETT** - I can see where you're coming from. I would really like the opportunity to explain, because in Tasmania -

**CHAIR** - And you like the fish analogy?

**Mr BARNETT** - I like the fish analogy. I know Rob knows I like the fish analogy, which is very good. The bottom line is we are doing both in Tasmania. I meet with the energy ministers around the country from time to time and they know that. It is encouraging for me, as an energy minister, because we are doing both:

First of all, we have the most generous concessions in Australia. Second, we have either the lowest, or amongst the lowest, regulated electricity prices in Australia for both residential and small business regulated customers. Third, with respect to the TasCOSS comments about the increased debt, let's be clear: it is the increased number of individuals with debt has increased, the average amount of the debt has decreased. In fact, it has nearly halved. So in terms of -

**Mr VALENTINE** - So are you saying it was 1800 before?

**Mr BARNETT** - I'm just saying it's nearly halved, so that is -

**Mr VALENTINE** - Still, whichever way you cut the mustard, it is \$964, on average, that these people are in debt, energy debt. That is a lot of money.

**Mr BARNETT** - It is.

**Mr VALENTINE** - I wouldn't like that hanging over my head.

**Mr BARNETT** - But isn't it interesting that it is nearly halved to what it was before? So, yes, the increased number, but it has nearly halved. My point is that as a government we are firstly delivering a Tasmania first priority, we have the lowest, or amongst the lowest prices in Australia, right here, in Tasmania. That is a good thing, and we want to keep it that way. That's our objective.

Secondly, the highest concessions in Australia. Thirdly, we now have energy relief measures in place which save, for households, \$250 this coming financial year, \$250 next financial year. Last year, we had the Winter Bill Buster payment of \$180 for those 94 000 concession card holders and households. That is delivering and we want to continue to deliver,

because cost of living is a priority, cost of doing business is a priority, and I think we are on the right track.

In addition to that, as I said, we had a targeted approach. So in addition to all of that we had the Energy Saver Loan Schemes. Now this is to your point about solar panels on roofs, energy efficiency measures in your home: This is very popular. We have had 1350 applications approved, \$11.30 million for the Energy Saver Loan Scheme, it was only launched last year. It's a really popular scheme. It is working. Guess what? \$10 000 interest free to buy those solar panels, to put on more energy efficiency measures in your home, it is working. It is working really well for residential customers and for small businesses, and we have made it available now for large business.

The other thing to remember is the aurora+ app, in terms of how you manage your electricity at home. This is a good opportunity, obviously, to manage your electricity in the best way possible, in a most energy-efficient way.

**Mr VALENTINE** - What I can't understand is that we have such capacity to generate renewable energy here in this state, and we have the baseload as well. Why are we so stuck on being in the National Electricity Market when we could reduce the impact that that's having on us as a state and actually concentrate on trying to reduce the overall cost to the household rather than giving them a discount, which I have to say, for people receiving that sort of a discount it can sometimes be a little bit confronting for them. They are getting a handout and they don't want to get a handout.

So why are we - is it because the Government is absolutely tied to getting dividends off the GBEs and that's why we're staying with this? Because in fact selling electricity to the market on the mainland is actually making us money and that gives the Government back more money? But we're sacrificing people on the ground to do that, and they're the people who actually paid for the generation asset.

**Mr BARNETT** - Thank you again for the question. I understand where you're coming from, and I would really like to try to explain that in Tasmania as a result of the hundred years of hydro, as a result of more recent wind development, we are in a very good place with interconnection with, at the moment, Basslink, plans for Marinus Link. We want to put Tasmanians first, and we do. How is it that we have the lowest or amongst the lowest electricity prices in Australia? Let me explain -

**Mr VALENTINE** - But it could be lower.

**Mr BARNETT** - Let me explain that we - well, we would love it to be lower and that is what we are seeking to achieve: to put downward pressure on prices under our policies. Now, let me explain: The cheapest energy prices in Australia are wind and solar today. We have a hundred years of hydro, which we are backing in, because it is reliable. You can press the switch and it is there, right here, right now. Being able to buy and sell across Bass Strait where you bring it in when the price is low, the wind is blowing really hard on the mainland - sometimes we import the electricity at negative prices. They pay us, they pay Hydro Tasmania for that electricity. We take it, fill up the dams and then we sell when the prices are high.

**Mr VALENTINE** - I appreciate -

## PUBLIC

**Mr BARNETT** - It is an absolutely brilliant formula for low electricity prices, and we are delivering in Tasmania, and we continue to deliver in Tasmania.

**Mr VALENTINE** - But we are tied to Victorian prices, aren't we? It is exactly the point I make, is that we -

**Mr BARNETT** - No, no, can I be very clear? The prices in Tasmania are set by the independent regulator. Now once a year, that will come out in the next few weeks, it is every year for regulated customers, which is all residential customers and the vast bulk of small businesses.

**Mr VALENTINE** - But it does impact. Victorian prices do impact.

**CHAIR** - Is that correct? Victorian prices do impact?

**Mr BARNETT** - There is an influence.

**CHAIR** - Right.

**Mr BARNETT** - Of course, but that is why it is independently assessed in Tasmania, that measures the wholesale price in Tasmania, obviously, on the mainland. In terms of the low prices when it is windy in Victoria, we can import that because we are connected to the NEM. Can I make it very clear, if you disconnect Tasmania and you become Fortress Tasmania, power prices could skyrocket.

**Mr VALENTINE** - Well that'd be interesting.

**Mr BARNETT** - That is not where we want to go.

**Mr VALENTINE** - Would that be because being connected to the National Electricity system is - and the pumped hydro project is actually going to be paying for the upgrade of our power stations that would otherwise need maintenance paid for by the government. Is that what you're - is that what it is? That one of the reasons why you really want those connections to continue is that the assets that we have got here are actually in need of significant upgrade.

**Mr BARNETT** - Our assets in Tasmania -

**Mr VALENTINE** - And the pumped hydro provides that opportunity to do that.

**Mr BARNETT** - There are two parts to the question there. First, in terms of hydro assets, they are in need of ongoing maintenance and upgrade of some \$100 million a year. It is not cheap to run Hydro Tasmania and our renewable energy assets, which are now about a hundred years old or thereabouts. So \$100 million each year is expended by Hydro Tasmania to upgrade and maintain these very important assets, for which we are very grateful and for which we thank our pioneers for delivering. Because now the balance with that, together with wind, when the wind is blowing hard the price of electricity is low, whether it is here or on the mainland. We can import that low price electricity, or sometimes negative price electricity, and that benefits Tasmanians. That is why we have the lowest or amongst the lowest regulated prices in Tasmania. It's a great -

## PUBLIC

**Mr VALENTINE** - It benefits some Tasmanians. It doesn't benefit all Tasmanians, because they need little handouts to survive. That is the point I am making.

**Mr BARNETT** - Well it benefits all Tasmanians who use the electricity, and that is all Tasmanians.

**Mr VALENTINE** - Anyway, thank you, Chair.

**Mr BARNETT** - I hope that assists.

**CHAIR** - A supplementary, Ms Webb, and then I am going to Mss Armitage for a supplementary.

**Ms WEBB** - Thank you. There are a few things to pick up on in that. You have mentioned many things that are in the budget and covered in this area. I wanted to drill down into a couple of them. The Energy Saver Loan Scheme, which you referred to which is here in the Budget, which is available for residential and small business, I believe. How is that different from, or does it sit alongside in addition to the similarly named Energy Saver Loan Scheme that the NILS network deliver? I'm interested in the breakdown - because you mentioned those figures about 1352 loans since October last year, the breakdown between residential and small business across those loans, as a starting point.

**Mr BARNETT** - Thank you. First of all, it's separate to the NILS scheme, which is for concession card holders only is my understanding, and we'll check that in one moment, because I'm sitting here with the CEO and the executive director. But yes, just to clarify, with the Energy Save Loan Scheme, 1558 applications have been received and they are progressing. That's \$13 million in value. As I said, 1352 loans have been approved for \$11.3 million so far since October last year or thereabouts, when it was launched; 880 installations have been completed, 7.3 million; and 80 vendors have been approved to supply the products and services resulting in excellent competition and choice for Tasmanian consumers. I've mentioned solar systems, electric heating/cooling systems, hot water systems, double glazing, battery storage, heat pumps and the like: 72 per cent of the scheme's loans amounts have gone to Tasmanian businesses. In terms of the breakdown, I'll just check if one of my colleagues on my left or right might assist.

**CHAIR** - The committee's comfortable to take that question on notice. Okay. The question is - before the member moves on - the question is the residential versus commercial.

**Ms WEBB** - Of the loans dispensed already, the 1352 loans since October 2022, what is the breakdown.

**Mr BARNETT** - We'll get back to you as soon as possible.

**Ms WEBB** - Then the follow-up question to that, which may come also then through that information provided to us later. I'm interested, in the terms of the residential component of that, how many of those were low income households that received those loans. What percentage of the residential loans provided went to low income households is something that I'm interested to know.

**Mr BARNETT** - I'm not sure that the ReCFIT has that information, but we can check.

## PUBLIC

**Ms WEBB** - In terms of the fact that this does sit alongside the NILS - named exactly the same thing, Energy Saver Loan Scheme, which is directed to concession card holders, is the intent of - this loans scheme that we're speaking about in the Budget here, is the intent that that is directed away from low income households and to higher income households. Is that the intent; that you're expanding to other income brackets or is the intent still to direct it where it's needed most to low income -

**Mr BARNETT** - The NILS one or the -

**Ms WEBB** - This one that we're talking about in the Budget this time.

**Mr BARNETT** - Energy Saver Loan Scheme.

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

**Mr BARNETT** - Yes. No, I -

**Ms WEBB** - We'll have to call in number 2. NILS is number 1, this one's number 2.

**Mr BARNETT** - Yes, no, that's what I thought. The Energy Saver Loan Scheme's available to all households of whatever background and so on. So, it's all Tasmanian households. And the NILS is to the concession card holders.

**Ms WEBB** - Is the Energy Saver Loan Scheme here in this Budget, the mark 2 scheme, is that to be promoted to low income households and in some way that's proactive? Knowing that that's where the assistance is going to be most needed.

**Mr BARNETT** - No, the Energy Save Loan Scheme's targeting all households. It's to provide energy efficiency options; \$10 000 interest free over three years and it's a very popular scheme as I've outlined. The NILS scheme is absolutely targeted to those with concessions and that's why we've increased substantially our funding support for NILS in the recent time.

**Ms WEBB** - In additional to the breakdown of residential and business in those loans already provided, I'm interested in a regional breakdown of the loans that have been provided. And I'm also interested to understand, in terms of the residential component, does that need to be a primary place of residence that the loan relates to or could it be, for example, in an investment property that's a rental property. Because I appreciate, minister, the group that's clearly missing out here around being assisted with the ability to reduce bills through having appropriate appliances, insulation and those sorts of things is renters. So, is this being directed towards, for example, landlords to improve rental properties in terms of those sorts of arrangements and therefore assist to reduce bills for private rental market folk?

**Mr BARNETT** - No, thank you very much for the question. I think it's a two-part answer. Certainly it's, first, for all homeowners and households that own the home. And that's what it's targeted for. So, let's be clear, it's for Tasmanians for their principal place of residence.

**Ms WEBB** - Right, so excluding landlords. Excluding.

**Mr BARNETT** - It's for landlord's with residential tenants.

**Ms WEBB** - Okay.

## PUBLIC

**Mr BARNETT** - It's also for small businesses and community organizations with electricity consumption less than 150 megawatt hours which is the definition of a regulated small business. Per year that is. So that's the first part of the answer. The second part of -

**Ms WEBB** - And may I just interject there?

**Mr BARNETT** - Sure.

**Ms WEBB** - On that then, in terms of what we're requesting for more information with that breakdown of the 1352 loans since October 2022, of the ones that were allocated to residential use, I'm interested to know what proportion were primary residents and what proportion were an investment property, therefore, we could probably assume, a rental property.

**Mr BARNETT** - Thank you for the question. I'm not sure that the department will be able to answer that question but we can check, bearing in mind that the program is operating through Brighte, which is an entity that does this in other parts of Australia as well. But we can make some enquiries and get back to you.

**Ms WEBB** - And you'd appreciate, minister, the reason I'm interested is that these are really important supports into a cost of living issue that particularly impacts low income and vulnerable Tasmanians and I would think that the government would want to be particularly mindful of targeting it well. So, if we don't know who it is that we're assisting, for example, if we don't know to what extent we're assisting the private rental market to improve properties in terms of thermal arrangements and therefore reduce bills of renters then it's a big gap in understanding if we've actually delivered assistance into that space.

**Mr BARNETT** - I'm hearing where you're coming from, and I appreciate the question, and the motivation behind it. Part of the answer - I just want full acknowledgement of NILS. Our government has supported NILS, we've increased funding for NILS. NILS is provided to concession customers: no interests loans. It offers opportunity to apply for a 50 per cent subsidy to purchase new energy efficiency appliances and products. I've met with John Hooper, who does a great job in promoting it, many times and he's a terrific advocate for NILS and for those on low incomes.

**Ms WEBB** - It's not going to assist the private rental market though to a great degree because a private renter isn't going to put a heat pump into their rental property at their own expense even with a NILS loan. So, I'm interested in how we're assisting into the private rental market.

**Mr BARNETT** - Yes, I appreciate that. Thank you very much. I did say we'll try and get back to you on that question, although I wasn't confident we'd have the answer, but we'll get back to you on that. I wanted to just finish where I was going on NILS because this is to do with concession card owners and those doing it tough, and vulnerable Tasmanians. Since November 2015, Aurora Energy has, in addition to what we've supported through our government, has provided more than 2.6 million in funding to the program. So, we'll assist the committee and respond as soon as possible, and we'll check and get back to you.

**CHAIR** - Thank you. I've got a supplementary for Ms Armitage. Thank you.

## PUBLIC

**Ms ARMITAGE** - Actually, I'm going back to the smart meters and the Aurora app. The Aurora app is still free and will it continue to be in the coming years? I know there was a charge initially.

**Mr BARNETT** - Yes, so the answer is yes.

**Ms ARMITAGE** - And the smart meters. Have you had any problems with the smart meters? You might be aware, or you might not be aware, minister, I have written you a question quite recently. But with the smart meters, so (a), have we had any problems with them and (b), if someone does, like a constituent I had recently, where can they actually go? Do we have any local offices anymore that they can go in and see someone, ask someone to come out? Now that's really important to people with a problem with high bills and, as you'd know, a constituent of mine quite recently.

**Mr BARNETT** - So thanks very much for the question. Now, that's really important to people with a problem with high bills and, as you'd know, constituent of mine quite recently. So thanks very much for the question. Obviously, they relate mostly to the GBE hearings for both Aurora Energy and TasNetworks.

**Ms ARMITAGE** - Well, they do. But it's still the smart app, and we were discussing the smart medicine with the apps.

**CHAIR** - I gave the member full authority to see how she went with that question.

**Ms ARMITAGE** - I did get permission from the Chair to ask the question. That was all. Because they were mentioned when Mr VALENTINE was asking questions.

**Mr VALENTINE** - That's right.

**Ms ARMITAGE** - And they are to do with energy and savings, that's my -

**Mr BARNETT** - Yes. And they are important, and I think I mentioned the importance of smart meters and rolling them out across Tasmania. Exactly the numbers as to how many are being rolled out across Tasmania, there is a -

**Ms ARMITAGE** - So how many have been rolled out, now?

**Mr BARNETT** - There is a target, and I haven't got the numbers with me because we're dealing with the Budget.

**Ms ARMITAGE** - Yes. I realise that, yes.

**Mr BARNETT** - And it's to do with obviously that.

**Ms ARMITAGE** - I do appreciate that. But we have veered into that slightly.

**Mr BARNETT** - But we've veered into it. I can give you a heads up. We hit the 50 per cent some time ago. We're closing in on 60 per cent of all households relevant, in terms of smart meters and the like.



## PUBLIC

**Ms ARMITAGE** - Yes.

**Mr BARNETT** - So we're going well, but the exact numbers, I don't know today. But I reckon that's a pretty good percentage. And we're going, I would say, on target or ahead of target.

**Ms ARMITAGE** - Okay, thank you.

**CHAIR** - Thank you. Mr Willie.

**Mr WILLIE** - Thank you, Chair. Yesterday, minister, you announced the ABEL Energy methanol plant at Bell Bay. I heard on the news. I think it was the CEO saying that they were going to bring their own power. Can you give us some more information on that? How will water be made available for that project?

**Mr BARNETT** - First of all, thank you for making reference to plans for a \$1.2 billion project at Bell Bay. It's a green methanol project. If successful, subject to financial investment decision late next year, it would employ some 500 during construction according to the proponent, and 200 direct and indirect jobs ongoing. A joint venture party of ABEL Energy is Iberdrola. Iberdrola is a Spanish company, and one of the largest renewable energy companies in the world that has vast experience in building renewable energy, and specifically wind farms and solar. They are a joint venture partner. It's not my say. The proponent's intent is to build on island or off island, I don't know, but wind in and around Tasmania to support and deliver the energy that's needed for this project, and of course to be firmed by Hydro Tasmania.

This announcement was made yesterday. It's a public announcement, and I was, of course, there with the proponent at Bell Bay yesterday, supported by Hydro Tasmania, supported by the mayor of George Town, supported by the Bell Bay advanced manufacturing zone. So it was with great disappointment to hear the negativity and criticisms from State Labour with respect to this project, which is very encouraging and backs in our renewable energy plans.

**Mr WILLIE** - We welcomed it, too, minister, and it's in the paper there for you to read today that we welcomed it. I'm asking questions about the power and the water to the site. What about the water?

**Mr BARNETT** - In terms of the media release put out by your counterpart was very negative. It was negative in terms of its criticism. It was negative in terms of the messaging around this. What sort of message do you want to send to investors, to the business community. So I simply ask you that question. Please consider that very carefully, when there's a time and a place for those things. I'm happy to answer your question about water, but please I just draw that to your attention, and would encourage a more positive approach rather than a negative one.

**Mr WILLIE** - We're asking how you would deliver it from your side, the government's side.

**Mr BARNETT** - Well, the proponent, his opening remarks were that this is the - either the best or one of the best sites in all of the world for building a green methanol plant as one that he is planning. This is very encouraging. Secondly, you asked about water. The proponent

said yesterday - not me, the proponent said there was no issues with water and access to water for his project.

**Mr WILLIE** - Okay, minister. Your hydrogen action plan here says that hydrogen will be produced locally by 2024, and given ABEL seems to be the most advanced project, they're saying that they won't begin production until 2027. We can see that you're not going to make the targets in this document.

**Mr BARNETT** - Are you saying that?

**Mr WILLIE** - I'm asking you.

**Mr BARNETT** - If you ask the question, I will respond. If you're making a statement, I'll refute it. So what is it?

**Mr WILLIE** - I'm asking whether you will make the targets in this document.

**Mr BARNETT** - Right. Yes, we will.

**Mr WILLIE** - It's a very simple question.

**Mr BARNETT** - Yes, is the answer.

**Mr WILLIE** - The most advanced project, it appears, is ABEL. And they're saying 2027.

**Mr BARNETT** - That's also wrong in terms of your allegation. They are advanced in terms of the green methanol plant. There are a range of options in proposals that are progressing. You may not be aware of all of them. That's a matter for you. But the government is, and we're pleased to know that we do expect for green hydrogen to be produced in and by 2024.

**Mr WILLIE** - At scale. On a commercial basis, or a trial?

**Mr BARNETT** - No, I've made it clear that we expect green hydrogen to be produced by the end of 2024.

**Ms WEBB** - Details, please.

**Mr BARNETT** - And that remains the case.

**CHAIR** - Is the honourable member by interjection -

**Ms WEBB** - Would you like to provide details on what that would look like by the end of 2024? If you're refuting what the member for Elwick is saying, then provide the detail of what you expect to see by the end of 2024.

**Mr BARNETT** - I'm happy to assist the Committee. There are a number of proponents that are in the public space, including Lion Hydrogen, including Countrywide Renewable,

## PUBLIC

including Blue Economy CRC, and working with producing green hydrogen for our buses, which is metro buses. So there's a range of options.

**Ms WEBB** - So production by end of 2024 will be what in your expectation, minister?

**Mr BARNETT** - As I've just outlined, I expect production to be in place by the end of 2024.

**Ms WEBB** - To what degree?

**Mr BARNETT** - That's a matter for the proponents.

**Ms WEBB** - So each of those you just listed are expected to be producing by the end of 2024.

**Mr BARNETT** - That's a matter for the proponents, but there's an expectation there that one of those three, or more of those three, or all of those three will be producing by the end of 2024.

**CHAIR** - Supplementary, Mr Valentine.

**Mr VALENTINE** - Yes. What sort of skin is the State Government putting into this?

**Mr BARNETT** - We're putting, and have already announced, a \$50 million hydrogen action plan support package.

**Mr VALENTINE** - Yes.

**Mr BARNETT** - Former premier Peter Gutwein and I announced that some years ago, and we've released the renewable hydrogen action plan, and that's in the process of being updated. But it's all consistent with the action plan.

**Mr VALENTINE** - So are you selling them cheap electricity to make this happen, or not? It would seem to be -

**Mr BARNETT** - It was a \$50 million package, and there's \$20 million of that which is in support, \$20 million in concessional finance, and another \$10 million in support for a range of other measures to do with the progress of the project.

**Mr VALENTINE** - And this is the green hydrogen project we're talking about? Not the methanol project.

**Mr BARNETT** - No. Yesterday's announcement, ABEL Energy with Iberdrola joint venture with Hydro Tasmania to take over the old Bell Bay power plant, which was built in the early 1970s using oil. They've moved to gas, and of course, hasn't been used since, I think it was 2009. So it's been mothballed since then. So it's a very encouraging progress and it's right on the port. And that's why the proponent says it's one of the best, if not the best site in all of the world for a green methanol project. So they received funding for a feasibility study a couple of years ago, about 18 months ago.

## PUBLIC

**Mr VALENTINE** - That's the methanol project.

**Mr BARNETT** - Yes, the green methanol project.

**Mr VALENTINE** - We're talking about green hydrogen at this point. It's both.

**Mr BARNETT** - It's green hydrogen and methanol.

**Mr VALENTINE** - Okay. It's combined.

**Mr BARNETT** - Yes.

**CHAIR** - So it's the one project.

**Mr BARNETT** - It's the one project.

**CHAIR** - Thank you.

**Mr VALENTINE** - Yes. Thank you.

**Mr BARNETT** - That's right.

**Mr VALENTINE** - That's a good clarification.

**Mr BARNETT** - Yes. No, that's all right. There were a number of other recipients of that feasibility study funding. So Grange Resources, for example, was one. I think it was Woodside Energy was another. They received some of that funding, which was some of the \$50 million.

**Mr VALENTINE** - So I'm just wondering, you know, obviously green hydrogen production across the world seems to be ramping up, and there's certainly projects on the mainland, I believe in Queensland. Is that right? Where green hydrogen is looking at being produced. Clearly, what happens if this gets developed and for some reason, maybe transport costs of the product to market - we're a fair way south, those others are much closer to the markets. What happens if it falls over and what exposure does the State Government have if it falls over?

**Mr BARNETT** - Are you talking about the green hydrogen project?

**Mr VALENTINE** - Yeah, yeah.

**Mr BARNETT** - By ABEL Energy and Iberdrola?

**Mr VALENTINE** - Yeah, yeah.

**Mr BARNETT** - They have announced their plans. It is subject to a financial investment decision at the end of the second half of next year. They are backed by a very substantial corporate entity, as in Iberdrola, so obviously that is a matter for them. But we are very hopeful, and we are working with them and supporting them in whichever way we can. We provided

funding for the feasibility study, but we have not provided any further funding going forward at this time.

**Mr VALENTINE** - So we are not tied in that we would - if things went south, that we would lose, as a state, apart from an industry moving out, we wouldn't be overly exposed? That is all I'm wondering.

**Mr BARNETT** - No. We have not committed any funding to that project going forward. They have to go through a process, check the financial investment decision, do their feasibility studies and further work and research, and by the second half of next year come to that final decision. They want to start construction at the beginning of the following year, which is 2025, that is what they announced yesterday. We are very pleased with that, we are working with them, we are very positive. This backs in our plans for Bell Bay to be a green hydrogen hub for Australia. The Bell Bay Advanced Manufacturing Zone are very supportive. The George Town mayor was there yesterday, he was very supportive, as the government was supportive, as the community was supportive. We would like all members of parliament to be supportive, wherever possible, of these measures to move into a renewable energy future.

**Mr VALENTINE** - I think we are, I think we are.

**Mr BARNETT** - So that's my message.

**Mr VALENTINE** - Yes. I'm not trying to be negative here.

**Mr BARNETT** - Right.

**Mr VALENTINE** - I'm trying to explore what the relationship is with this new provider, and to all intents and purposes it's a great project. I'm not knocking the project, as such. I am just wondering how exposed we are as a state if, indeed, it doesn't turn out to deliver.

**CHAIR** - It appears we are not exposed.

**Mr BARNETT** - I understand where you're coming from. I will just make one other thing about hydrogen, and particularly green hydrogen. There is blue hydrogen, brown hydrogen and green hydrogen. We have it here in Tasmania: This is one of our great assets. We have world class wind asset, world class water asset, we want to use it for Tasmania's benefit.

**Mr VALENTINE** - That's right, that's right.

**Mr BARNETT** - Going forward for generations to come. In the US they have had what is called The Inflation Reduction Act which is putting more than \$300 billion to incentivise hydrogen production. Europe, they are doing the same. Australia and the budget - the Federal government just announced \$2 billion for hydrogen enhancement and support for hydrogen projects all around Australia. We want our share of that to encourage green hydrogen production in and around Bell Bay and maybe other parts of Tasmania.

So we are on track, it is consistent with our renewable energy and renewable hydrogen action plan. This is all consistent, it backs it in, it vindicates that. To think that you have got a plan and a proposal for a \$1.2 billion project, I am really hoping that the community can see

## PUBLIC

the benefits of that. Because it is green, it is renewable, it is going to grow the economy, create more jobs and provide opportunities for families for generations to come.

**Mr VALENTINE** - That is good. I don't have a problem with that.

**CHAIR** - Thank you. Thank you, minister. Mr Willie, please.

**Mr WILLIE** - Thank you, Chair. I'm still going, aren't I?

**CHAIR** - Yes.

**Mr WILLIE** - Thank you. Minister, I think that the questions around power and water are legitimate. We have Fortescue Future Industries who have said publicly that there was no power or water available at any price and they have put off their investment decision. So how do you propose to provide power and water to the Bell Bay hydrogen hub, for any project?

**Mr BARNETT** - For any project? It's really interesting you've asked that question the day after a significant proponent has just announced a \$1.2 billion plan for a project.

**Mr WILLIE** - Yet to make an investment decision.

**Mr BARNETT** - It is really interesting you are just asking these questions the day after. So I find that really fascinating.

**Mr WILLIE** - Well, you don't want scrutiny, minister. We want you to deliver these projects, we want the jobs to Tasmanians. We want the government to deliver, that is why we're asking the questions.

**Mr BARNETT** - This is not the government; this is a private sector entity joint venture with one of the world's biggest renewable energy proponents and operators that have been around for a long time, that build wind farms every other day, and solar energy all around the world, particularly Europe. And that is the joint-venture part, now with ABEL. It's not my announcement.

**Mr WILLIE** - No doubt.

**Mr BARNETT** - It's their announcement. It is a private sector entity.

**Mr WILLIE** - No doubt, but you have a role as a facilitator, and we are asking you the questions. So in terms of power and water to the site, how is that going to be delivered any time soon if -

**Mr BARNETT** - Well, you could ask ABEL Energy, because they said they had no problems with the water issues. You have asked that once already today, that is the second question on water.

**Mr WILLIE** - I'm asking about Fortescue now.

**Mr BARNETT** - And ABEL Energy said it is not an issue. Now, if you want to ask about other proponents, we have always made it clear in terms of any large-scale energy load

in Tasmania will need to be matched with additional capacity that needs to be to generate electricity. And, for example, a 300 megawatt load would represent an increase in Tasmania's electricity needs of around 20 per cent, so it is a very big amount of electricity. New generation will be in the form of a mix of new wind and solar, upgrades to existing hydro, of course, generation assets, and increased interconnection to Victoria.

**Mr WILLIE** - So we are talking many years for these projects, these wind projects to come online, to be able to power the hydrogen hub? And what about the water? That you have talked previously about a collaboration potentially with Tas Irrigation. Where's that at?

**Mr BARNETT** - That is progressing very well. Tas Irrigation have gone out publicly some time ago for expressions of interest. They were getting those expressions of interest through the hydrogen proponents and other entities and other stakeholders. They are taking that on board and coming up with a plan for the provision of water for the Tamar Irrigation Scheme, and that has the in-principle support of the TFGA and the farmers in the Tamar Valley.

**Mr WILLIE** - My understanding is Origin Energy is particularly interested in the Tas Irrigation proposal of your government.

**Mr BARNETT** - Well, I am not going to go into private conversations with private companies, whether that be Origin Energy or anybody else. There are a number of very significant proponents. You have named a number of them: Woodside, Origin, Fortescue Future Industries, obviously ABEL Energy have announced yesterday their plans for a \$1.2 billion project. We are working with them, ReCFIT are working with them. I should make clear the Bell Bay Advanced Manufacturing Zone are a key leader in this space and doing a great job, and I thank Susie Bower for her leadership. TasPorts are involved, TasRail are involved, George Town Council are involved. You have got so many parts of government, and indeed the federal government, that all support Bell Bay as a hydrogen hub for Australia.

**Mr WILLIE** - Thank you. Just on the Tas Irrigation and Origin interest, can you confirm that Origin have said to your government that they would require a certainty of water supply above what Tas Irrigation could deliver in that proposal?

**Mr BARNETT** - We have funding in the Budget - if we are interested in the Budget - of some \$900 000 over the next three years to provide project resources to progress the hub at Bell Bay. As I say, there are a range of government entities involved: TasPorts, Tas Irrigation, TasRail, Bell Bay Advanced Manufacturing Zone. Water, there are a number of options when it comes to water. I have mentioned Tas Irrigation, of course there is also TasWater. And of course desalination is an option, and as was outlined by ABEL Energy yesterday, they don't see any issues from their point of view with respect to water.

**Mr WILLIE** - Can you see, minister, that you are talking about water projects that might take years to develop, you are talking about power projects that may take years to develop. It doesn't really marry up with the targets in your hydrogen energy plan.

**Mr BARNETT** - We refute that and we believe it is consistent with the Renewable Hydrogen Action Plan. We have got a big vision in Tasmania, we are rolling it out. It takes a lot of hard work and collaboration, and I thank all of those stakeholders for collaborating with government in implementing the vision.

## PUBLIC

**CHAIR** - Thanks, Mr Willie. I'm going to go up the table now.

**Ms WEBB** - A specific follow up to that, to that area I think, anyway. Thank you, Chair. Minister, have you already or do you anticipate or plan that you enter into bulk power price agreements with the hydrogen developers?

**Mr BARNETT** - Well, when you say 'we' are you talking Hydro Tasmania?

**Ms WEBB** - Well, yes, any government entities. The government, through Hydro Tasmania, perhaps, or any other aspect of government.

**Mr BARNETT** - Well, I can't speak on Hydro Tasmania, but Hydro Tasmania obviously is our key energy and electricity provider in Tasmania. But there are a range of others that already exist in terms of wind farm operators. So you've got Cattle Hill and Granville Harbour on the West Coast, and plans for many other wind turbines. We have done a -

**CHAIR** - I'm going to get to the north-east ones shortly.

**Ms WEBB** - My question relates to government-related entities. So Hydro or Tasmanian government, is there any intention, or is there already any arrangement for bulk power price agreements with the hydrogen developers?

**Mr BARNETT** - If they want to make an arrangement with Hydro Tasmania, there will clearly need to be a range that's put in place. I can't speak directly to Hydro Tasmania, but of course, there will need to be arrangements in place with Hydro Tasmania. They will need to ensure that they get reasonable terms and conditions on fair commercial terms that are in the best interests of Tasmania. They know that. We know that. But their approach to these is consistent with the government's plans.

And that is, as I said earlier, in terms of for any large-scale energy load coming on board, whether it be a hydrogen proponent or others, they'll need to access electricity directly from wind or solar, and of course work with Hydro in terms of providing that therming electricity when the wind is not blowing or the sun is not shining. That's been made clear to all of the larger proponents that you might be referring to, and it's a government policy.

**Ms WEBB** - I'm just trying to clarify currently; does Hydro Tasmania have any bulk power price agreements with any of those hydrogen developers?

**Mr BARNETT** - Again, that's a matter for Hydro Tasmania.

**Ms WEBB** - Are you ruling out ruling in that that could happen?

**Mr BARNETT** - I'm not ruling anything in or out, other than saying that our policies are in place. It's attracting significant levels of interest and/or investment as per yesterday's \$1.2 billion announcement plan for the future.

**Ms WEBB** - Right. On the green hydrogen manufacture tier that we're planning to see under the Hydrogen Action Plan, is there -

**Mr BARNETT** - Say again?



## PUBLIC

**Ms WEBB** - In terms of what we're expecting to deliver with green hydrogen manufactured here under the Hydrogen Action Plan, is there an expectation about what the split might be between domestic use and export? So use on island or export.

**Mr BARNETT** - The government has a policy position of supporting, wherever possible, on island use in our economy, to move our economy into a renewable energy economy going forward. Of course, that's part of our disposition. The proponents are aware of that. But in terms of economies of scale, in terms of the large proponents, obviously it's based on export, noting the government's policy to ensure the Tasmanian economy can benefit from that green hydrogen, or green methanol, or whatever else is produced by these renewable energy proponents.

**Ms WEBB** - So not a fixed understanding about what the proportion might look like, or what requirement might be put on the developers.

**Mr BARNETT** - We just have a policy position that the proponents are aware of that policy position. In terms of employment, we support value-adding, downstream processing, on-island processing wherever possible to grow our economy, create more jobs. It's working at a 4.3 per cent increase in our economic growth last financial year. We expect further growth in future years. The Treasurer can outline that in more detail. But we're certainly on track.

**CHAIR** - Thank you. Mr Valentine. And then I'm going to Ms Armitage.

**Mr VALENTINE** - Can we hear a bit about your policy position? Obviously the people of Tasmania would be interested in your policy position on some of these things. I know where you're talking about - well, when dealing with companies like the methanol project, or green hydrogen, as you call it. What policies are you actually putting in place when dealing with companies like that? When it comes to power pricing, do you have something that you can share with the Tasmanian people as to how the government goes into negotiations in that space. I'm not asking you to reveal a specific project. I'm just saying about your policy position when dealing with companies like that. I think Tasmanians probably have a -

**Mr BARNETT** - Yes. I think it's fair to say that our policy position is consistent with what I shared, and that is supporting value-adding, downstream processing, on-island processing, jobs in Tasmania as a priority in all of the conversations and discussions we had with all of the proponents; small, medium, or large. That's a message that I leave with them. Importantly, it's a message likewise that the Treasurer and/or the Premier likewise leaves with them. The Treasurer does have, through the Treasurer's instructions and the Treasurer's policies, what you'd call jobs in Tasmania first, where we have a certain number and a percentage, wherever possible. We support apprenticeships, traineeships in that work.

**Mr VALENTINE** - But does it include discounted power pricing? Your policy position.

**Mr BARNETT** - We expect Hydro Tasmania to ensure that any of those agreements are on commercial terms.

**Mr VALENTINE** - The reason I ask that is that many, many years ago, when it was - I think it was the zinc works. It was found that they were virtually giving power away to keep them here. To make them sustainable from their perspective. Whether it was sustainable for Tasmania is another thing. Clearly, they're still here, so I suppose it must have been. But do

## PUBLIC

you have policy position that you'll go down so far when it comes to the pricing of electricity? That you've got a maximum or a minimum that you'll deal with? You must have some idea that you can share with the Tasmanian people as to how far you'll go to secure.

**CHAIR** - Beautifully put, don't you think, minister? To share with the Tasmanian people.

**Mr BARNETT** - We're very keen to ensure and support the Tasmanian people in that they aware that we're putting them first. Tasmanians come first under our policy. And you mentioned the major industrials, and I want to do a shout out and a tribute to them and thank them for their contribution to the economy, not only in employment, which is massive, but in terms of injection of funding into our economy each and every day. So that is appreciated by our major industrials. And just to be very clear, they are a priority for our government in terms of energy and going forward, and in terms of new proponents. Of course, they can make arrangements and any major significant energy that they need, they need to bring that capacity to the table, together with working with Hydro Tasmania.

As I say, going forward, Hydro will be doing it differently than in past decades, and they'll provide therming. So when the wind is not blowing and the sun is not shining, they will provide that reliable electricity on commercial terms which will benefit Tasmania. Now, I just pass to the CEO who can outline some of the other policies which are available on the public record, and the efforts that are being made to draft those guidelines or policies that might assist the committee.

**Mr VOSS** - Thank you. Thank you, minister. Yes. ReCFIT has, and it is currently on our website, draft guidelines for community engagement benefit sharing and local procurement. It goes to all the matters you just talked about. It's around the government's expectations what industry should do when they're developing renewable energy projects in Tasmania. So looking at all those things you talked about -

**Mr VALENTINE** - Does environment come into that?

**Mr VOSS** - From memory, not in that specific engagement guideline. That's more around how the renewable energy projects can assist the local community, and consistent with the minister's comments, certainly in the discussions I've personally had with both wind farm developers and hydrogen proponents, et cetera, they are all very aware of the need to support the local community. That's something that's uppermost in their minds. I would encourage you to have a look at the guideline. It's a draft guideline at the moment. We're not far off doing the final guideline. But that includes such things, Mr Valentine, as you talked about, around additional contributions to the community benefit scheme and payments.

There is a range of things in that guideline. Again, it's sort of our government's position, policy position on how the various private sector investors should be looking at dealing with local communities, and they are very much on board that. The guideline when through them. We're not in a situation where we can compel these investors to do so. But I can assure you they're very aware. That's why we put out these guidelines. They were looked at by the Australian infrastructure commissioner. The final one is due shortly. But they're very comprehensive.

## PUBLIC

**Mr VALENTINE** - Thank you for that. It's just that sometimes some of those policies with community engagement can end up causing a bit of an issue when issues happen in the community and people are afraid to speak out because if they do then they're going to lose a grant from this company that's operating in their district. So you understand those policies are important but it's important that they also protect the freedom of the community as well.

**Mr BARNETT** - We do have also the buy local policy which has been in existence for some time and it's a very important policy supporting the local community, and I'll ask the executive director to comment on that just briefly so you're across it.

**CHAIR** - Thank you, Mr Terry.

**Mr TERRY** - Thank you, minister. So this is through the Department of Treasury and Finance. They do have a buy local policy for our GBE's which they're meant to apply in any kind of procurement. It's not an absolute but it's basically you're meant to put a certain weight to it.

**CHAIR** - Where possible.

**Mr TERRY** - Where possible you're meant to put a certain weighting to buy local amongst all the other criteria about value for money and other kind of aspects of your procurement. So basically that's all our GBEs. They need to apply that test when they're doing a local procurement and I think there's a value threshold. So it's above 2 million that you need to start applying this buy local policy. So, yes, you've got to give some weighting to local businesses.

You can go to a business of another jurisdiction and if they have a Tasmanian office that provides certain weighting or if they employ Tasmanians in the delivery of that procurement then that applies a weighting as well but there's a definitely a bias towards local procurement but it's not an absolute. It needs to be considered amongst all those other criteria and above a certain level they need to actually develop what we call a Tasmanian Industry Participation Plan. So when you go into a significant procurement then you've got to be able to clearly articulate how you're going to involve Tasmanian businesses and Tasmanian industries.

**CHAIR** - That seems like a very high threshold, \$2 million.

**Mr TERRY** - I'll check that. I'll check the threshold.

**CHAIR** - I was going to say I don't think that's - I'd suggest that a bit lower.

**Mr TERRY** - And just further to Anton's point, there's no requirement around private sector proponents applying Tasmanian Industry Participation Plans, but certainly, throughout our best practice procurement guidelines, we're encouraging them and we're saying that's a - for your kind of social license for your particular project, it's in your interest to demonstrate what are the benefits for jobs and the local economy. Particularly in some of those regional communities.

**A member** - There's two sides to it, that's all.

## PUBLIC

**CHAIR** - Especially if governments had some input into providing some funding for their initial work on a project. I'd expect that it would be a given. The Honourable Member for Launceston, Ms Armitage.

**Ms ARMITAGE** - Thank you, Chair. My question is a little bit different area.

**CHAIR** - Not to mix it up here, minister.

**Mr BARNETT** - That's all right. We're happy to oblige.

**Ms ARMITAGE** - Look, I think you'll find this one reasonably interesting. With regard to the replacement of the fossil fuel boilers and I noticed that was \$10 million over four years and if you can give an update then I've probably got a few more questions with regard to where they are and the type of reasons that they are actually in schools, hospitals and correctional facilities.

**Mr BARNETT** - Yes. Well, you've summarised it beautifully in terms of where we're focussing as a government. Focussing on schools, hospitals and correctional facilities, and so we've got fundings for it in the budget. As you say just short of 10 million for that. I've written to my relevant counterparts in that space, and I've had feedback including from the Minister for Corrections. They are keen to progress, but we have to work through exactly the type of boilers and where they are and how the money can best be used so we're working through that at the moment with my department and their department. So they have to do that analysis in the correctional facilities, in the schools, the hospital. I think it's fair to say that the King Island Hospital is one of those possible areas that we're looking at.

**CHAIR** - That had a significant upgrade. It's unusual that it wouldn't have been upgraded when the upgrade was done.

**Mr BARNETT** - This is in terms of their energy use, King Island. Of course, King Island as you know has got a bit of a hybrid approach and I was over there last year and had a look at that. It's a very innovative forward thinking renewable energy.

**CHAIR** - Public Works Committee first-hand.

**Mr BARNETT** - Did you get over there as well? Yes, well you know what's in place. So specific sites haven't been announced yet so I'm just giving you a heads-up that's been -

**Ms ARMITAGE** - So, none have been replaced. It was in last year's budget of course, as well.

**Mr BARNETT** - No, none have been replaced as yet. The work is still ongoing to work out exactly which ones need to be replaced.

**Ms ARMITAGE** - Because we did discuss it in last estimates, yes.

**Mr BARNETT** - We did and there's a lot of work that's gone on by my department and those other departments. Because they have to assess, you know, which boiler that needs to be replaced in that correctional facility for example, so that work is still ongoing. We're looking forward to progressing that because the funding is there in the budget as you correctly note and there's more work to do.

## PUBLIC

**CHAIR** - So no one's put their hand up yet?

**Mr BARNETT** - Well, they've put their hand up, particularly the corrections facilities. They've put their hand up, but we're working through which correctional facility, which boiler needs to be replaced and getting quotes and things in terms of those costs so that we can replace the fossil fuel with the renewable energy.

**Ms ARMITAGE** - So the schools, for example. What type of boilers would they have in schools? I can understand a hospital would have boilers to do with laundries and perhaps the same with correctional facilities or heating, but schools? I couldn't imagine boilers in schools even to do with heating.

**Mr BARNETT** - There are. I think heating as the Honourable Member's interjected, is one of those areas but again I've written to the relevant minister. In this case Roger Jaensch, and sought their feedback in terms of which schools, which fossil fuel boilers in those various schools that might be available for consideration. We've only got so much money of course.

**Ms ARMITAGE** - So I'm just wondering how many are you looking to replace? Do you have idea of the number.

**Mr BARNETT** - Well that's a very good question as well. There's still more work to do but I'll just see if Sean Terry can assist.

**Ms ARMITAGE** - Thank you.

**Mr TERRY** - There's three you missed. So we've got 65 fossil fuel boilers through government owned facilities. So they go across schools, hospitals, correctional facilities. So we engaged a consultant to do an assessment and assessed against three criteria. So that was socio-economic. You know the value adding aspects because where can we get extra value from our waste products, whether that's food waste or forestry waste. The second criteria was emissions reduction and then the third one was energy value. So our consultant went across all 65 boilers in government-owned facilities and identified the most prospective ones given we only had a limited bucket of money. The most prospective ones to move away from non-fossil fuel boilers.

Now I've got to say we also asked for more broader than just bio-energy, so some replacement doesn't suit itself to bio-energy. In some places it's better for electrification, particularly schools because, obviously we're already 100 per cent renewable energy so where you can convert from your fossil fuel - probably most likely a gas-fired boiler in a school, electrification might be the best solution for that particular school. But some of our other facilities where there's a lot of waste and by-product like correctional facilities, hospitals that they do suit themselves very well to bio-energy solutions as well, so we've gone through that process.

We've identified the most prospective sites within our limited bucket of money. As the minister said, we've now written to those particular - now we'll move into the implementation phase. You know, the design and this is going to be beyond my technical expertise, but we'll work with experts and this suits themselves very well where some of those boilers are getting to their end of life.

## PUBLIC

**Ms ARMITAGE** - Yes, I was going to ask you about age. So how old would some of the boilers be? Because would that come into it as well, the age of the boiler and obviously their end of life?

**Mr TERRY** - Yes. That would've gone into the assessment as well. I don't know specifically which ones are -

**CHAIR** - Is that available?

**Mr TERRY** - Sorry?

**CHAIR** - I'd be interested to have a look that. Is that available?

**Ms ARMITAGE** - It'd be interesting to know the age of some of them, particularly schools.

**Mr TERRY** - When we get to just wrapping this all up, I think we'll work to make a summary report of the - the consultant's report is quite technical in detail, but we'll work to develop a summary report which identifies where we're getting the best value for money for those most prospective boiler replacements as well.

**CHAIR** - I could give you a couple off the top of my head.

**Mr TERRY** - Yes.

**Ms ARMITAGE** - Do you have any idea though; how many you might be able to replace because obviously there's a cost of replacing.

**Mr TERRY** - Yes.

**Ms ARMITAGE** - So you're hoping to get 75 per cent, 50 per cent replacement. Or you have no idea at all.

**Mr TERRY** - Probably won't be up near that. It'll be a small - probably the schools where you can convert to electrification is where you'll be the most quantity but in some of these bigger facilities these are multi-million-dollar replacements of their boilers. So the correctional facilities, the hospitals, these are - and we've only got a \$10 million market, but schools I think you'll probably get a bit better bang for your buck.

**Ms ARMITAGE** - Have you had any real problems with some of these lately that have been identified, though? That some of the boilers have caused problems in these facilities. Have you had any issues with them?

**Mr TERRY** - I haven't. I'm not aware of - we've got an expert who works in ReCFIT, so we've got a bio-energy expert. So, we can certainly - I'm not personally aware of any kind of issues. But my guess is, as they're getting to their end of their useful life, they require more maintenance, more expenditure, and you get to a point where you can either keep patching these up and spending more money -

## PUBLIC

**Ms ARMITAGE** - We haven't had any major issues which have caused any major problems at any schools, correction facilities, or the hospitals.

**The Committee suspended from 10.47 am. to 11.01 a.m.**

**CHAIR** - Thank you, we'll recommence our broadcast. Welcome back minister Barnett and members, and his support people as well. Minister, I believe you have an answer to a question earlier asked by the member for Launceston.

**Mr BARNETT** - Yes, thanks very much, Chair, and to the member for Launceston, and committee members. In terms of the advanced meter rollout, I can advise the advice I have is that 164 000 meters have been rolled out, which is around 55 per cent of total Tasmanian customers that are now on advanced meters. I can also advise that Aurora Energy is on track to complete the majority of the meters ahead of the 2026 deadline, meaning that is the deadline, and the vast majority will be completed in advance of the deadline. They are very pleased with the rollout of advanced meters.

**Ms ARMITAGE** - Can I just ask a supplementary with regard to the questions I probably asked earlier? Just remembering that everyone pays, as part of their power bill, don't they, towards the smart meters, or the app basically. So, if that's across - no one actually pays to put the app on now, but it is included, isn't it, in the power bill of every consumer, from memory? Is that right?

**Mr BARNETT** - Up until recently there was a cost, as you might recall.

**Ms ARMITAGE** - An individual cost of putting it on, yes.

**Mr BARNETT** - Yes, an individual cost for putting it on. Then the government, in consultation, of course, with Aurora Energy, and Aurora Energy decided to remove that cost to make it free. Going forward, that cost is absorbed by Aurora Energy.

**Ms ARMITAGE** - Just to be clear, absorbed by Aurora Energy, or absorbed by the customers?

**Mr BARNETT** - Well, Aurora Energy obviously is an entity that needs to operate on a sustainable basis going forward, and that it is part of their total overall costs. Of course, they do get a revenue, of course, from the Tasmanian customers, small, medium and large. That's where the balance is. They do have to make submissions to the independent regulator, as you would know - every year to the economic regulator. That decision is made every year.

**Ms ARMITAGE** - Yes. So, it's transferred from the individual who gets the app to all the customers, which in some ways some people are paying for something they actually can't have because they haven't got a smart meter, but.

**Mr BARNETT** - I think it's a question best put to Aurora Energy.

**Ms ARMITAGE** - I will, but -

**Mr BARNETT** - They'll be here at the GBEs in a number of months.

## PUBLIC

**Ms ARMITAGE** - Yes.

**Mr BARNETT** - But as I say, it's absorbed by Aurora Energy and then we try and keep electricity costs as low as possible, which of course we are doing in Tasmania it's a saving for.

**Ms ARMITAGE** - Thank you.

**Mr VALENTINE** - It's a saving for them, isn't it, really. It's a saving for them really, because they have to put staff behind telephones, answering questions otherwise. So, it shouldn't cost any more for the user, if you like. But it's an interesting one. I don't think it ever should have been charged for in the first place, to be honest.

**Ms ARMITAGE** - As they say, someone always has to pay, and I'm sure someone's still paying now. Thank you. Thank you, minister.

**Mr BARNETT** - Thank you very much.

**CHAIR** - Minister, I have a question in relation to the northeast wind project and I'm interested in what government actions will be required for that particular project to proceed, given that it is a significant project proposed for the northeast of Tasmania in the order of, I believe, \$4 billion. So, can I have some understanding of the government's role?

**Mr BARNETT** - Yes, thank you very much. You can, and I understand why you would have that, particularly in your division of Murchison and the beautiful -

**CHAIR** - McIntyre.

**Mr BARNETT** - McIntyre. What am I saying, Murchison.

**CHAIR** - Thank you. But it starts with M.

**Mr BARNETT** - A little bit further west.

**CHAIR** - Yes.

**Mr BARNETT** - But of course, the beautiful north east, which is such a productive part of Tasmania. So, in short, Aeson, Australia's plans for 210 turbines located in that north east area, near the existing Musselroe Bay wind farm, and the town of Gladstone in the north east was declared a major project in 2022 by the Minister for Planning and Deputy Premier. Likewise, it would produce up to 1260 megawatts of installed wind capacity, which equates to essentially a 45 per cent increase in the generation needed to achieve our renewable energy target. They estimate - this is the proponent - up to 400 regional jobs at peak construction over at least three years. Yes, a \$4 billion project in terms of construction value. It will, of course, require EPBC approval and other relevant approvals. We are very pleased as a government that they are backing in our renewable energy future. They have very big plans and I congratulate them on their plans and their progress to date.

**CHAIR** - The Government's role, other than declaring it a major project - a project of major -



## PUBLIC

**Mr BARNETT** - Well, as a government, we collaborate closely with the proponent. They are progressing through the major projects planning approval process that allows for public consultation and feedback, environmental and planning approvals, which are important, consistent with major projects planning approval pathway. That will take considerable time in accordance with the laws that we have in Tasmania. So, as a government, we've set up the framework for project to progress. We support the project and the proponent in progressing, subject to the planning and approval pathway.

It's consistent with our renewable energy action plan. It's absolutely consistent with our target - and we congratulate them on their support so far. There are other areas that either the CEO or the executive director could add to my answer, I'm sure, but hopefully that will assist the member.

**CHAIR** - I was just interested in - I'm obviously aware of the project and I'll be facilitating a briefing in the near future. I'm just interested in the government's role.

**Mr BARNETT** - Yes, thank you. Thank you for your interest and your encouragement.

**Mr VALENTINE** - Can I just ask a supplementary on that?

**CHAIR** - You might.

**Mr VALENTINE** - Why wouldn't the Government itself develop a project like this rather than having a third party do it? All the complexities there are with dealing with third parties like - why wouldn't we as a government invest in something like that instead of getting someone else to do it? There's always a profit margin involved with a third party, and if we're delivering cheap electricity to Tasmanians, why wouldn't the government do it instead?

**Mr BARNETT** - Well, it's a fair question, and I understand where you're coming from. When you say 'we as a government', governments are, you know, not necessarily as good as the private sector in operating private operations and undertaking -

**Mr VALENTINE** - Well, you do a pretty good job on the Hydro side of things.

**Mr BARNETT** - Yes. Hydro Tasmania, 100 years of history there have contributed so much to our economy and our renewable energy future in particular. Obviously wind; they have some interest in wind, as you would be aware, through Hydro Tasmania, but proponents all around the world are very, very capable of building wind farms, and far more capable than state or federal governments, to be honest.

**Mr VALENTINE** - Really?

**Mr BARNETT** - Well, absolutely really. Because the private sector - obviously, we're always after best practise wherever possible and we set the guidelines, we set the rules, we set the planning and environmental approval process as a government, and then likewise, the federal government with the Environment Protection and Biodiversity Conservation Act and other relevant laws that apply - local government as well. So, I think we set the rules, the framework in which the private sector can invest and then build and operate, and that is our natural disposition as a government in Tasmania.

But we are always open to innovative approaches, particularly when it comes to renewable energies.

**Mr VALENTINE** - How do we maintain control of a project? Not a project; the resultant product of the project. How do we maintain control after the event in terms of when that energy is used and the like? I mean, do we have full control over that, or is that something that the third-party actually dictates to the government?

**Mr BARNETT** - We don't have full control over that. The third party would require, obviously, an offtake agreement or a power purchase agreement. Whether that be with one of the GBEs in Tasmania, for example, Hydro, or indeed TasNetworks or Aurora Energy. Hopefully with a proponent, whether it be a green hydrogen proponent, whether it be one of our major industrials, whether it be with another entity in Tasmania that might require access to very, very cost-effective electricity, as in wind. I said earlier, the lowest cost electricity in Australia today is wind and solar, when the wind is blowing, when the sun is shining.

**Mr VALENTINE** - What are getting back for the use of the wind that is blowing over our state? What are we actually getting back as a state? I know we're getting the investments happening in the state and the jobs are happening, and I appreciate that but, at the end of the day it won't take too many jobs to keep that all rolling on. What do we actually get in terms of dividends back out of that company, for instance, that is going to be doing the -

**Mr BARNETT** - Well, a two-part answer to that question. First of all, we get the same result from any other company in terms of with their investment in the community and the benefit for a state government, and indeed the federal government, through corporate taxes and the GST and the like, for which we are a very significant recipient in terms of the goods and services tax.

**CHAIR** - For now.

**Mr BARNETT** - Secondly, we get a renewable energy economy, and we are already leading there. We have got a growing economy, and our renewable energy plans are delivering much significant growth in this space. So as we deliver a renewable energy future, electrification of our economy and our transport - I have just spent some time in Europe, for example, the electrification of the economy, particularly for transport, is very significant. Investments there are very large, and they need to be here to assist as we transition to renewable energy and a clean energy future.

**Mr VALENTINE** - Do the offtake agreements, for instance, constrain us in any way, in terms of having to take their power for a specific period of time over a 24-hour period and -

**Mr BARNETT** - Going forward, the offtake agreements would be with private sector entities, whether it be major industrials, major businesses, hydrogen proponents or other proponents that might want to be in, certainly advanced manufacturing, building industry in whatever respect. You know, it is not just in the transport sector that we are looking at some -

**Mr VALENTINE** - No, no, I appreciate there are -

**Mr BARNETT** - We have a vision for a green energy future for Tasmania. I'm talking green aluminium, green steel, green manufacturing. This can be done and will be done in

## PUBLIC

Tasmania in the years and decades to come. We want to stay at the forefront. We're leading Australia in terms of 100 per cent fully self-sufficient in renewable energy, going to 200 per cent. We are way ahead of the rest of the country and way ahead of the rest of the world. Again, being in Europe, they are gobsmacked when I say we are at 100 per cent. They can't believe it; they think it is fantastic. They congratulate me and the government and the community on what is being achieved.

**Mr VALENTINE** - You realise we still import coal-fired electricity overnight, though, don't we?

**Mr BARNETT** - Across Bass Strait?

**Mr VALENTINE** - Yes.

**Mr BARNETT** - It's not all green across Bass Strait.

**Mr VALENTINE** - No.

**Mr BARNETT** - That is correct. But, of course, they have ambitions in Victoria to head to renewable power as soon as possible, so they are bringing on a lot more wind, a lot more solar, and of course less coal, and that is another reason for Marinus Link to back that in, because we need to have access to that low cost electricity so we can benefit the low prices energy security, obviously the growing economy and a cleaner world.

**CHAIR** - Minister, a beautiful segue into Marinus Link, so thank you.

**Mr BARNETT** - Sorry, the CEO wanted to add, very briefly -

**Mr VOSS** - Just briefly. You made a comment about a constraint of having to take the energy.

**Mr VALENTINE** - Yes.

**Mr VOSS** - So as the minister articulated ultimately the private sector proponents will enter into some form of financial contracting arrangement for a power purchasing agreement or what have you. But with regard to the actual operation of the market that is looked after by the Australian Energy -

**Mr VALENTINE** - No, I understand that.

**Mr VOSS** - So when the wind is being generated that is being managed by AEMO and balancing out supply and demand. One of the reasons prices do get low, and the minister mentioned there are negative prices sometimes, of course that renewable energy is just dispatched into the grid and AEMO is managing that as well as other important things like frequency control so that -

**Mr VALENTINE** - But how are we getting back a contribution for the use of poles and wires, for instance?

## PUBLIC

**Mr VOSS** - As the minister said there is a range of benefits that flow from wind farms, particularly with regard to growing the economy. Another one that he mentioned was payroll tax, for example, if that helped expand industrial or expand hydrogen plants, so there's some benefits there. Earlier we were talking about community benefits sharing, and once again I encourage you to have a look at those on the ReCFIT website. There is quite a bit of discussion in there around the government's expectations about wind farm developers and the contribution they make to the local community.

**CHAIR** - The member has had a bit of time in the budget papers in the last week, he hasn't had time to do everything.

**Mr VOSS** - Just to your question on the north east, if I can? I am just informed by the team that our understanding is that Aeson is going to start engagement with landowners on the transition line this week and then public consultation at the start of next week. So they are engaging in some of that very shortly.

**CHAIR** - They have reached out to the local members, so that is positive.

**Mr VOSS** - There you go.

**CHAIR** - Just that she has been a tad busy the last couple of weeks, and I am looking forward to that opportunity.

Minister, my understanding is, in regard to the Marinus Link, there needs to be a regulatory change at the national level. So you, minister, as the chief negotiator on behalf of Tasmania, can we have some understanding of where this project sits at this point in time?

**Mr BARNETT** - Yes, I'm happy to provide the Committee with an update.

**CHAIR** - What and where are the changes to that national regulatory -

**Mr BARNETT** - Yes, I'm happy to provide an update and I will ask my CEO to update as well to add to the answer. But, in short, the Marinus Link will deliver a growing economy and more jobs: Up to \$7 billion of investment in renewable energy projects in and around Tasmania, 1400 jobs directly during construction, thousands of jobs ongoing. It will deliver downward pressure on electricity prices and importantly provide the energy security we need in Tasmania.

We remember what happened with Basslink some years ago, so that will deliver more energy security. It will deliver emissions reductions equivalent to a million cars of petrol/diesel cars coming off the road all around Australia. As a result of this, 140 million tonnes by 2050. In addition, communications enhancement, so the telecommunications cable with Marinus Link will absolutely boost our opportunities for a use of that in Tasmania. In terms of an update on the regulatory side of things I will pass to the CEO of ReCFIT.

**CHAIR** - You are the chief negotiator though, is that correct, for this deal?

**Mr BARNETT** - When you say 'the deal', we had an arrangement with the federal government last year -

**CHAIR** - The arrangement.

**Mr BARNETT** - So together with the Prime Minister and the Premier, and the minister, Bowen, we made those commitments and they were released publicly on 19 October. With respect to the regulatory arrangements and the process which goes for an independent process I will ask the CEO to make reference to that.

**Mr VOSS** - Thank you, minister. Yes, I think what we're referring to is the rule change process that we'll need to go through. What that deals with is locking in the cost allocations shares as agreed in the arrangement between the Commonwealth and Victoria and Tasmania. We were talking about Basslink earlier, the current arrangement upon with the AR would work through regulating Marinus Link would probably give a different outcome than the arrangement that the government has entered into, which is trying -

**CHAIR** - We are looking at of 95 them, and perhaps there is three or four to us.

**Mr VOSS** - The government commitment has been around a 15 per cent impact on the original cost. So that rule change, that does need to go through the various processes. We were just working with the Commonwealth officials on this just last week or so, the approach we will take and how we will do that, but yes, there is some regulatory change which needs to happen and it can be done through the Australian Energy Market Commission Pathways rule change.

**CHAIR** - Wouldn't that be prudent to be the initial point; that that needs to be done first before anything else follows?

**Mr VOSS** - Yes, as you'd understand, there's a whole range of things that we need to work through with regards to the arrangement between Marinus Link and Victorian and Tasmanian and Commonwealth governments. A rule change process, you know, we've got to work through that; we've got to work out what it looks like; what's going to take some time. And there's a range of different things we need to do. So I don't think doing that first is necessary. Obviously, we'll only progress this if it's in the interests of Tasmanian customers, so it's part of the -

**Mr BARNETT** - Just to add to that, back in the CEO's last comment, it's subject to financial investment decision by the end of next year. It must be in Tasmania's best interest for us to proceed. It's a very important project which we do support and that's why we are testing the costs. The tenders went out before Christmas. Getting feedback on that in terms of is it in Tasmania's best interests. Cost benefit analysis. There's a lot of work that needs to be done. The Australian Government has a special interest in this, as we do and, of course, Victoria, and we want to make sure that it's in everybody's best interests.

**CHAIR** - Including the landowners who will need to have significant changes and interruption to some of their agricultural pursuits, if you like. That's why I'm interested, you know, why put them through that before there's even a decision of whether it is a good thing for Tasmania.

**Mr BARNETT** - It's a very major infrastructure project.

**CHAIR** - Agree wholeheartedly.

**Mr BARNETT** - The biggest one by a long shot for Tasmania and the biggest one since World War II for Australia in terms of renewable energy. In terms of farmers and landowners, there's what's called the design and approval phase which goes through to the end of next year. We're currently part way through that. That sort of assessment and review needs to be undertaken. I think you're referring to landowners and farmers which may be impacted by the transmission lines. Of course, the majority of those, they already have transmission lines which will need to be upgraded in some way.

**CHAIR** - Quite significantly increased in size. The footprint themselves will impact on current agriculture activities is my understanding.

**Mr BARNETT** - That's right. Some will and some won't. Some, in fact, will have a reduced easement rather than an increased easement, so it depends where you're talking about. Of course, these are all questions directly relevant to TasNetworks which is responsible for the North West Transmission Upgrade, which is very significant but it's essential to the Marinus Link project.

Now, I can give you a heads up to where you're going to - in terms of strategic benefits payments which may be payable and appropriate for the landowners and/or farmers, that's a matter that's being worked through with TasNetworks and the landowners, and in particular, TFGA at the moment, and the Farmers and Graziers Association. They're working their way through that in terms of what may be appropriate. Of course, those discussions then have to come back to the Treasurer and the government to see if we can get what's called a fair and reasonable arrangement for those, what's called, strategic benefit payments, and other SBP and other acronym. This has been consummated in Victoria and New South Wales and just last month in Queensland. So there's arrangements that have been put in place.

This has been relevant at the ministers' meeting in terms of energy ministers in the recent 12 months or more. We're all aware of that, we're working towards it, it is an important issue, we're collaborating really well - and when I say that, TasNetworks in particular - with the landowners. There are issues from time to time that have been brought to my attention, but on the whole, TasNetworks is working their way through that with the relevant landowners, and that's what we expect; for them to consult, for them to collaborate, to meet the relevant landowners and to work their way through those issues.

**CHAIR** - I've asked this before and I'll continue to ask it on behalf of those landowners who are significantly negatively impacted, is there a possibility that some of that network will be able to be put underground so that it won't interrupt with their current activities.

**Mr BARNETT** - TasNetworks has, again, consulted with the relevant landowners. They are aware of the position. It's a matter clearly for TasNetworks and the GBE hearings later this year. I can't speak for them but we do know, as a rule of thumb, it's between seven and 10 times more expensive to put the cable underground rather than aboveground. Again, that's a matter for TasNetworks. They are working their way through that. They are working very cooperatively with the TFGA and that's been happening over a long period of time now. I'm pleased about that, as the relevant minister, to ensure that we get a mutually agreeable outcome.

**CHAIR** - Sounds like it's a bit more positive than the flat no that I've received before, so thank you.

## PUBLIC

**Ms WEBB** - Can I have one for Marinus?

**CHAIR** - Yes, the member for Nelson.

**Ms WEBB** - Thank you, Chair. Just another aspect of Marinus that I'm interested to hear your comment on, minister, around the claim that's often made by you and others in the government that Marinus ultimately will contribute to lowering Tasmanian power prices. I want to understand where that claim has come from. Is it the case that there's independent modelling which shows that to be the case and, if so, who has done that modelling, and has it been released publicly?

**Mr BARNETT** - I think the answer is yes, yes and yes but let me explain. So that work has been undertaken by Marinus Link at \$60 to \$70 per household, is my understanding, in terms of, with Marinus Link, that would put downward pressure on electricity prices to that degree. Of course, without Marinus Link, we'd be actually worse off rather than better off when it comes to electricity prices. So that analysis has been done by Marinus Link.

**Ms WEBB** - It's not independent modelling then.

**Mr BARNETT** - It is publicly available. I'll just check with the CEO, if you'd like to add to that.

**Mr VOSS** - Yes, thank you, minister. Yes, TasNetworks has done, as the minister - there was modelling done on this by FTI Consulting. That documentation was released. It does show, as the minister was talking about earlier, as solar and wind rolls out around and across the country and us being connected to the NEM, that they are the two cheapest forms of energy which are currently available and that will put downward pressure on prices over time is what the modelling showed from FTI.

**Ms WEBB** - Thank you, so that modelling was done by TasNetworks.

**Mr VOSS** - On wholesale energy prices.

**Ms WEBB** - Right.

**Mr VALENTINE** - Can I ask something about that.

**CHAIR** - Supplementary, Mr Valentine.

**Mr VALENTINE** - Yes, so how much does Marinus Link rely on our good water storages? At the end of the day, like, can you tell me, you know, what our current water storage levels are at the moment. That would be good and, you know, do we have enough water to be able to make this viable, if I can put it that way. If we haven't got power to export but we can only import, it must change the viability.

**Mr BARNETT** - Thank you very much. Firstly, with respect to storages, I can tell you that as at today, our storages are 35.8 per cent, which is pretty good for this time of year.

**CHAIR** - Dry three months coming up though.

**Mr VALENTINE** - It's 4 per cent up on last year.

**CHAIR** - According to landline yesterday.

**Mr BARNETT** - Yes, thank you. The prudent supply level is 28.6 per cent and the high reliability level is 19.6 per cent. So you can see that 35.8 is well above both the prudent supply level and the high reliability level. So that's where we're at on storages. With respect to Marinus Link, obviously it enables and unlocks more renewable energy development in Tasmania and I've mentioned, based on not my say-so but the reports of some \$7 billion of investment over time, which is very good.

In terms of hydro, hydro going forward - and I'm not the expert but I can share with you as the Minister for Energy - in terms of how they buy and sell electricity, they're moving into the firming role where they will be firming wind and solar. Because you're going to have a host of wind and solar on the mainland, and obviously more in Tasmania, and as I say, we've already got two wind farms here in Tasmania more recently built in addition to those in the north-east and the north-west which were built many years ago. So Cattle Hill and Granville Harbour are the more recent ones. So they'll be moving more into firming the electricity when it comes to wind and solar.

So when you say, you know, will Marinus Link benefit with that, have we got enough water, it's how that's managed. Now since what you'd call a big, big challenge back in 2015-16 with the Basslink outage, which caused six months of pain and suffering, for which we have now been repaid all of the money that the state has been owed after many years of trying very hard to ensure that it's better managed, which it now is thanks to APA managing Basslink. So we've been able to get to a position where that is being managed well. Hydro Tasmania have to manage it in accordance with those rules. There's new framework which was put in the place. We have a review. We got the experts in. They set the water levels in terms of the high reliability level, the prudent storage level. Then they have to manage within those new rules. So whatever happens going forward, new rules are in place to manage how this operates, to protect the public interest so that that will never happen again.

**Mr VALENTINE** - But demand from the mainland is obviously the most important thing when it comes to Marinus Link, one would expect. With things like pumped hydro for the Snowy Scheme, and all of those sorts of things isn't demand going to reduce over time, rather than increase?

**Mr BARNETT** - No.

**Mr VALENTINE** - You say they're moving into a firming role, but isn't firming happening on the mainland as well as here?

**Mr BARNETT** - There is some firming on the mainland, but there's close to 10 times what we're currently producing in terms of firming that's required on the mainland. It's because they have a mass increase in wind and solar. They don't have the firming.

**Mr VALENTINE** - No, I appreciate that.

**Mr BARNETT** - They don't have the reliable electricity. Yes, Snowy 2.0, which we support - good on them, well done - but that is about that much of the total amount required by



## PUBLIC

2030 and 2040 and 2050. So Tasmania is in the box seat to be the battery of the nation, and it will be for our benefit. It will be managed carefully so that we get the benefits back to Tasmania, back to Hydro Tasmania, back to, of course, investing in schools, in hospitals, in police and the like.

**Mr VALENTINE** - I look forward to seeing the business case, to be quite honest.

**Mr BARNETT** - Already one business case is out there.

**Mr VALENTINE** - One is.

**Mr BARNETT** - Marinus Link have a number of business cases, but that was the one I'm talking about in terms of the cost-benefit analysis. We need to be satisfied by the end of next year through financial investment decision that will be further tested with the tenders and the other costs that are coming in terms of the supply chain. There are plenty of challenges there, but we're up for the challenge.

**Mr VALENTINE** - It will be my colleagues that will have to drill down through that next year, because I won't be here, minister.

**CHAIR** - We'll just have to hope that the economic regulator looks after Tasmania.

**Mr BARNETT** - You won't be here?

**Mr VALENTINE** - No.

**Mr BARNETT** - Post-May.

**Mr VALENTINE** - Post-May. It's my final -

**Mr BARNETT** - Is this your swansong?

**Mr VALENTINE** - It's my swansong today.

**Mr BARNETT** - Today.

**Mr VALENTINE** - When it comes to you.

**Mr BARNETT** - We should pass on a hearty congratulations and thank you for your service.

**Mr VALENTINE** - That's okay. I just hope that you get the question.

**CHAIR** - But I can inform you he's around for the rest of the week. Thank you. Mr Willie, and then I'm going back up the table.

**Mr WILLIE** - You did claim you'd be watching next year, which I don't think you will be.

**Mr VALENTINE** - Yes. No, I might. I might. I'd just like to see how that gets handled.

## PUBLIC

**Mr WILLIE** - Minister, you've mentioned pumped hydro. On December 15, 2020, and I'm not sure if I'm saying this right, but Lake Cethana was selected as Hydro's preferred pumped hydro site, and then it would progress to the final feasibility stage. What's the status of that work?

**Mr BARNETT** - I am so pleased you've asked. I'm so pleased you've asked.

**Mr WILLIE** - If I ask the DD?

**Mr BARNETT** - I was shocked last week when your counterpart didn't seem to know anything about Lake Cethana. Lake Cethana is Hydro Tasmania's preferred site for pumped hydro in Tasmania. We are very excited about it as a government, and it picks up on the point that the member made earlier about reliable electricity, which there will be a massive demand for that going forward across Australia. In Tasmania we have it, and we can do more. Lake Cethana is a proposal for a 750 megawatt pumped hydro project, obviously at Lake Cethana. Estimated at the time in and around \$1.5 billion.

The federal government have, so your counterparts, are very supportive of it, and in fact have provided support to Tasmania with concessional finance for both Tarraleah Power Station upgrade and Lake Cethana project going forward. So up to a billion dollars of concessional finance for those projects through to Hydro Tasmania to get on with the job. That's all subject to financial investment decision. There is more work to do. They are in feasibility and pre-feasibility stages for Lake Cethana, but it is very exciting. I've been there on a number of occasions, as I know others have. It's one of the most beautiful sites around.

Tasmania is brilliantly placed for pumped hydro because of our geography and topography, because you have to have two reservoirs or dams. So you've got one, you build another, and you pump the water up when the electricity costs are low, when the wind is blowing, you pump it up. It might be negative prices, or very low prices. You pump it up to the top reservoir. When the prices are high, you let it go, and you can make a lot of money.

**Mr WILLIE** - We know how it works. My question is about the feasibility study. Has that been handed to government? It sounds like it hasn't.

**Mr BARNETT** - It's ongoing. There's a lot of work, more work to do, and so financial investment decisions are a fair way down the track.

**Mr WILLIE** - My other question; you mentioned Tarraleah. The government is funding that. Why isn't Hydro funding that as their asset?

**Mr BARNETT** - Again, I think there's a misunderstanding there. It's a Hydro Tasmania asset, a Hydro Tasmania project. The federal government we secured, thanks to the former federal government which is supported by the current federal government, \$65 million - for which we're very grateful - to that development. That's for the early works, which are well and truly underway. I've been up there some months ago. It's fantastic to see the -

**CHAIR** - Fishing?

**Mr BARNETT** - I'd love to. I didn't have time for fishing. But there was plenty of time to see the civil construction work and the dozens and dozens of jobs that are ongoing at

## PUBLIC

Tarraleah. They've got their \$65 million of federal government funding for that early works, together with the \$58 million-odd from Hydro Tasmania, which is progressing for the Tarraleah redevelopment. It will either be a redevelopment consistent with Marinus Link and tied to Marinus Link, or it simply needs to be upgraded because of its age.

**Mr WILLIE** - There is no misunderstanding here, minister. Why isn't Hydro funding that themselves as their asset? Is it because of their debt position that they need equity contributions from the government?

**Mr BARNETT** - It's because, on behalf of Hydro Tasmania, the minister asked the federal government for support, and it gained that support some years ago and got the \$65 million of support so that we could commence the early works to progress the Tarraleah redevelopment.

**Mr WILLIE** - Did they have to ask for the government equity contribution because of Hydro's debt position?

**Mr BARNETT** - I think there's a misunderstanding at your end. I've said we got \$65 million from the federal government. Hydro are putting in \$58 million for these early works. So that's Hydro Tasmania.

**Mr WILLIE** - Yes.

**Mr BARNETT** - Not the state government.

**Mr WILLIE** - Yes.

**Mr BARNETT** - Hydro Tasmania, federal government funding. They're getting on with the job. We're very pleased with that. It's excellent. They are going through further feasibility to assess the merits of a full redevelopment of the power station to go from 110 megawatts to about 190 megawatts. That's a very significant increase, which again is tied to Marinus Link. If that was not to proceed, they would do some other development or redevelopment of the Tarraleah Power Station.

**Mr VALENTINE** - That's a question of mine. I just thought if Marinus hasn't actually been fully signed off yet, and yet this commitment is happening from the federal government, it's an interesting circumstance, isn't it?

**Mr BARNETT** - Isn't it interesting, and isn't it excellent that we've got a federal government, both the previous and the current one, which is so supportive of Tasmania's renewable energy plans. They want Tasmania to do well, to prosper, to grow the jobs and deliver a cleaner environment. This is exactly what's happening, because we've delivered a vision and they are backing in that vision. Hydro Tasmania is delivering on the vision. They are spending \$58 million of their money, \$65 million of federal money to progress this work at Tarraleah, which must be done. It is more than 80 years old. I think it's closer to 85 -

**Mr VALENTINE** - That's what I was saying earlier, minister.

**Mr BARNETT** - 85 years of age, and I've visited many times. It needs a development or a redevelopment, and this is exactly what's happening. It's very exciting stuff. It's taking us into the 21st century and beyond.

## PUBLIC

**Mr VALENTINE** - That's what I was saying earlier, minister, about Marinus Link actually being a conduit to upgrade the facilities.

**Mr BARNETT** - Yes, thank you.

**Mr VALENTINE** - I'm not sure that that was connected. But it seems to me then that Marinus Link is a fait accompli if the federal government is buying into this. I just can't understand why the federal government would put money into that without Marinus being ticked off, that's all. Maybe you can explain that to me.

**Mr BARNETT** - Thank you. The CEO can add.

**Mr VOSS** - Thank you, minister. As the minister said earlier, the projects haven't come to a final financial decision yet. That's all later next year. The reality of projects of this scale, they are multi, as you know. They are multi-billion dollar projects, and working -

**Mr VALENTINE** - I appreciate that, absolutely.

**Mr VOSS** - And working there, and working through feasibilities and business cases, engineering assessments, there's an enormous amount of work that goes into these projects. That's costly. The funding from the Commonwealth, and the funding from Hydro is around trying to get all that work done, and it does cost a lot of money. Going back to your second point, why would they put the money in? It's part of the design and approvals phase to get to final investment decision. So yes. There's nothing unusual about that. It's just the reality of how very large projects are funded. You've got to do a lot of work before you get to those decision points.

**CHAIR** - I'd like to see the funding arrangements sometime in the very near future. That's what I'm waiting for. Thank you. Ms Webb.

**Ms WEBB** - Are we all right to move off Marinus? If other people want to stay on it -

**CHAIR** - Is there any other question on Marinus other than the one that I just posed? I know that you can't answer that right now. But I know as the chief negotiator, you'll be working hard for Tasmania.

**Mr WILLIE** - Just one last one. In terms of the Lake Cethana feasibility, when are you expecting that to be completed and is there any specifics to the holdup for that?

**Mr VOSS** - My understanding is that we are through the feasibility stage. Now, we've gone into the more detailed business case stage. What'll happen next is Hydro is doing a draft business case, and that's being worked through at the moment. Then ultimately a final will come. That's yet to come to government.

**CHAIR** - We have about -

**Mr WILLIE** - Do you know when you're expecting it?

**Mr VOSS** - I don't know, exactly. I do believe the draft should be some time later this year, I would've thought.

## PUBLIC

**Mr WILLIE** - All right.

**Mr BARNETT** - If not, it'll be next year. I thought it was next year, but we can clarify that and let you know.

**CHAIR** - Thank you. We have about ten minutes left -

**Ms WEBB** - Okay.

**CHAIR** - A question from the member for Nelson.

**Ms WEBB** - I'll try and just get through this one quickly. Minister, last year during Aurora Energy GBE scrutiny hearings - that was 30 November last year - I asked Aurora whether they had made a submission to the Federal Government's review of the Renewable Energy Target, the RET. The response at the time -

**Mr BARNETT** - Could you just repeat that? I apologise, because I missed that.

**Ms WEBB** - Sure. I'll start again.

**Mr BARNETT** - Would you mind? Okay.

**Ms WEBB** - I'll speak a little bit slower, too. So last year, during Aurora's GBE in November, I asked whether Aurora had made a submission to the Federal Government's Renewable Energy Target, the RET. The response at the time from Aurora was that a submission would be made by the Tasmanian government, not by them. I'm wanting to check in with you now, minister, did the Tasmanian government make a submission to the RET?

**Mr BARNETT** - I think it relates to a particular federal government inquiry that was taking place at the time. The state Government did make a submission, and I'll pass to the executive director.

**Mr TERRY** - Yes. Through you, minister. I'm not aware of a broad-based review of the Renewable Energy Target. I certainly know we made a submission into the inclusion of native forest biomass eligibility for renewable energy certificate. So that's one submission we did make.

**Ms WEBB** - That's the one I think I'm interested in.

**Mr TERRY** - Yes, we did make a submission into that.

**Ms WEBB** - Did our submission, then, argue for the inclusion of native forest logging residue to be defined renewable biomass source.

**Mr TERRY** - Yes, it did. We argued for its continued inclusion. My understanding is, though, they now made their determination from that review, and it's now excluded.

**Ms WEBB** - What's our estimated and or projected amount of native forest sources biomass used to generate energy here? For what purpose is that energy generated? Is it for on-site boilers and things, or is it for sale via the grid?

## PUBLIC

**Mr BARNETT** - I think that would be a matter for the Minister of Resources in terms of the use of wood residue. Of course -

**Ms WEBB** - But I'm asking about the use of it to generate energy.

**Mr BARNETT** - Every time I go to Smithton, I obviously am aware of the use of the aquatic centre, and the use of wood residue from Britton Brothers for their boiler to heat the swimming pool and the aquatic.

**Ms WEBB** - Do we have any going into the grid?

**Mr BARNETT** - There will, no doubt, be many other parts of Tasmania and businesses that use wood residue. For example, at Longford in the division of McIntyre and the electorate of Lyons, with the - our brick manufacturing. Yes. They use likewise wood residue for manufacturing clean bricks, which is used for building homes and businesses in Tasmania. But in terms of large-scale use of wood residue for energy, I'm not aware of any operation that is currently underway.

**Ms WEBB** - I'm just essentially looking to see that we can guarantee that Tasmanian domestic electricity consumers, and interstate consumers, perhaps - that we've sold electricity interstate and they're using it - they are not receiving native forest biomass derived energy. Is that something that we can say for sure?

**Mr BARNETT** - Certainly, there's no large-scale electricity generation from wood residue.

**Ms WEBB** - That wasn't my question. Can we guarantee that Tasmanian domestic electricity consumers, or interstate consumers of Tasmanian energy sent over there via the link at the moment, are not receiving energy that's derived from biomass - native forest biomass?

**Mr BARNETT** - I think, as I said, there's no large scale. Now, whether there's a smaller scale one that I'm not aware of - but we are aware of 10 industrial-scale boilers or kilns that combust sawmill residues or wood chips. But again, that's not directly for electricity.

**Ms WEBB** - I'm mostly interested in what's in the grid and used for domestic or interstate. Because, of course, what I'm thinking about is renewable energy certificates, RECs, and whether, if there is - if we know that native biomass has been excluded, and therefore it can't be counted towards RECs, then do we need to inform either domestic or interstate users of our grid power that that won't qualify for a REC because we can't guarantee it's not derived from native forest biomass.

**Mr BARNETT** - There's a two-part answer. We already have a renewable energy power source in Tasmania, as in hydro, wind, solar. I'm not aware of, firstly, for any large industrial-scale boilers using wood residue, nor am I aware of any medium or smaller ones. Although, I can't rule out if there are smaller ones. Although, I am not aware of any, is the answer to your question.

**Ms WEBB** - And so we don't have a sense that that potentially impacts on the qualifying for renewable energy certificates in that sense, for our state?

**Mr BARNETT** - I'm confident there's no direct impact.

## PUBLIC

**Ms WEBB** - Okay. Thank you. I've got other areas, but I haven't - I know we're time-poor.

**CHAIR** - Okay. One last question that I have is in regard to the director of energy planning annual report. Last year we were informed that the gigawatt hours of yield would be doubled by 2040. Is that target still on track? Just interested. I know that'll probably be one for your learned advisor.

**Mr BARNETT** - Yes, thank you. Yes, we will pass to Mr Terry as the relevant advisor on this matter. But we have done a lot of work in this space. ReCFIT have done requests for information and response, and the feedback in terms of opportunities to 2030 and 2040 are very significant, but I'll ask Mr Terry to respond more directly.

**CHAIR** - We were actually provided with some gigawatt hours last year. I'm just interested in -

**Mr TERRY** - I'll have to take that on notice about how we'd move from - in terms of our additional generation. I'll come back to you with where we've moved from those numbers.

**CHAIR** - All right.

**Mr TERRY** - Most of that growth was in rooftop solar, and I expect that that'll be the same for the next - for this 12 months that has just gone. I can be able to provide that. In terms of meeting the target, we ran a register of interest process in the middle of last year, just to kind of gauge the amount of interest and prospective projects are out there. We got many, many, many multiples of both our 2030 and our 2040 targets, but of course, these projects have to be delivered to be realised. What you will see is step changes in achieving the target. At the moment it's fairly small, organic growth, largely driven by rooftop solar and perhaps some other smaller generation schemes. As some of these projects come online then you will expect to see step changes towards achievement of those targets. Those projects are still a number of years away from actually being constructed, and -

**CHAIR** - Are you hoping to come home strong?

**Mr TERRY** - That's right. Not like Cartman.

**CHAIR** - We won't talk about Cartman and their performance. We will leave that to another day.

**Mr BARNETT** - Chair, it's up to you, but we have an update on the register of interest if you wanted that. It is up to you and the committee.

**CHAIR** - Thank you, we will take that now and then we will just suspend briefly while we have a change at the table for our next area, so thank you.

**Mr VOSS** - Just briefly, elaborating on what Mr Terry said, to be honest it was overwhelmingly large. We were surprised at how much interest there was in Tasmania when we did the ROI, so looking at expressions of around 28 gigawatts of generation and \$83 billion in investment, they're not very, very large numbers. The time frames involved vary, there's approval processes to go through and the commercials have got to stack up.

## PUBLIC

To your question around meeting the parliament-legislated target, we have more than - many, many multiples larger than that even if only a relatively small percentage of those get up. Yes, so we've just got to work through those processes.

**CHAIR** - Just making sure that I've got that question ready for next year when the member for Hobart is watching online, apparently.

**Mr VALENTINE** - I reckon he might. I will miss it.

**CHAIR** - Yes. Thank you very much. We have a number of other questions. Members have other opportunities and they use those opportunities -

**Mr BARNETT** - To answer an earlier question regarding Savannah pumped hydro, the project is going through a business case and a procurement process. The preliminary business case for this project is currently being developed and will be considered by the Hydro Tasmania board over coming months. I note that that is preliminary. That is an update for the Committee.

**CHAIR** - Thank you. And we would like to thank everyone who has supported the minister in his output areas of energy and renewables, and now we will suspend for just while we have a change at the table and welcome those who support you as the Minister for Veterans' Affairs, an area that we know you are strongly devoted to. Thank you.

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

**The Committee suspended from 11.52 a.m. to 11.55 a.m.**

### **DIVISION 10**

(Department of Premier and Cabinet)

### **Output Group 7**

Community Partnership and Priorities

#### **7.7 Veterans' Affairs**

**CHAIR** - Minister, we would invite you to introduce your team at the table, and make an overview of this particular area as well as in the capacity as Minister for Veterans' Affairs.

**Mr BARNETT** - Thanks very much, Chair, and to the members. Thank you for the opportunity to be here today. I would like to welcome and introduce our Acting Deputy Secretary of Community Partnerships and Priorities, Courtney Hurworth, who is on my left, and Brett Noble, Acting Director Community Policy and Engagement.

**CHAIR** - Welcome to you both.

**Mr BARNETT** - I would like to thank them for their support today, and likewise Teresa Smith, Assistant Director Community Policy and Engagement, who I am sure is watching on.

Chair, through you, first of all, I would like to pay a tribute to Judy Travers, whose funeral is today. She was an outstanding educationalist, former principal, community leader and who had done so much for the Frank MacDonald prize participants for the last nearly 20 years,



## PUBLIC

19 years, and has been a standout and outstanding. She has been a friend to so many, including me. I wish Phillip and the family sincere condolences at this time, which is a very difficult time for the family. I acknowledge that and thank her for her contribution.

**CHAIR** - Thank you very much, minister, and the committee certainly supports those deepest sympathies, and we appreciate you acknowledging that and putting it on the public record. Thank you.

**Mr BARNETT** - Thank you. I was pleased to pay a tribute in the House last week, and that is noted on the *Hansard*. We have 17 000 veterans in Tasmania and their families, so I am humbled and honoured to be the Minister for Veterans' Affairs. I want to first acknowledge and thank them for their service and their sacrifice.

Today is 5 June, which is the day before 6 June, which is D-Day: 3000 Aussies were preparing to partake in the largest World War II battles. So, 6 June is a big day. It was the turning point in the war which ended up freeing France and indeed freeing occupied Europe. In fact, there were 2000 to 2500 RAAF airmen who supported D-Day and Australian squadrons, British Royal Air Force units and approximately 500 members of the Royal Australian Navy who were serving with the Royal Navy vessels on D-Day all those years ago. So I acknowledge that.

This year obviously is the 50th anniversary of the end of the Vietnam war, so I acknowledge our Vietnam Veterans, thank them for their service.

Likewise, it is coming up to the 20th year of Frank MacDonald, Tasmania's oldest-serving World War I veteran. Of course, the Frank MacDonald Prize is in his name, and I also want to acknowledge the hard work of Legacy, which is 100 years of Legacy which started here in Tasmania with Sir John Gellibrand, born and raised in Ouse in the wonderful electorate of Lyons, and who did so much. It was a real honour and a privilege to be at Pozieres to stand with the mayor of Pozieres together with the Frank MacDonald students and many others, including the federal minister, Matt Thistlethwaite, for the launch of the Legacy Torch just last month of 23 April in France.

**CHAIR** - It's nice to see that you finally had the opportunity to participate, minister.

**Mr BARNETT** - I finally got there, thank you very much. I know you would support that and many others as well, and it was a great privilege and honour and the students are outstanding students and future leaders for our state and our country in my view. I am very proud of them. So our budget continues supporting our veterans, RSL Tasmania and its various sub-branches, \$1.4 million to new and existing programs to support them over the forward estimates.

Frank MacDonald Memorial Prize, the Cameron Baird VCMG Scholarship, the Teddy Sheehan VC Memorial Grants, the reception for Tasmanian Members of the Australian Defence Force deployed overseas and the support, of course, for Hobart and Launceston Legacy and of course I've got a vested interest there to some degree, so I declare with my grandfather having been president of Hobart Legacy and likewise president of the RAAF Association here in Hobart as well. Stan, who the member remembers well from years ago. He flew a bi-plane in the first world war with the Royal Flying Cor and survived, hence I'm here and grateful for his service and an outstanding man as you know.

## PUBLIC

The Veteran's Wellbeing Voucher Program is continuing to be available to support our veterans and our sporting organisations, and I know committee members have previously expressed interest in that, and of course, I look forward to discussions and interchange with members of the committee, supported by the department.

**CHAIR** - Thank you very much, and I appreciate that overview that you've provided there, and some of those important dates and some of those significant years that followed those significant dates. So, thank you.

I will invite Mr Valentine to start the line of questioning on this area and then I'll go up and down the table.

**Mr VALENTINE** - Thank you, Chair. I add my condolences with respect to Judy Travers. I had known Judy for many years, and it was indeed a sad occasion to learn of her passing. My condolences to Philip and her children are certainly extended. A wonderful lady and very dedicated to the things that she participated in.

With respect to the budget, notice in this particular output group in budget paper 2. 2021-22, not this year, it states that, 'Funding over four years from 2021-22 including indexation will be provided to RSL Tasmania to support Tas Veterans and ex-serving personnel'. However, in that budget paper, there's no contingent additional appropriation beyond 2021-22. It seemed a bit odd that the statement would say it's going to be for four years, but there was no out view funding, and then in last year's budget paper the appropriation effects only a minor increase and the note relating to this item states that the funding model in 2021-22 represented the one-off appropriation in 2021-22.

I'm just wondering what that was initially for. Why it was one year. Was it COVID maybe? I don't know. What it actually achieved. What that funding achieved, because it certainly wasn't carried forward to, indeed, this year, as was initially intended.

**Mr BARNETT** - Thank you for the question. I hope we can get to the bottom of it to satisfy the member. It's in two parts. The RSL Tasmania is a peak body. We identified them as a peak body some years ago as the government and myself thought that was appropriate and the important thing to do, so there's funding as a peak body, and then there's special projects. I'll just check with my acting deputy secretary to see if we can flesh that out for the member so that you can see the difference between the peak body funding and other projects.

**Ms HURWORTH** - Through you, minister, in the 2021-22 Budget there was \$477 000 for election commitments, which were for individual RSLs for different upgrades and things like that. Then there was peak body funding which goes until this 2023-24 year, and at that point, we don't have any ongoing funding beyond that, and then there was project funding for RSL which is the same. It goes to the 2023-24 year and then no further funding. Then in 2020 there was a COVID program for RSLs and ex-service organisations around reimbursing them for lost costs because they couldn't open.

**Mr VALENTINE** - Yes, that's fine. It just seemed odd that it talked about four years of funding but there was only one year of funding actually provided. That's all. I just wasn't sure why that had occurred the way it did and maybe it was a mistake in the way the preamble was, you know -

## PUBLIC

**Mr BARNETT** - Thanks for the question and I understand where you're coming from the way that you've read it. Obviously, these matters will be considered in the budget context going forward. They are a peak body. They are funded in the past years and for this year and of course we'll be considering their future support in future years and that's considered in the budget context.

**CHAIR** - Bit of lobbying to be done, minister.

**Mr VALENTINE** - Now, I note last year it was ten and a half thousand veterans across the state. Now it's seventeen and a half. That's a significant shift in a year. What's caused that?

**Mr BARNETT** - It is a significant shift and it's a surprise to most, but it's also a welcome surprise, and it's as a result of the federal government's ABS review and assessment. If you might recall with the population assessment again, they didn't quite get it right in terms of the numbers. If you remember in terms of population, you know, we've ended up having 30 000 more than what we expected we would have so we're not at 571 000 in Tasmania at the end of last year in accordance with the ABS stats and we're on track to hit the 650 mark by 2032-33. Okay, so that's the population stats as a result of the work that they did and undertook, and they did their surveys and assessments.

They have estimated seventeen and a half thousand in Tasmania which is, as I say, welcome but before they'd done that more thoughtful comprehensive research it was in and around ten and a half thousand. So you were right as to what was estimated. Now the estimates have been updated thanks to the federal government.

**Mr VALENTINE** - That's a 70 per cent uplift at least.

**Mr BARNETT** - Well, that's right, and I think, thank goodness, it's been updated and it's now - I think it's far more appropriate, because for me, it's really important. We've got seventeen and a half thousand veterans and their families, which is a big increase.

**Mr VALENTINE** - To that point though, in this year's budget basically the appropriation shows a continued reduction in the appropriation reduced into just \$384 000 in 2026-27, so if, in fact, our population of veterans has gone up so high and yet the appropriation is going down. Can you explain why that would be the case?

**Mr BARNETT** - I can explain it, because it's considered in the Budget context. What we do have is funding for this financial year, and obviously, as you've outlined, the budget papers outline what's available for future years, but that is always considered each year as part of the budget process. The minister is a very strong advocate for veterans and will continue to be a strong advocate, as is the government an advocate for our veterans. I know others around this table are as well. We will continue to ensure that they are a priority, they are valued, and they are cared for and supported in the best way possible and so we'll continue to work through those issues as we prepare future budgets for Tasmania.

**Mr VALENTINE** - So the Legacy payments, Hobart and Launceston were \$40 000 last year. What's this year? How much is being provided?

**Mr BARNETT** - Yes. My understanding it's the same with indexation so for both Hobart Legacy, Launceston Legacy indexed.

## PUBLIC

**Mr VALENTINE** - So nothing extra for their hundredth year. Obviously, a significant milestone for them.

**Mr BARNETT** - Yes, I'm glad you asked.

**Mr VALENTINE** - It gives you an opportunity to spruik something, does it.

**Mr BARNETT** - Well, it does, we actually are going -

**CHAIR** - So there's a media release at 1 o'clock?

**Mr BARNETT** - No. It's a reference to a former media release of some \$25 000 that we provided for the Legacy flame tour of Tasmania. As I said, it launched 23 April in Pozieres, into England. Now it's coming back to Australia to all of the Legacies around Australia. There's some \$50 000. In and around October; the first week of October, in fact, it'll go into Launceston, to Ouse, the home birthplace of Sir John Gellibrand and then down to Hobart and the Governor of Tasmania will receive the torch. I think it's at Lindisfarne RSL in the first week of October and it will actually head back to Melbourne after that. We're very pleased and proud to support Legacy for \$25 000.

**Mr VALENTINE** - So you're giving them an extra \$25 000 this year in their 100th year. Is that what I'm hearing?

**Mr BARNETT** - Correct. You are.

**Mr VALENTINE** - And so, \$40 000 plus \$25 000?

**Mr BARNETT** - Yes. That's correct.

**Mr VALENTINE** - For each? For each, or only \$25 000 as a state -

**Mr BARNETT** - No, no, we've got the \$40 000, which is 2020, and then an additional \$25 000 for the torch relay to celebrate their one -

**Mr VALENTINE** - For the whole state?

**Mr BARNETT** - For the whole state for their 100 years, for which we are very proud. Of course, there's the grevillea flame, a promotion of the grevilleas, which is a special for Legacy, and it's a promotion. I encourage all Tasmanians to buy a Legacy grevillea, and donations from that purchase go directly to Legacy. They're hoping to raise millions of dollars all around Australia.

**Mr VALENTINE** - Seeing as you've just given an ad, minister, whereabouts are they available?

**Mr BARNETT** - I think at most -

**CHAIR** - Good bookstores.

**Mr BARNETT** - Good bookstores and good nurseries.

## PUBLIC

**Mr VALENTINE** - Nurseries. Okay. So, with respect to the Royal Commission into Defence and Veteran Suicide, what is its status? If it's completed, what has resulted from it and has there been any financial impact on Tas government in any way as a result?

**Mr BARNETT** - That's a good question, both questions. There's a two-part question there. It's ongoing. The royal commission has been to Tasmania, and I think I was the first minister to appear before the royal commission. It was an honour to be there under difficult circumstances in terms of their inquiry into deaths and suicide for our veterans.

Health and wellbeing is an absolute top priority for our government. We work with the federal government in that regard, and I can share more about that. There's been no specific costs incurred by the state government other than our support for health and wellbeing, and we provided \$60 000 to the research and the feasibility work that was undertaken to establish the health and wellbeing services in Tasmania, where we secured \$5 million from the federal government for those services for Tasmania, which now have to be rolled out. So, there's more work to do.

But apart from that, there has been an interim report from the royal commission, so just a heads up on that, on 11 August. There were 13 recommendations aimed at resolving urgent and immediate issues which are all directed at the Commonwealth government in line with its primary responsibilities for Veterans Affairs.

**CHAIR** - We have a supplementary.

**Mr VALENTINE** - Yes.

**CHAIR** - Sorry. I thought it was a supplementary. If you want to finish yours, member, and then we'll -

**Mr VALENTINE** - Yes. I've got a few questions. The Vet's voucher system, \$100, was last year. Is that still \$100, and how many were allocated in 2022-23?

**Mr BARNETT** - Thank you for the question. I will pass to my Acting Deputy Secretary in a moment. They're very important. I've met with many veterans who've appreciated the voucher. I've met with sporting organisations, bowls club, golfing clubs and the like, which likewise appreciate the support. It's a commitment of \$200 000 over four years. That's my understanding. \$50 000 in each of those years to make health and wellbeing vouchers available to veterans for gym and sporting club memberships. In terms of the update, I wonder if my Acting Deputy Secretary could assist.

**Ms HURWORTH** - Two hundred and six vouchers have been given out in the last year.

**Mr VALENTINE** - Two hundred and six.

**Ms HURWORTH** - Yes.

**Mr VALENTINE** - I reckon there might be more if we've got a lift in veteran numbers. That might be interesting. I'm sure the member for Elwick has probably got some more questions on active providers. Is that right?

## PUBLIC

**Mr WILLIE** - I've got some on mental health.

**Mr VALENTINE** - Okay, well, I'll go to the active providers. So have the active -

**Ms ARMITAGE** - I've got a supplementary on that one before we leave that.

**CHAIR** - On the vouchers?

**Ms ARMITAGE** - On the vouchers.

**Mr VALENTINE** - Go for it.

**CHAIR** - Thank you.

**Ms ARMITAGE** - If that's okay. So, \$20 600. So obviously we've got quite a bit of money left in that budget. So, with any money left over each budget, are you prepared to roll that over and continue the scheme longer?

**Mr BARNETT** - Yes, is the answer. Yes, absolutely. We don't want to lose any of those funds. They should be used in the veteran space, which is what we're doing.

**Ms ARMITAGE** - So, how are we advertising it to if - I know when I look, there are quite a few bowls clubs and some gyms. So, how are we letting the clubs know, or it is incumbent upon the veterans to actually go to a club and say, 'Okay, look, join up because I'd like to be part of your club'?

**Mr BARNETT** - That's a really good question, and it's crossed our minds a number of occasions. That's why we undertook a two-week promotions and awareness campaign towards the end of last year. We're planning on another, I think. Around about a two-week campaign towards Remembrance Day this year. I will ask the Deputy Secretary just to maybe flesh that out and outline how those campaigns are going. And if that's accurate, I think there was a campaign prior to Anzac Day as well this year. So, you are right. We would like more veterans to be aware of that, and the various sporting organisations.

**Ms ARMITAGE** - A lot of organisations aren't. I know I've contacted some and they had no idea and then they went online and joined when it was brought to them.

**Mr BARNETT** - Good. Well, thank you for that.

**Ms ARMITAGE** - But I'm just wondering how we push that. Does it also include things like cricket clubs as well, or is it really only gyms and -

**Ms HURWORTH** - It certainly includes cricket clubs. We did do a two-week promotional campaign immediately following Anzac Day this year, and that included YouTube videos, social media advertising, press advertising in the regional newspapers and other communications. As part of that, we also wrote to all local councils to alert them to the program, as well as other organisations, peak bodies, such as -

**CHAIR** - Men's Sheds?

## PUBLIC

**Ms HURWORTH** - Men's Sheds, certainly. We also advertised the program in the Seniors Card directory this year specifically, and also the concessions guide. We'll be running another of these two-week programs, as the minister said, ahead of Remembrance Day, and from our website tracking, we are starting to see a spike in both people applying for vouchers and clubs and sporting facilities.

**Ms ARMITAGE** - Do you do radio as well when you do your advertising? Because I know last time, I've mentioned it several times on radio and then I had some calls to my office about it. But for people to know about it, because it's obviously the different areas. But say, for example, some of the sporting clubs like cricket clubs, if a veteran doesn't particularly play cricket, can they still use that towards being a part of the club? You know, joining. Because they obviously have membership, which is to do with their mental health that they go along, and they feel part of it. So, is it only if they're actively playing or can they do it just to be a social member? Is that included or not? Because it's still mental health for some of these veterans.

**Mr BARNETT** - The answer is yes. It's really important that we support the mental health and wellbeing, so it's not just physical. And this is the whole point behind these programs.

**Ms ARMITAGE** - So they can be a social member?

**Mr VALENTINE** - It's the whole person.

**Mr BARNETT** - It's the whole person. Mental health and wellbeing. So, the answer is yes to encourage them to join, to be part of a group, to be part of an association where they can get that camaraderie, that support. Mental health and wellbeing is, you know, it's part of the objective.

**Ms ARMITAGE** - So, social membership is also included. Just, it's really handy to know when people ask you, that I can -

**Mr BARNETT** - Yes. Well, I want to say thank you to you, and to other members who are out there promoting -

**Ms ARMITAGE** - Who is on the radio every second day - second week.

**Mr BARNETT** - That is excellent, and I thank you for promoting the program. And to other members, I encourage you all to do the same. And I do thank you for that, sincerely. I know our veterans appreciate that. But I'll pass to -if you'd like to add anything.

**CHAIR** - Thank you. Supplementary -

**Ms ARMITAGE** - Well, the only other thing is, what is an eligible veteran? Because it does say 'eligible veterans'. I just couldn't say a definition, that was all.

**Ms HURWORTH** - We don't ask for any specific -

**Ms ARMITAGE** - Well, it mentions 'eligible veteran' actually on the website.

**Mr BARNETT** - Yes.

**Ms HURWORTH** - Okay. To be a veteran, a person will have a card issued by the Australian government DVA, be a veteran who self identifies at least one day of continuous full-time service or be a reservist and they have to live in Tasmania. That's it.

**Ms ARMITAGE** - That's fine. Thank you very much.

**CHAIR** - Thank you.

**Mr BARNETT** - Very broad.

**CHAIR** - Thank you. Supplementary, Ms Webb.

**Ms WEBB** - Yes, just a couple of supplementaries on that same thing. I'm just wondering about - because you used less than half of what was allocated in the first year. So, questions come into my mind then about how it was designed in the first place that this would be an effective and well-targeted line of support to provide? Therefore, given perhaps less uptake than you might have anticipated or budgeted for, what has been done to evaluate whether there needs to be something tweaked around what's being offered and how it's being offered? Beyond just increasing promotion. Because I think that's fine, but I doubt you're going to double everything just by increasing promotion. Have you actually done some analysis or evaluation one year in to see, do we need to tweak some of the core features here?

**Mr BARNETT** - Well, I'll kick it off and then I'll pass to the Acting Deputy Secretary. I think the answer is yes. That's what we've been doing over the last 12 months, is reviewing and assessing and analysing, coming forward with initiatives to promote, market social media, and in other forms, including newspaper advertising and we'll continue to monitor that. I think we get the feedback from not just RSL Tasmania, but the veterans reference group, which reports to the minister. So, there's a lot of ways that we can analyse it. It does need further analysis and assessment. We want to do it right. There's funding there to support our veterans for health and wellbeing.

I'll just pass to Courtney, if you'd like to add anything.

**Ms HURWORTH** - Yes, I'd just like to say a couple of things. One is that we have been talking with our veterans' reference group consistently through this process to understand their views on how we could improve the program or whether the funding could be used for other alternatives to support health and wellbeing of veterans. The other thing is, we've tried to improve our data collection in relation to the program itself. So we're starting to collect data now on the veterans who are applying for it, so male, female, ages, to see whether we're only targeting one cohort of veterans.

**Ms WEBB** - That was my next set of questions. You've anticipated what demographics have you - what information from what demographics of those who've taken it up already and what you're missing.

**Ms HURWORTH** - Yes, so at the moment what we have is region, gender and age, and we've only just got that data from the last few months. That's been part of our review process, it is looking at what we need to know more about. But certainly what we know is that the



program is targeting younger male veterans and so we will be looking at whether it's something that, because we've framed it as - your member's been asking around athletics clubs, whether older veterans feel that it's something they would connect with but also female veterans who may have a different set of needs or interests. So certainly that's part of what we're doing now.

**Ms WEBB** - Minister, then, given what you may learn from that further analysis that's being done, are you prepared to tweak what is being offered under this program? So not just promoting it more, but I'm asking, tweak fundamental features to redirect it into what might be identified as a better avenue of support.

**Mr BARNETT** - I think the short answer is positive, and that we would consider all and every opportunity to promote the program and adjust the program, so long as it's consistent with that objective of meeting the health and wellbeing objectives of our policy and our veterans. Absolutely a positive to being willing to adjust that and to do what's necessary to ensure our veterans and their families get the support they need.

**CHAIR** - Thank you. Mr Willie.

**Mr WILLIE** - It follows on from the mental health conversation, but the St Helens Hospital closure's going to impact lots of the population. I'm just wondering if there's any work being done on understanding how that's going to impact veterans? Not all of them can access the Hobart Clinic or the Peacock Centre and some will have to present at the A&E which is not ideal, potentially, if they've got PTSD or other things. So I'm just interested in any works being done there on the closure of that hospital and the impact on veterans.

**Mr BARNETT** - Yes, thanks for the question, and I can understand where you're coming from. It is an important matter, and of course, the Minister for Health and the Premier is addressing this very directly, because he's also the Minister for Mental Health and Wellbeing and he takes this matter very seriously.

We do have the Tasmanian Mental Health Reform program and our overarching plan for mental health, which is Rethink 2023. We've got the Tasmanian Suicide Prevention strategy, which is a five-year, or 2023-2027, which was released in March this year. The Department of Health, my advice, is working with and will continue to work with RSL Tasmania on those important matters to better understand how we can improve mental health and wellbeing, and those needs that are obvious in our community including for veterans and improving connection and integration between national and state based mental health services accessed by our veterans.

It's no surprise but, in terms of focus support for veterans, the Australian government is accepted as having the primary responsibility for funding, policy and management of services. But the national mental health and suicide prevention agreement signed by all states in March 2022, the Australian government agreed to be primarily responsible for, among other matters, funding and provision of mental health and suicide prevention services to veterans and defence force personnel.

Having said that, we did secure the funding for Tasmania, \$5 million for mental health and wellbeing services. We did put 50/50 dollars there, dollar for dollar with the federal government into that feasibility study so that money will be rolling out and those services will

## PUBLIC

be rolling out. There's a lot more work to do, and it is a very important matter and I appreciate the question.

**Mr WILLIE** - In terms of the St Helens Hospital though, has that been a question asked? You talked about a veteran's reference group. Has there been some engagement on health and wellbeing and mental health in terms of that hospital's closure and the impact on veterans?

**Mr BARNETT** - I'm not sure that that matter's been directly raised with the veteran's reference group because they meet a number of times a year. I don't think they've met since that announcement, to my memory. They haven't met since then.

**Mr WILLIE** - Perhaps these are better directed at the Health Minister, but as Veterans' Minister, the Health Minister has announced a plan for a new mental health facility at St John's Park. Have you talked to him about provisions for veterans and supporting their mental health within that facility?

**Mr BARNETT** - Well, I talk to the Premier and Minister for Health about a whole range of issues in my portfolio areas and across the community including veterans, and he takes it very seriously and I really appreciate the Premier's response. All those matters will be worked through, the St John's Park announcement which you know was last week. We'll be working through that and as that development progresses, we'll make sure that veterans, as well as other groups in our community, are considered very seriously in that development of that new site.

**Mr WILLIE** - I guess, just as a summary, because I can see the Chair, are you concerned that there's going to be an impact in terms of mental health services for veterans with the closure of St Helens?

**Mr BARNETT** - I think everybody is concerned that the privately owned St Helens Hospital is closing and will have an impact on the community, and that's why the Premier has responded so swiftly to provide support and services where it's needed. These matters will be monitored very carefully and we'll now doubt ensure that the services which are needed will become available wherever possible. There's a lot to work through with the new site at St John's Park and a new development there, and with the Royal Hobart Hospital and their efforts to provide ongoing support and services for our community.

**Mr WILLIE** - When there's market failure though, minister, there is a role for government to step up and if there is an impact in terms of mental health service provision for veterans, that could be something that you could look at.

**Mr BARNETT** - Well, it is being looked at, will continue to be looked at and we treat them very seriously. We got 17 and a-half thousand and their families. I've actually written to the federal minister on a number of occasions in the last several months on a range of matters, and the federal minister is likewise concerned; the Honourable Matt Keogh. He's very aware of my and my government's support for our veterans in this state and we are keen for their ongoing engagement with Tasmania to ensure that our veterans are cared for and supported, and honoured in the way that they should be.

**CHAIR** - Thank you. Mr Valentine.

## PUBLIC

**Mr VALENTINE** - Thank you. Just looking at the Teddy Sheehan VC Memorial Grants Program that's held over two rounds each financial year; 2021-22 there were 59, 2022-23 there were 40, and that's a target. How's it gone this year and can you - you know, there's no performance indicators except for the number distributed. So where were the grants allocated and what for? And do you have a particular focus for each year of the grant program maybe?

**Mr BARNETT** - Sure, thank you very much.

**CHAIR** - If it's lengthy, we're happy to take the full complement and then just have a speaker.

**Mr BARNETT** - Yes, I'm more than happy to table that but, in short, for the 2022-23 round two - very successful outcomes, in my view - I'm very, very pleased for the successful applicants goes from the Geeveston Ex-Servicemen's & Women's Club, \$5000 for a heat pump, which is obviously important particularly at this time of year; Lenah Valley RSL Sub Branch, the Reflections Walk and Memorial - and I was out there some months ago. It's a great proposal and I encourage members in this community to take a look and see the wonderful work. It's great leadership by Lenah Valley.

**Mr VALENTINE** - It could do with a refurb on its actual memorial site, I think.

**Mr BARNETT** - Yes. They're doing some good work there, and there's excellent leadership too, I must say.

**Mr VALENTINE** - Just something to see, minister. Just something to see there, if you go and have a look.

**Mr BARNETT** - Yes. The New Norfolk RSL in terms of repair and painting for the function rooms, and I've been there many times, it does need a bit of an update. So \$5000 will be well spent. Spring Bay RSL at Triabunna, the war memorial site, another \$5000. I've been there, spoke there at Remembrance Day, and I think the Chair is very aware of that excellent proposal and that plan. The RSL at Swansea, again, roof and ceiling refurbishments. I have been there many times. They do a wonderful job, great leadership, and they've got a sustainable sub-branch of the RSL.

There are many others, but the one I will shout out is the Military Brotherhood. When I launched the Teddy Sheehan VC Grants, they were there on their Harley-Davidsons. They provide mateship and comradeship with one another. They are actually hosting the national Military Brotherhood meeting, I think it's late this year or early next year. It's very exciting because they're going to be bringing dozens and dozens of others from the mainland to Tasmania to St Helens for the Military Brotherhood from around Australia. They support one another. We provided computer replacement for their IT, and upgraded their technology.

There is a range of others. There are memorial upgrades, equipment upgrades, there is a welfare initiative, which is the Bravo Zulu on the yacht, the Tamar, and elsewhere around Tasmania. Again, I've been there. They're providing wet weather equipment. So, allowing veterans that, again, dealing with mental health and wellbeing, both the physical and the mental, time with mates on a yacht doing some training, updating, and time away with their families or without.

## PUBLIC

I haven't even talked about Dago Point and the initiatives and upgrades there. But that's outside of the Teddy Sheehan VC Grants.

**Mr VALENTINE** - Thank you. The last question is to do with the Frank McDonald Memorial Prize essay competition. The Year 9 students, you talked a little bit about that in your opening statements. In 2022-23, there were 75 essays which were received from students which was good.

**CHAIR** - You could only choose five. Is that correct?

**Mr VALENTINE** - That was the target. I don't know what we ended up with.

**Mr BARNETT** - Six.

**Mr VALENTINE** - Sorry, six?

**CHAIR** - My question was you can only choose five, and that the answer is you can choose six.

**Mr VALENTINE** - Yes. I'm not sure how many submissions we ended up with in 2022-23. It says 75 was the target. Forty-two, okay. Next year's a target of 50. So that's commensurate with what we received this year, I suppose. A bit more.

**Mr BARNETT** - Look, it is a very tough one because you've got to have a target. You do get more than that we can allow for. So six is it. There may be an adjustment to that, but that's what it has been in past years. There is a budget. We are limited by that. They go through an essay competition, they go through interviews, it's independently assessed, and recommendations are made and accepted.

I can't value enough the Frank MacDonald investment, and I know members around this table would agree with me. You are building students' capability and capacity and understanding for decades and generations to come. The investment is a brilliant investment in my view on the government. I couldn't be prouder of not just the students on this occasion, but in past years. It is great to see them grow into fine, mature, wise young adults who honour our veterans and respect our veterans and their families. I'll just see if Courtney wanted to add anything.

**Mr VALENTINE** - Thank you. That's it.

**CHAIR** - Right. Ms Webb, and then I'm coming back to Ms Armitage.

**Ms WEBB** - Thank you, Chair. Minister, I'm just interested because clearly, in this portfolio, your relationship with the RSL Tasmania and other veterans' groups is very central. I'm just wanting to clarify that you're aware that RSL Tasmania and the Vietnam Veterans Association Tasmania made submissions to the Public Accounts Committee inquiring into the stadium. I've wanted to check, have you read the submissions made and listened to the videos or read the transcripts of the appearances of those groups at the inquiry?

**Mr BARNETT** - Thank you for the question. I'm very aware of their views and concerns and submissions to not just the Public Accounts Committee, but the Government. The Premier

## PUBLIC

and I have met with the RSL at the Cenotaph a couple of months ago now. I think it was in or around March. I have ongoing discussions with RSL Tasmania, likewise Vietnam Veterans, Terry Roe. I have a high regard for Terry. We work very well together. Again, 50-year anniversary of the Vietnam War. We have funding available for the various sub-branches of the Vietnam Veterans around Tasmania to promote the 50-year anniversary, to recognise them, and to honour them. They know that going forward, they absolutely will be respected and honoured, and their views will be considered.

The Department of State Growth in particular is having ongoing discussions with RSL Tasmania and Vietnam Veterans Association, with respect to the Macquarie Point Precinct Plan, and we'll take their views absolutely into account and these views will be taken into account in forming the design and plans for Macquarie Point.

**Ms WEBB** - Can I just clarify, though? My specific question to you was have you read the submissions, and have you either watched or read the transcripts of the appearances of those two groups, RSL Tasmania and Vietnam Veterans, to the Public Accounts Committee inquiry?

**Mr BARNETT** - Yes, and I think I've answered that question by saying I'm very aware of their views, and the messages and their views which were expressed to the Public Accounts Committee and in the public arena, and directly to me, directly to the Premier, directly to the Department of State Growth.

**Ms WEBB** - It sounds like a no, minister. In terms of the RSL AGM recently, where the two motions were passed relating to the stadium, have you had formal communications and or a response to those motions passed at the AGM with the RSL?

**Mr BARNETT** - I was there at the -

**Ms WEBB** - When the motions were passed?

**Mr BARNETT** - Well, can I - sorry, through you, Chair.

**Ms WEBB** - Sorry.

**Mr BARNETT** - I was there at the RSL AGM, as I usually am, as a minister. Both at the dinner beforehand, and then at the AGM the following day, which is the Sunday morning. I normally leave at morning tea time, which is exactly when I did leave this year. They have their meeting for the AGM on that particular topic after the morning tea time. I wasn't there when they debated that. I'm very aware of the outcome, and have had ongoing discussions with various members of the RSL since the AGM.

**Ms WEBB** - In a formal sense, has there been a formal communication or a formal meeting to follow up on those motions passed at the AGM?

**Mr BARNETT** - In terms of ongoing engagement with the RSL Tasmania, it is ongoing. That's exactly what happens. In terms of regular meetings, they continue to occur. I look forward to those meetings.

## PUBLIC

**Ms WEBB** - I'm just going to clarify, minister, that you haven't watched the hearings or read the transcripts of the hearings of the Vietnam Veterans and the RSL to the Public Accounts Committee in relation to the stadium?

**Mr BARNETT** - I'm very aware of the views of RSL Tasmania and the Vietnam Veterans. They've raised it directly with me. They've raised it directly with the Premier, directly with the Department of State Growth, and in other forums.

**Ms WEBB** - Disappointing.

**CHAIR** - Thank you. Ms Armitage.

**Ms ARMITAGE** - Thank you, Chair. Minister, my questions are regarding Dago Point and Point Assist. If you could give an update on what's happening there. They're related, I'm assuming, or are they totally unrelated? Dago Point and the recreation program with Point Assist.

**Mr BARNETT** - They are unrelated.

**Ms ARMITAGE** - But similar.

**Mr BARNETT** - But of course, similar in many ways.

**Ms ARMITAGE** - Yes.

**Mr BARNETT** - So Dago Point, of course, is something for which, as a government, we are very proud, and a lot of work's being put into that. I commend the Vietnam Veterans Association for getting that up and going. They did a fantastic job.

**Ms ARMITAGE** - Is it completed now, Dago Point?

**Mr BARNETT** - Well, it's ongoing.

**Ms ARMITAGE** - I was wondering about the funding - just wondering the state funding -

**Mr BARNETT** - Stage 1 is completed.

**Ms ARMITAGE** - Yes.

**Mr BARNETT** - Yes. Stage 1, they've done a terrific job with upgrading the shack, which was a Parks and Wildlife shack which was donated by the State Government to the Vietnam Veterans for the purposes of providing that active recreation for younger veterans. They're doing it for our younger veterans and their families.

**Ms ARMITAGE** - So is there more funding for Dago Point, ongoing? How much for stage 2?

**Mr BARNETT** - Yes. They haven't used all of the funding. We've provided \$100 000, and they haven't used all of that funding as yet.

## PUBLIC

**Ms ARMITAGE** - Okay.

**Mr BARNETT** - The last time I spoke with Terry Roe, some funding was still available. They've also sought funding from the federal government for Dago Point, and of course, that's a matter for the Vietnam Veterans in terms of exactly where they're up to. It's probably worth a call to Terry Roe.

**CHAIR** - Point of clarification for those who don't know Dago Point, including my good self.

**Mr BARNETT** - Thank you for the question.

**CHAIR** - Where is it?

**Mr BARNETT** - It's a shack on the shores of Lake Sorell. Very good fishing opportunities at Lake Sorell, Chair. I have a very special memory of a two and half pound brown years ago on a dry black spinner.

**CHAIR** - I'm not sure why it always comes back to fishing.

**Mr BARNETT** - It just comes back. It just comes back. You did raise -

**Mr WILLIE** - We're talking about veterans, aren't we, not fisheries?

**Mr BARNETT** - You did ask about -

**CHAIR** - We're talking about Dago Point. Good fishing.

**Mr BARNETT** - Veteran angler. You mentioned Dago Point, which is on the shores of Lake Sorell. Yes, so that's where it is. It's an excellent site, and further up the road is the Vietnam Veterans shack. There are other shacks in and around there. But it's a great place to go for a weekend, time away with your family, or the veterans. They've gone a great job, but they have bigger plans, and that's why they're seeking federal support.

**CHAIR** - How do you book it?

**Ms ARMITAGE** - One suggestion, before the minister says, if you go into the DEPAC site, and you go into Veterans retreat, it actually comes up, 'Page not found'. So maybe that could be to help to book it. There might be some information there, because it actually come up, 'Page not found'.

**Mr BARNETT** - To book it, you have to go through the Vietnam Veterans Association who sort of manage the site at the moment. But they are seeking to, in due course, hand it over to our younger veterans to make it available for the younger veterans. That's the vision.

**Ms ARMITAGE** - And the Point Assist?

**Mr BARNETT** - So Point Assist is a different one, which is the Active Recreation Program, and they'd been undertaking that originally in the 2018-19 budget. It was allocated \$225 000 over three years to provide outdoor recreation experiences in our national parks and

## PUBLIC

reserves. It's been a great program. I congratulate Point Assist. They have run, I understand, six wilderness treks for veterans with 34 veterans participating, with the most recent trek held on 17 to 21 April this year, 2023.

**Ms ARMITAGE** - Thank you. Thanks, minister.

**Mr BARNETT** - Pleasure. Thank you.

**Mr WILLIE** - Yes, thanks. Minister, nationally there is estimated 5000 veterans are homeless across Australia. Do you have any understanding of how many veterans in Tasmania are currently homeless, and do you know many - you are also the housing minister - how many are on the social housing waitlist?

**Mr BARNETT** - Thank you very much for the question. That is a very important matter. In terms of housing, we will be releasing, obviously, our 20-year housing strategy very soon. That strategy will identify veterans as a key group in our community that deserve ongoing support. It will determine and ensure housing can meet the needs of all the various groups, and I'm happy to give you more detail in the housing portfolio, perhaps this afternoon when we get to housing this afternoon.

I would be happy to also advise you and the committee that I have written to the federal minister, Matt Keogh, for veterans' affairs and highlighting more needs to be done for our veterans in Tasmania when it comes to homelessness and our risk of homelessness, as a recognition for their service and the freedoms that we enjoy today. In fact, I raised this matter at the housing minister's meeting just a month or so ago when I met with our counterpart, Julie Collins, and my fellow housing ministers.

**Mr WILLIE** - In terms of my question, you don't know the exact number of veterans which are currently homeless, or an estimate? We'll have to wait until you've got your housing -

**Mr BARNETT** - Yes, the housing hat on, and let's try again with that question and I'll be happy to assist the member.

**Mr WILLIE** - You don't know off the top of your head?

**Mr BARNETT** - I think it's best to wait until I've got the housing hat on.

**Mr VALENTINE** - Thank you. Just one final question, and it goes back to something the member for Nelson asked with regard to the memorial site and the stadium. I'm just wondering whether you have had any discussions or consultation with the Hobart City Council with respect to that site? Obviously, it's an iconic site. It's probably considered the state memorial site. Obviously, it's outlook is going to be significantly affected one way or the other. Have you had any consultation with the Hobart City Council in that regard?

**Mr BARNETT** - It sounds like a question for the Minister for State Development regarding the stadium.

**Mr WILLIE** - It's veteran.



## PUBLIC

**Mr BARNETT** - If it is to do with veterans, I can try and assist. If it's to do with state development, then of course we can respond to that later on when I have my relevant officials here. Because my relevant officials include Kim Evans and the Department of State Growth who have had ongoing consultation with the relevant stakeholders, including the Hobart City Council.

**Mr VALENTINE** - You're wanting me to ask this during the housing -

**Mr BARNETT** - I think you will -

**Mr VALENTINE** - Which line item are you talking about?

**Mr BARNETT** - State development, when we get to state development this afternoon. Because Kim Evans will be here. He's the secretary. He's had ongoing consultation with a whole range of stakeholders.

**Mr VALENTINE** - I will hold it until then. Thank you. It's just that it was related to veterans and I just - memorials.

**Mr BARNETT** - That's all right. That's fine.

**Mr VALENTINE** - Thank you.

**Ms WEBB** - I'll keep going. I thought you were going to wrap us up. I wanted to ask a few questions about the Veterans' Reference Group, if that's all right. We've got a membership that's online on the DPAC page listed. A Recent expression of interest which was out which closed on 30 April. I'm just wondering if you had a good response to that, and what's expected in terms of appointing more members to that Veterans' Reference Group, and what's done to ensure that it's sufficiently representative of what we now know is a larger veterans' community in the state than we previously thought.

**Mr BARNETT** - Thank you very much for the question. It's a very important group, and I thank the Reference Group for their ongoing input to government policy and plans and feedback, and in terms of particularly Brigadier John Withers, to thank him as chair. He's been doing a terrific job since 2019, for which I'm very grateful, and there's a range of members. Obviously, Natalie Sankey, Phillip De Bomford, Cheryl Arnol, Dr Jon Lane, Peter Williams. Grant Herring resigned in July last year and Alison Merridew resigned in February this year. We have gone out for expressions of interest, getting that feedback. No decision has been made yet in terms of that.

Going forward, we expect we would want that Reference Group to cover the interests of the 17 500 veterans. They don't all, of course have to be veterans, but they need to be able to have an interest in veterans' health and wellbeing and welfare to provide that support. For example, Dr Jon Lane is an absolutely top of the range health and medical expert. He's not a veteran in that sense, but he is a medical expert that provides support for our veteran community. He is also of great benefit. But my point is, you don't have to be a veteran to be on the group, but in most cases they are veterans.

**CHAIR** - Another question and then we're going to finish. Thank you.

## PUBLIC

**Ms WEBB** - One to follow on to that; are you expecting to engage with the Veterans' Reference Group in terms of feedback around the stadium issue, with your veterans' portfolio hat on?

**Mr BARNETT** - Thank you for the question. They have a big job to do. They've been working a lot on the employment strategy for Tasmania, which I'll no doubt have more to say about that in due course. That's taken up a fair bit of time and effort by the group. We have an agreed work plan that we work through with the Veterans' Reference Group, and they can feed back on a range of issues from time to time. I'll just take that on notice, but thank you for the question.

**Ms WEBB** - You'd like to take that on notice, whether you plan to -

**Mr BARNETT** - No, but I'll take on board your views that perhaps there is merit in them getting views on that as well. My point is, they have a work plan. They work through that. They only meet several times a year, and so they focus on what's important to our veterans. Obviously, we're getting feedback from RSL and Vietnam Veterans on that particular matter. I'll just take that under consideration. That's all I'm saying.

**CHAIR** - Thank you. We will suspend now until 2 p.m. and come back and start with your responsibilities around State Development, Construction, and Housing. We have the Office of the Coordinator-General listed first.

**Mr BARNETT** - Chair, I had Homes Tasmania listed first.

**CHAIR** - That's okay. I know we've had some discussion over the weekend. Homes Tas. That's fine.

**Mr BARNETT** - If that's okay, because they've got a very tight time frame.

**CHAIR** - Yes, that's fine.

**Mr VALENTINE** - You're pulling them off the construction site, are you?

**Mr BARNETT** - Essentially. There's a huge amount of work that's been done and I've just got to try to quarantine that time.

**Mr VALENTINE** - We'll drill down into that.

**CHAIR** - That's fine.

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

**CHAIR** - We've had some toing and froing that didn't start until Friday afternoon. Thank you.

**Mr BARNETT** - Thank you.

**CHAIR** - Thanks everyone. Be back ready to go at 2 pm.

# PUBLIC

**The Committee suspended from 12.49 p.m. to 2.02 p.m.**

## HOMES TASMANIA

**CHAIR** - We welcome the minister back to the table, and you will have an introduction as well for the Committee and for Hansard, and then we will expect that you have an opening overview.

**Mr BARNETT** - Thanks very much, Chair, and to colleagues. Thank you very much for the opportunity to present today. First, I would like to welcome Eleri Morgan-Thomas, Chief Executive Officer for Homes Tasmania sitting on my left. I welcome Eleri to the table for the first time.

Homes Tasmania came into fruition on 1 December last year, and it's doing powerful work. I appreciate Eleri's support for the Government's agenda. Likewise there are other officers of Homes Tasmania to assist the Committee as and when required during the course of the afternoon.

**CHAIR** - Thank you, minister, and welcome.

**Ms MORGAN-THOMAS** - Thank you.

**Mr BARNETT** - Thank you, Chair, for the opportunity to outline the Government's agenda, and it is true that every Tasmanian deserves a safe and secure place to live. Achieving this has become a growing for many Tasmanians; like the rest of Australia demand for affordable is far outstripping supply. While we grow our economy, including our housing market, we also want to support a caring community, and we also know that many Tasmanians are still doing it very tough. Our government's strong, ambitious and innovative plan will see unprecedented action to build more homes, address rental pressures and provide immediate support.

The budget provides \$517.7 million over the forward estimates in housing and homelessness initiatives, and to support that we are delivering a 10-year \$1.5 billion ambitious plan to deliver 10 000 new social and affordable homes by 2032. Our first target of 1500 homes by June 2023 will be met this month - that's our expectation - with over 969 homes already delivered. So it will be a big month and we are working very hard to achieve that objective.

In addition to our build program, we are encouraging the private sector to build new homes, with funding towards our ancillary dwelling program and residential land rebate. We are helping low-income Tasmanians build their own home by extending our hugely successful MyHome program. The MyHome encourages new supply, with up to \$200 000 available for the purchase of a new home, or \$140 000 in equity for the purchase of an existing home. MyHome is a homebuyer's program, which is targeted at those who need assistance to enter the market, regardless of whether they have previously owned a home.

A key pressure, of course, is rental affordability and the budget provides \$11.4 million for private rental support programs, including our successful private rental incentive scheme and \$1.5 million to trial a new affordable rental initiative which allows Homes Tas flexibility to lease homes to support eligible Tasmanians with affordable rental. Last year we committed

to establishing the dedicated housing body, Homes Tas, as I have said, and that commenced 1 December. Homes Tas has complete responsibility for housing in Tasmania. It delivers the most integrated and cohesive housing and homelessness system in the country.

The Budget delivers on our commitment to create Homes Tas and provide that flexible financial arrangements go forward while ensuring transparency through the budget and parliamentary process. Homes Tas is already demonstrating the benefits of a skills-based board in addressing the housing needs of Tasmanians, and to improve the housing challenges. We said we needed a comprehensive plan for developing a 20-year housing strategy and soon we will be releasing the draft 20-year housing strategy, which will guide the delivery of more homes for Tasmanians where and when they need them.

We will be building more homes. We know there are many Tasmanians who need that help right now. We are providing, of course, through Housing Connect, Tasmania's one-stop shop for housing assistance, and that is a \$30 million each year in wraparound services that are essential to provide the immediate care for those that are homeless or at risk of homelessness. This equates to the highest expenditure of all states for housing and homeless at \$327.92 per capita in the 2022-23 year, much higher than the national average of \$230.62 per capita.

The 2023-24 budget also provides for specific programs, such as \$36.5 million for women's shelters, safe spaces, and youth to independence services, and \$160 000 to support Shelter Tasmania's workforce development plan, and \$4 million for Build Up Tassie. I can talk more about those programs as and when required by the committee. In short, and in conclusion, the government has a bold plan to build more homes faster and to provide a roof over Tasmanians' heads.

**CHAIR** - Thank you very much. Any overarching questions, members? Thank you, Ms Webb.

**Ms WEBB** - Thank you. Just similar to the overarching questions we spoke of in an earlier session, minister, is it expected that the Efficiency Dividend will be applied to Homes Tasmania as it rolls forward from 2024-25?

**Mr BARNETT** - As indicated earlier, this is a policy position of the Government in terms of the Efficiency Dividend of some 60 cents per \$100, obviously to commence from 1 July, not this year but next year. Homes Tasmania's home department is the Department of Premier and Cabinet and they are available here to discuss that matter if you wish for further questions, but it applies across the board. But it is something that will need to be discussed and worked through over the next 12 months with the Department of Premier and Cabinet.

**Ms WEBB** - That's fine. We just confirm that it does apply to be determined how - that's what I heard you say, thank you. Then the overarching one, similarly to last time, was around use of consultants. In relation to this area we're talking about in this session, are you able to provide details around any across this year we have just had or just been in, and then looking forward and projecting for the next 23-24 year, the use of consultants in this area and what those projects are and their cost.

**Mr BARNETT** - Thank you for the question. It is clearly an operational matter. I will check with our chief executive on my left. If you need any further advice from DPAC, please advise.

## PUBLIC

**Ms MORGAN-THOMAS** - I am not aware of consultancies, other than related to the recruitment of the board and my recruitment. There are contracts we have with providers around presentation of a couple of - or development of a couple of information technology products that we have related to developing software and things like that. Are those the sort of things, or do you need policy advice?

**Ms WEBB** - No, I meant any and all of those things.

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - So, current ones that have applied this year and then looking ahead, any expected to be engaged in in the next year. Happy for it to be provided later.

**Ms MORGAN-THOMAS** - Yes, so one of those would be a contract we have with Shelter Tasmania for the development of a women's policy that, you know - so they are providing on that. But I can get you a list of all external providers.

**Ms WEBB** - Yes. To be honest, I probably wouldn't have included Shelter.

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - They're a funded service under the stream anyway. So, I was thinking more consultants buying in externally to the sector.

**Mr BARNETT** - Well, just clarify for the committee and the member, there was a special consultancy for Shelter Tas to do work -

**Ms WEBB** - Yes, I'm aware of that. I'll ask about that when we get into more detail, but -

**Mr BARNETT** - Okay. Well, I'm just clarifying for the committee then, if you're aware. For the committee, that was a separate consultancy for Shelter Tas to do work on the women's strategy. But thank you for the question.

**Ms WEBB** - So, will I need to give it to you to get back to us about any details, or are you able to provide details today?

**Ms MORGAN-THOMAS** - I don't think I can provide those details.

**Ms WEBB** - That's fine.

**Ms MORGAN-THOMAS** - Because we will have to go back through the accounts.

**Ms WEBB** - Question on notice.

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - Thank you. Thank you, Chair.

## PUBLIC

**CHAIR** - Just a question in regard to the skills base board. That was one of the biggest sells, if you like to the parliament, that would be a skills base board. So that's why I'm not surprised that there's not been a need for a lot of consultants because you've got them on the board. So, can we have some understanding of those skills bases, or skills that are represented on the Homes Tasmania board?

**Mr BARNETT** - Yes. Yes, I'm delighted to share that with you through you, Chair, to the Committee. It's chaired by Michele Adair, and she has vast experience in the community housing sector, and the housing sector more generally, over many, many decades. Based out of New South Wales, together with the following: So, Tim Gourlay, Daryl Lamb, Robert Pradolin, Alice Spizzo and Ellen Witt. They all have different skills in other parts of the building and construction sector, community housing sector and the homelessness sector.

So, we feel as though we have a very good coverage of the skills which are required on a board to provide input to the board. Then of course, to give direction to Eleri and her management team, and also to provide advice to government which is consistent with the policy that we had to establish Homes Tasmania. You would recall this policy created a lot of discussion across the parliament, and for which I'm very grateful to the parliament, the lower house, the upper house, to pass that legislation to have it established on 1 December last year.

**CHAIR** - Right. In regard to the residences, can you just indicate how many are Tasmanian based? Obviously, the chair is New South Wales based.

**Mr BARNETT** - Yes, we've got, Tim Gourlay, Daryl Lamb and Ellen Witt. So, three. And then three from the mainland. So, half and half.

**CHAIR** - Right. Okay.

**Mr BARNETT** - You would notice also in terms of gender, you've got three and three, which is 50/50.

**CHAIR** - The Tasmanian ones? North, south, north west?

**Mr BARNETT** - They are, yes, north and south. Yes.

**CHAIR** - Right. Can we have the cost of the establishment of the Homes Tasmania to date?

**Mr BARNETT** - Yes, we can assist you with that. Commenced on 1 December. In terms of the board costs, you're talking about, I assume?

**CHAIR** - The whole cost, including the board. Yes, setting it up.

**Mr BARNETT** - All right. Well, I'll mention the board first and then we can go from there.

**CHAIR** - Yes. Thank you.

**Mr BARNETT** - So, consistent with what was shared in Parliament during the debate on the Homes Tasmania, directors are remunerated in accordance with the board classification.

## PUBLIC

The chair of the board receives \$58 180 per annum remuneration. Board directors each receive \$32 645 per annum. As I've said, three of the six board members live interstate. Homes Tasmania board has incurred a range of costs since its inception. Would you like me to outline that?

**CHAIR** - Thank you.

**Mr BARNETT** - Remuneration \$98 021 travel, including airfares and kilometrage. Accommodation and meals, \$25 349. IT acquisition, \$1448. Board management software and licences, \$16 443. Meeting expenses including venue hire and catering, \$2460. Office supplies and other expenses, \$1184. Total, \$144 905. In addition to this, recruitment costs of \$110 180 were incurred in the establishment of the board.

**CHAIR** - Right. The cost for establishing Homes Tasmania as well?

**Mr BARNETT** - Well, I'll just check if the CEO could assist.

**Ms MORGAN-THOMAS** - All the staff were transferred from the former Department of Communities. I'm not aware of any additional costs other than relating to my recruitment. Actually, I don't know what that is.

**CHAIR** - So, is that readily available? I mean, we don't go into dollars, we go into bands. Is that available?

**Mr BARNETT** - Well, it's what we're saying is that that was transferred over from Housing Tas to Homes Tasmania, and I think the CEO's outlined that those costs are ongoing. We are happy to get more information. Perhaps the Deputy Secretary of the Department of Premier and Cabinet could assist the committee.

**CHAIR** - Thank you, Mr Limkin. You might like to join the minister at the table.

**Mr BARNETT** - Craig Limkin, the Deputy Secretary of the Department of Premier and Cabinet.

**Mr LIMKIN** - Thank you, minister, and through you. So, DPAC incurred \$25 000 on the recruitment costs of the CEO. We also incurred about approximately \$40 000 on the accrued costs of the board. All other costs in creation of Homes Tasmania were from existing people's budgets. So, I had some policy people working on it, had some IT people working on it. So, there's no direct cost in relation to the setup of Homes Tasmania because they were just people working on the reorganisation of the then Department of Communities Tasmania.

**Mr VALENTINE** - So, the premises are the same.

**Ms MORGAN-THOMAS** - We're in a different office. We were, as I understand it, in an office in Elizabeth Street, but now we're in a floor of the Landis building.

**Mr VALENTINE** - And is it roughly the same?

**Ms MORGAN-THOMAS** - I believe so, yes.

## PUBLIC

**Mr WILLIE** - In terms of the FTE that transferred from Housing Tasmania to Homes Tasmania, can we have the figures for that? Was it nearly the same as what went across? Exactly the same?

**Ms MORGAN-THOMAS** - Exactly the same.

**Mr WILLIE** - And nobody sought opportunities elsewhere, or?

**Ms MORGAN-THOMAS** - Do you mean actual people, or do you mean positions? The positions that went across?

**Mr WILLIE** - Both. So, the positions, yes. The establishment figure transferred directly across, how many stayed on? All of them, or -

**Ms MORGAN-THOMAS** - I believe so, although there's always, in any organisation, some short-term positions that are ending, or people make other decisions. In the back-office area, where you had to split up some of those things, some stayed with communities, or moved to education. Others came to Homes Tasmania. So, there was a true-up in that arrangement, is my understanding. But this all happened before I arrived.

**Mr WILLIE** - So, nothing was lost in terms of the staffing resource in the transfer.

**Ms MORGAN-THOMAS** - No.

**Mr LIMKIN** - Through you, minister. As the government gave the commitment last time, this was not about savings. This was about reorganisation. So, my understanding is all the direct people who worked on the housing portfolio went to Homes Tas, and as Ms Eleri Thomas said, the corporate staff was divided based on the expenditure profiles, which was agreed by the Secretaries Board and then an allocation of that. So, there was no positions lost; just a reorganisation.

**CHAIR** - Can we have the numbers of FTEs that exist in this particular area as of today? Thank you.

**Mr BARNETT** - Thank you for the question. We'll just check on this operational matter to see if the CEO or her team can assist.

**Ms MORGAN-THOMAS** - We can get it for you this afternoon. I can't tell you.

**CHAIR** - Thank you. We'll take on notice. Thank you. Madam Secretary, the numbers of staffing at Homes Tasmania.

**Ms WEBB** - I've got another overview question, if possible.

**CHAIR** - Have I got a supplementary Mr Willie, or has that been -

**Mr WILLIE** - That was my supplementary. But I've got other questions on other topics.

**CHAIR** - That was your supplementary?



## PUBLIC

**Mr WILLIE** - Yes.

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

**Ms WEBB** - Thank you. Just in relation to -

**CHAIR** - An overview.

**Ms WEBB** - An overview question. You'd be aware of the gender budget snapshot that came out with the budget this year? One of the initiatives featured in the snapshot relates to the new housing package, and I just wanted to understand what role Homes Tasmania had in relation to the preparation of the analysis in the snapshot, and how Homes Tasmania will be moving along the journey of gender responsive budgeting in its decision-making processes? Because that's, as described in the snapshot, the ultimate aim is to incorporate across government gender responsive budgeting. So, involvement in the snapshot this year and the analysis around the housing package, and how that's been progressed more broadly.

**Mr BARNETT** - Yes. So, thank you very much for the question. Of course, that work was led by the minister, Jo Palmer, Minister for Women, Family Violence and other things.

**CHAIR** - Many other things.

**Mr BARNETT** - Doing a wonderful job for which we're very grateful. So I'm aware that there was a lot of interaction across government and across parts of government where she sought feedback and a response. I'm just checking if the Deputy Secretary can add to that. That might assist the member but more than happy for you to add if you can and/or the chief executive.

**Ms WEBB** - Specifically I was interested in the Homes Tas interaction.

**Ms MORGAN-THOMAS** - Yes, we have had input into the draft strategy, and it will be in the Tasmanian Housing Strategy that is likely to come out. That will be informed by the work that Shelter Tasmania is doing around that around women.

**Ms WEBB** - Thank you, we'll come back to that. I'm not asking about the housing strategy or the women's component of that. I'm asking about the gender snapshot that came with the budget papers that features analysis of the new housing package in terms of agenda lens and the intention is introduce gender responsive budgeting across government departments. I'm just interested to hear about Homes Tasmania's involvement with that gender snapshot and the analysis in that and then implementing gender responsive budgeting in its decision-making in Homes Tasmania.

**Mr BARNETT** - Thank you very much for the question, and through you, Chair. It was clearly a question primarily for the relevant minister, the Minister for Women. I'm the minister for Housing and a range of other things. We can assist the member, but I'm also happy to refer to the CEO in light of the interaction prior to release of the gender snapshot paper that's referred to before us for the budget, which was released with the Budget. I'll just check with the CEO and or the deputy secretary, and perhaps the deputy secretary will kick it off and then we'll go the CEO.

**Mr LIMKIN** - So why don't I talk very broadly. So my understanding is that the Office of Women in DPAC went out to seek all the available data from all of the relevant agencies including Homes Tas and then that work was worked collaboratively across government to create each one of those targets and there will be an ongoing monitoring and collaboration across - led by our DPAC CPP division. Mr Palmer is probably the best minister to provide you a more detailed analysis on how that was actually done.

**Ms WEBB** - Sure, but in terms of the intention broadly to embed gender responsive budgeting as an ultimate outcome that we're moving towards that's not just a responsibility of the Minister for Women or one aspect of DPAC. That's obviously something that becomes - the word used in the here is 'embedded' across. So what's the pathway for that in terms of the housing area and Homes Tasmania?

**Mr BARNETT** - Yes. Thank you. It's like an incredibly important area for Homes Tasmania and for the government in terms of services for women and women in domestic violence, family violence and in terms of emergency accommodation, women's shelter, family violence, rapid re-housing. So we have a whole range of initiatives to address those concerns. We do some in partnership with the Australian government, and obviously some directly through Homes Tasmania but having said that I will pass to the CEO to expand.

**Ms MORGAN-THOMAS** - I think women have always been part of our priority because they are the majority significantly over-population represented both in homelessness and in housing and really from my point of view a good women's policy is a good housing policy. You know, they're the same thing. So, yes, we had input into that, and I have a strong personal commitment to making sure that what we do actually advantages, supports women in making sure that they get housed.

**Ms WEBB** - Thank you for those responses, and we'll talk more about the women's focussed services, I'm sure, as we go forward. Gender responsive budgeting isn't about services to women, so I think I'll just hold those questions off then and pursue them at a different time. Because I think we're on different tracks with what we're talking about.

**Ms MORGAN-THOMAS** - Okay. Sure.

**CHAIR** - Thank you. Mr Willie.

**Mr WILLIE** - Thank you, Chair. Minister, what's the net gain or loss of public and community housing properties from the time you formed government to now and how many public and community housing properties have been sold in each of the last three years?

**Mr BARNETT** - Thank you very much for the question. It's a very detailed question and an operational one. We'll see if the CEO or people part of Homes Tas might want to assist the CEO.

**Ms MORGAN-THOMAS** - So we have a net increase rather than a net loss.

**Mr WILLIE** - Yes.

**Ms MORGAN-THOMAS** - Because we have been significantly building over the last 18 months. So we have a net increase.

## PUBLIC

**Mr WILLIE** - From 2014? You'd hope so.

**Ms MORGAN-THOMAS** - We have sold very few. There are some that have come offline for other reasons. I'm just looking for the number of where we sold them. But the majority that have been sold have been through home ownership and this year to date there have been three homes.

**CHAIR** - Three only?

**Ms MORGAN-THOMAS** - Yes, three public housing properties that were sold.

**Mr WILLIE** - That were sold? So in terms of my question, from 2014 to now what's the net increase?

**Ms MORGAN-THOMAS** - I can tell you. I have the data back to 2019 for what was sold. The net increase from 2014.

**Mr WILLIE** - I'm happy for you to take it on notice, minister.

**Ms MORGAN-THOMAS** - I can tell you from 2016. I can't tell you.

**Mr WILLIE** - Perhaps we could have the 2016 figure and then put the other one on notice.

**Ms MORGAN-THOMAS** - Yes.

**Mr WILLIE** - Including the last three years, how many properties have been sold.

**Ms MORGAN-THOMAS** - Yes. So the last three years how many have been sold is 63.

**Mr WILLIE** - Sixty-three.

**Ms MORGAN-THOMAS** - Public and some of those would be community housing, but public and community housing.

**Mr WILLIE** - I was just after the year by year figure if that was all right but we can put that on notice.

**Ms MORGAN-THOMAS** - Yes, okay. So 2019-20 there were six sold under Home Share and 13 under Streets Ahead. 2020-21 there were four sold under Home Share and 28 under Streets Ahead.

**Mr WILLIE** - Yes.

**Ms MORGAN-THOMAS** - 2022-23 none under Home Share, three under Streets Ahead and none under MyHome.

**Mr WILLIE** - Minister, you will take on notice just to confirm the 2014 to now net increase. Yes?

## PUBLIC

**Ms MORGAN-THOMAS** - So we have from June 2016. In 2016 we had 13 621 social housing units. Do you want it year by year?

**Mr WILLIE** - No, just the net increase over the term again.

**Ms MORGAN-THOMAS** - In June 22 we had 14 500 homes. That's including 456 of crisis and transitional accommodation.

**Mr WILLIE** - Yes. Minister, if we could have the figure from 2014 to now. I'm happy for you to take it on notice.

**Mr BARNETT** - Yes, okay, are you happy to do that?

**Ms MORGAN-THOMAS** - Yes.

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

**Mr WILLIE** - Can I keep going, Chair?

**CHAIR** - You can have one more and then I'm going to go to Mr Valentine, because I thought yours was an overview question. Mr Valentine had the lead.

**Mr BARNETT** - I'll forgive you.

**Mr WILLIE** - In terms of the 10 000 homes commitment, minister, which is by 2032, how many homes have been delivered to date and how much money has been spent on these categories? Social rental homes for Tasmanians in need? Affordable rental homes for Tasmanians on low and moderate incomes and other housing programs?

**Mr BARNETT** - Okay, thank you for the question.

**CHAIR** - You're a quick writer, minister.

**Mr BARNETT** - Yes, thank you very much. In short, we've got 1500 by 30 June this year and that's -

**CHAIR** - Which is about three and a half weeks away.

**Mr BARNETT** - That's right. There's a lot of work going on right now in the month of June. So that's from 1 October 2020. These homes include social housing supported accommodation and short-term homelessness accommodation. Homes Tas is partnering with the community housing providers to deliver those 1500 homes. That target is tracking well with the 969 since the end of May, I think that was. So we're on track but it is going to be a bumper month of June.

**Mr WILLIE** - So you're going to have to deliver over 500 houses in a month.

**CHAIR** - Five hundred and forty actually.

**Mr BARNETT** - A bit more than that. A bit more than 500.

## PUBLIC

**Mr WILLIE** - Yes, that's what I said. In terms of my actual question though, which was the 10 000 homes by 2032, how much money has been spent on social rental homes for Tasmanians in need, affordable rental homes for Tasmanians on low or moderate incomes and other housing programs?

**Mr BARNETT** - How much has been spent on it?

**Mr WILLIE** - Yes.

**Mr BARNETT** - As in to invest, to buy.

**Mr WILLIE** - How much have you expended in terms of - on those categories.

**Mr BARNETT** - Well, I think we'd need to take that one on notice. That's a very detailed question. I'll check with the CEO, have you got any ability to answer that?

**Ms MORGAN-THOMAS** - We can partly answer it because in most design and construct things, which is where a lot of that and where we are also working with community providers, the payment flows come after the - some of them come before and some of them come after the stages. It's a point in time thing, so it's a messy number.

**Mr WILLIE** - We could maybe simply multiply it by homes delivered so far in those categories.

**Ms MORGAN-THOMAS** - Yes, I can tell you how many homes have been delivered so far and how many are projected.

**Mr WILLIE** - Yes.

**CHAIR** - In those categories.

**Ms MORGAN-THOMAS** - Yes.

**Mr BARNETT** - If I can assist to answer the question directly, because I think I know where you're coming from. With your question about the total, I have, is \$205.76 million has been provided by Homes Tasmania comprising, in the 2022-23 appropriation, \$145 757 000, and borrowings in the same year of \$60 million. Total received as at April 2023 is \$205 767 000. A further \$297 million is in the forward estimates as approved borrowings.

**Mr WILLIE** - Yes, I was after those three categories, minister, so I'm happy for you to take it on notice, including the homes delivered under those three categories.

**Mr BARNETT** - Can you be more specific? Just repeat that, please.

**Mr WILLIE** - So of that again, how many homes and how much funding has been spent on social rental homes for Tasmanians most in need, affordable homes for Tasmanians on low and moderate incomes, and other housing programs.

**CHAIR** - It's the tenure mix. He's asking you to provide the tenure mix of what's been delivered and what's planned to be delivered, and the funding that goes behind the tenure mix.

## PUBLIC

**Mr WILLIE** - Yes, and I'm happy for you to take it on notice if it's a complex question you can't answer now.

**Mr BARNETT** - Thank you very much. I'll just check with the CEO.

**Ms MORGAN-THOMAS** - Yes, we have got it, not quite the exact dollars against it but yes, we can do that. I can tell you now, affordable housing is zero. It's been social or crisis and transitional.

**Mr WILLIE** - Yes. But you're happy to take that on notice too, minister?

**Ms MORGAN-THOMAS** - Yes, we can take that on notice.

**Mr BARNETT** - We'll take it on notice.

**Mr WILLIE** - Okay, thank you.

**CHAIR** - Thank you. Thank you, Mr Valentine, it's your time to shine.

**Mr VALENTINE** - I don't know about that but anyway. In this year's Budget and forward Estimates there's \$372.8 million in grant funding for Homes Tas to deliver housing and homelessness services and to fund borrowings. How much has been transferred already, minister, and what is the schedule for future payments?

**Mr BARNETT** - Thank you for the question. As per the budget statement of comprehensive income overview for Homes Tas, expenditures increased by \$30.1 million from \$178.4 million in 2022-23 to \$208.5 million in 2023-24. This primarily reflects the 2023-24 budget decision of \$19.9 million, an increase to depreciation of \$12.8 million; capital grants not previously recognised by DCT budget chapter expenditure of \$10 million; and a range of other initiatives, which I can flesh out for you if you're interested.

**Mr VALENTINE** - You could and then we can go from there.

**Mr BARNETT** - Yes. Transfers from DCT to Neighbourhood Houses capital improvement program, \$1 million; and the Colony 47 grant for Youth Justice Save the Children, \$892 000; additional National Housing and Homelessness Agreement funding of \$836 000; additional expenditure funded from interest income of \$1.8 million offset by the cessation of prior year budget decision including the public housing initiative, solar and gas, \$9 million; and COVID housing support measures, \$8 million.

**Mr VALENTINE** - So specialist homelessness services are included in that lot that you just read out. Is that right? Colony 47 and - that'd be part of that?

**Mr BARNETT** - In terms of how much has been transferred already and what is the schedule for future payments, the grant funding noted for Homes Tasmania in the 2023-24 Budget and forward Estimates represents future payments. Accordingly, no amounts have been received as yet. The payment schedule for these funds is still to be agreed with the Department of Premier and Cabinet. That is likely to be in three or four instalments with the first instalment made at the commencement of each financial year, i.e. early July.

## PUBLIC

**Mr VALENTINE** - So if I was to ask you how much is allocated for specialist homelessness services, community housing, other housing and homeless programs, you would be able to provide those at a later point, or?

**Ms MORGAN-THOMAS** - Or now.

**Mr VALENTINE** - You can provide that breakdown now?

**Mr BARNETT** - We can provide it to you right now. Go ahead.

**Ms MORGAN-THOMAS** - This year we've allocated \$61 359 144 to housing and homelessness programs, and we've got that over the forward Estimates.

**Mr VALENTINE** - Okay.

**CHAIR** - So that doesn't break it up the way that you were asking, I don't think.

**Mr VALENTINE** - No, we're asking for three - so specialist homelessness services, community housing, other housing and homelessness programs. So those three.

**Ms MORGAN-THOMAS** - We haven't got a separate budget for community housing. It's part of our - what the board hasn't done yet is set the budget for Homes Tasmania. We have the budget that's been provided by Treasury and the board is now going through how we're going to allocate funds within that. We have what we have to spend as it's allocated by Treasury but we also have forward commitments. We have contracts in place with a number of those providers so that's not up for grabs, so those will go forward.

Then the board is working out how it allocates funds within that, knowing that some of our delivery strategy for the 10 000 homes will be through community housing providers, some of it will be through things that we do ourselves. The board will be having a discussion about that at their next meeting at the end of June and they'll be setting the budget for the whole organisation.

**Mr VALENTINE** - Sounds like it's going to be a future question.

**CHAIR** - So what is up for grabs? What are the funds up for grabs? If you've got a particular amount set aside that had been quarantined, what is the money that's up for grabs that Homes Tasmania board will decide to allocate where?

**Ms MORGAN-THOMAS** - It's largely the allocation of the net funds that are coming - that have been borrowed through TasCorp. So those funds that are coming in will go to delivering on the 10 000 and also - so some of those things will be - it's how we organise within that. There's actually very little up to be renegotiated, it's not like the organisation is going to stop funding homelessness services. That's a core part of why we're here.

**Mr VALENTINE** - It's very important at the moment.

**Ms MORGAN-THOMAS** - Absolutely, but it's also delivering on housing. The board is going through a process of working out what is the best way to deliver 10 000 homes and because Homes Tasmania also has the ability to generate some income ourselves - and we are

## PUBLIC

aware that there are commonwealth funds coming when that legislation gets through - that there's a lot to work out there about the best way to do that, that maximises the use of the dollars that we have available.

**CHAIR** - Right, so I understand that but if there's already a part of the funds that have been allocated that are dedicated to existing commitments, if you like -

**Mr VALENTINE** - Projects.

**CHAIR** - Projects and commitments, what's the balance? Is there some indication of or is that just whatever you can get from TasCorp?

**Ms MORGAN-THOMAS** - The TasCorp debt comes as we draw it down and it'll be drawn - cashflow based on - there's no point taking on debt when you don't have the likely expense to match it for six months, so we'll be taking that down in tranches as we need it because we know that if we are building a whole lot of homes at one time and we know that we've got to pay those, we'll make sure that we've got money in advance, but we're not going to hold it for months beforehand. We have to cashflow all of that knowing what we're going to do with the 10 000 homes project.

But also, because Homes Tasmania has the ability to sell off some land, like some of the Huntingfield or some of those bigger developments. That income comes back to Homes Tasmania to be reallocated. The board is looking at what is the best way to do that knowing what we know about our future cashflows this year.

**CHAIR** - How many times has the board met thus far?

**Mr BARNETT** - Fair question.

**Ms MORGAN-THOMAS** - We do know that.

**Mr BARNETT** - But they are very busy, and I must say, on behalf of the Government and the taxpayer, I think they are getting very much a good return for funds invested. I do appreciate the board's advice and feedback and they've been very busy. It's not just when they've been meeting. They have a lot of other ongoing discussions between board meetings. I do want to commend the chair, Michele Adair, and the board members. But you might have the number of official board meetings?

**CHAIR** - I'm casting no negative aspersions on what the board might have done and the benefits. I'm just interested in, if they've met four times, what have they been doing?

**Mr BARNETT** - I understand they have met six times, according to my advice.

**CHAIR** - Thank you.

**Mr BARNETT** - Or is it eight times? No, apologies; eight times.

**CHAIR** - Eight times.

**Mr BARNETT** - That's my advice. If it's any different, we'll let you know.



## PUBLIC

**CHAIR** - Eight times and we still don't actually have any real direction.

**Ms MORGAN-THOMAS** - We do.

**CHAIR** - We do?

**Ms MORGAN-THOMAS** - We do have a lot of direction, but some of the things around how you deliver 10 000 homes and how you manage the existing portfolio, there's a lot - and not knowing what is happening at the Commonwealth level, which will bring substantial funds to Tasmania. But also, that isn't settled yet, so there's a lot of movement there. The board has certainly been doing a lot of work around what the future strategy will look like.

**Mr BARNETT** - Can I just add to that; and in particular, the 20-year strategy which will be released in the very near future for all to comment upon and provide feedback, and the board has been absolutely essential to the drafting of the 20-year strategy.

**CHAIR** - Thank you, minister, and I appreciate that 20 years is important. But for those who don't have a roof over their head, 10 years or tomorrow would be even better. A supplementary to Ms Webb before I move to Mr Valentine.

**Mr BARNETT** - We do have an answer to a question.

**CHAIR** - Thank you.

**Mr BARNETT** - From the member, if you'd like to give that now.

**Ms MORGAN-THOMAS** - There is 178.92 FTE. That's 171 permanent FTE and 7.92 fixed term FTE.

**Ms WEBB** - That was the question, was it?

**CHAIR** - Yes. That was my question around staffing. That's been answered. Thank you, Secretary.

**Ms WEBB** - Could we get the bands breakdown in that, potentially, if we send through - yes.

**Ms MORGAN-THOMAS** - I'm sure we can.

**Ms WEBB** - We'll send it through for a band breakdown for those FTE numbers. Thank you.

**Mr BARNETT** - We'll take that on notice.

**CHAIR** - Yes, absolutely.

**Ms WEBB** - Just following on from the questions on the budget, if I may. I understand that you're yet to set the budget for those other income streams from the borrowings, from potentially funding available from the Commonwealth level, to decide how to allocate that. You've got your normal bucket, normal bucket that would have been part of the department

that you're expending into your services and things. When is it expected that the board will set the budget, and will that then be something that we are able to scrutinise and see, or will we see that only at the end of the financial year or reporting period, say, in an annual report? Will that be available for scrutiny and visibility?

**Mr BARNETT** - Yes. I'll maybe kick off and then pass to the CEO. First of all, there will be a 20-year strategy. It will be available for the public to provide feedback, then it will be finalised; I've said in the second half of this year. And underneath the final version, they'll have an action plan as to - over that forward estimates as to exactly what's happening and when. Secondly, there will be a corporate plan and an annual report, which I think you've referred to. That, likewise, will be available for scrutiny. They only started on 1 December last year. There's more work to do, and both those documents will be made available.

**Ms WEBB** - With the corporate plan, if I may, minister, will the corporate plan have the budget in there so that we can see what the plan is in terms of expending those income streams that aren't yet determined.

**Mr BARNETT** - I think the corporate plan will be consistent with other entities across government in terms of corporate plans. I assume that's the case.

**Ms MORGAN-THOMAS** - It will be, and noting we're unlikely to know before the end of June what the Commonwealth position is, based on current progress.

**Ms WEBB** - You mentioned revenue from land sales, such as, say, the Huntingfield subdivision. Is that what's represented here in the budget papers? I'm looking at page 133, budget paper number 2, volume 2, in table 28.3, detailed budget statements.

**Mr BARNETT** - Page 22, did you say?

**Ms WEBB** - Page 133, table 28.3. It's called 'Detailed Budget Statement, Statement of Comprehensive Income'. I'm just looking at this table. Under the heading total revenue, there's a net gain or loss on non-financial assets, which really jumps up quite considerably from 2024-25 onwards. I'm just wondering, looking at the footnote, that appears to relate to sale of land. So is that the area you're talking about?

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - From 2023-24, it's got about just shy of \$13 million there was expected, and that jumps to \$41.5 million, or thereabouts. So that's a lot of land. Is there anything other than land sales that's going to be feeding into that big jump?

**Ms MORGAN-THOMAS** - I'm not expecting that.

**Ms WEBB** - Is it the choice or the decision of the Homes Tasmania board what land is put up for sale in relation to that line there of revenue? Where does that decision-making sit, is what I'm interested to know.

**Ms MORGAN-THOMAS** - The decision-making largely came before the board was created. Huntingfield has been sitting with Homes Tasmania, in my understanding, from sometime in the 70s.

## PUBLIC

**Ms WEBB** - Yes.

**Ms MORGAN-THOMAS** - Some of the other land that has come through the land supply orders, it's all those properties that have come -

**Ms WEBB** - Most of those land supply orders are quite small.

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - Huntingfield is strikingly different, and in 2019 we did do a fast track rezoning process so it could quickly deliver houses, and here we are four years later. What proportion of Huntingfield is expected to be sold then, and not utilised for social or public housing?

**Ms MORGAN-THOMAS** - About 85 per cent.

**Ms WEBB** - Of the land?

**Ms MORGAN-THOMAS** - Yes. 85 per cent of the lots. Yes.

**Ms WEBB** - Where did that decision sit?

**Ms MORGAN-THOMAS** - That pre-dates me.

**Ms WEBB** - I see. Okay.

**Ms MORGAN-THOMAS** - It's typical for us. What use to happen in the 70s and 80s was that -

**Ms WEBB** - Banking land. I understand.

**Ms MORGAN-THOMAS** - State housing authorities built large public, broadacre estates, and widely accepted that that's not a great social outcome. 15 per cent of social housing is about what the Commonwealth expects for any money that they put in, that we won't build highly concentrated estates. Now it's 15 per cent or more; it is always a bit hard to work out. We would say around 15 per cent, but we also know that for a lot of the developments that we do, we are likely to have home ownership products in there which will be affordable. They will be affordable for people who may not otherwise be able to buy a home, but this will give them a step up into it.

**Ms WEBB** - Absolutely.

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - That 15 per cent in Huntingfield, is that social and community housing, or is it a mix of social and community housing plus low-income home ownership products?

**Ms MORGAN-THOMAS** - No. It is 15 per cent of social housing, which is community and public.

**Ms WEBB** - Great.

**Ms MORGAN-THOMAS** - And affordable home-ownership will be part of the other bit of it.

**Ms WEBB** - On top of that.

**Mr BARNETT** - Can I just recap. Yes, 15 per cent for social housing, and in and around 35 per cent for affordable housing, which is primarily for the MyHome Shared Equity program. I should say, with respect to Huntingfield, there is an estimation of around 470 residential lots that will be available over time over the various stages of that project. A subdivision like that, it is not unusual for the government to be involved, or Homes Tas in this case, to then sell those blocks and to return that revenue to the budget before re-investment.

**Ms WEBB** - To put it on the record, minister, I'm quite pleased to hear that 15 per cent is going to social housing, because at the time there wasn't an absolute confirmation that it would be that. It could have been as low as five at the time that it came through parliament. So that's promising. We'll see how we go in terms of what that looks like on the ground, and 35 per cent affordable.

**Mr BARNETT** - Thank you for your feedback, and I'll just quickly that this is in stark contrast to the 60s, 70s, and 80s where there was broadacre housing. Frankly, that's just not going to happen again under our government and under Homes Tasmania. We've got to provide liveable, sustainable conditions for vulnerable Tasmanians, and the 15 per cent is deemed, based on best practice and expert advice, a good proportion for this type of subdivision.

**Ms WEBB** - Absolutely. The revenue from the sales of the 85 per cent, or the other 85 per cent, that's then coming back to Homes Tas to be used in the housing space again.

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - That's also good to hear.

**Mr BARNETT** - Yes.

**Ms WEBB** - In terms of 35 per cent affordable, like through the MyHomes, how are you defining affordable?

**Ms MORGAN-THOMAS** - Below market.

**Ms WEBB** - Just below market. Okay.

**Ms MORGAN-THOMAS** - And the MyHome has some caps at the moment. If we're going to sell through MyHome, then we have to make sure it reaches those caps.

**Ms WEBB** - Yes. I'm only asking because - you may not be aware - there was another package of land in Huntingfield back then. It was the first tranche of land there which was supposed to all be affordable packages, and none of it was, in the end. So hopefully this will be different. This will be a better outcome.

## PUBLIC

**Ms ARMITAGE** - Are we still on the same one, or are we on a different one?

**CHAIR** - We're on homes and housing.

**Ms ARMITAGE** - Just on the same question, I'm wondering if you have an update on where we're at with the property in Launceston. I'm just trying to think of the - off of Quarantine Road, the same as Huntington - you've caught me unawares. I wasn't down on your list.

**CHAIR** - Apologies, member.

**Ms ARMITAGE** - That's quite all right. I've got questions with regard to it.

**CHAIR** - The subdivision, the land sale.

**Ms ARMITAGE** - Yes.

**UNKNOWN SPEAKER** - The housing land supply order.

**Ms ARMITAGE** - Yes. The housing land supply.

**Mr BARNETT** - I think the housing land supply order.

**Ms ARMITAGE** - Technopark. Sorry, Technopark. I was trying to think of the name.

**Mr BARNETT** - You're thinking of Technopark. Yes, I know what you've -

**Ms ARMITAGE** - Just wondering if you've got an update on where that's at.

**Mr BARNETT** - Yes, we can provide you an update.

**Ms ARMITAGE** - Because that was a similar one we discussed where we had the 1535, and the 50 previously.

**Mr BARNETT** - Yes. Exactly. We've had some correspondence as well.

**Ms ARMITAGE** - We have.

**Mr BARNETT** - I know you've had an interest for some time.

**Ms ARMITAGE** - I have. Where is that at.

**CHAIR** - I think it might be in the member's electorate.

**Mr BARNETT** - Yes, indeed. That's a housing land supply order currently being progressed for 10.5 hectares of land at the site. When rezoned, the development could deliver 109 lots of much needed residential land. Homes Tas, and I'll pass to the CEO in a moment, they've obviously engaged with the council, local community.

**Ms ARMITAGE** - Have they engaged with the local community yet?

## PUBLIC

**Mr BARNETT** - Yes, they have. But I will pass to the CEO on the detail.

Yes, it's the proposed housing land supply order was advertised. Multiple meetings with council to optimise the site responsive design, a mix of lot sizes and layouts are envisaged to accommodate a diversity of housing types on the land. The Homes Tas is working with the Minister for Planning on the second round of public consultation, should it be required. This has meant engaging with the council's traffic team to ensure all potential impacts on the road network are satisfactorily addressed, and working with the Natural Resources and Environment Department to minimise ecological impact. Subdivision would provide much needed social and affordable housing, and I'll attest the demand for housing is consistently very high. Now, there is a -

**Ms ARMITAGE** - Just wondering how we're going with the zoning as well, minister.

**Mr BARNETT** - There's a mixed tenure part of that. I'll pass to the CEO for more detail.

**Ms MORGAN-THOMAS** - We need to do the consultation before we can go to the zoning.

**Ms ARMITAGE** - Right. I thought you might've been consulting on the zoning as well.

**Ms MORGAN-THOMAS** - No. There's been some great feedback that we've got around the traffic issues.

**Ms ARMITAGE** - Because it's hard to consult on the housing when it's not zoned correctly.

**Ms MORGAN-THOMAS** - Yes, yes.

**Ms ARMITAGE** - I would've thought that the zoning might've had to come before the consultation on the housing. It's almost like the -

**Ms MORGAN-THOMAS** - Yes.

**Ms ARMITAGE** - No. It's like the cart before the horse, because if it's not zoned for residential, how can you consult on the housing when the zoning is not correct? That's just a -

**Ms MORGAN-THOMAS** - My understanding is we're -

**Mr BARNETT** - I think there's consultation on the rezoning.

**Ms MORGAN-THOMAS** - Yes, there's consultation occurring.

**Ms ARMITAGE** - Yes.

**Ms MORGAN-THOMAS** - Yes.

**Ms ARMITAGE** - So the rezoning is being consulted at the moment as well.

## PUBLIC

**Ms MORGAN-THOMAS** - All of those things inform the rezoning, that it's a - yes. Sorry, I'm just looking for my -

**CHAIR** - We also talked about this last year from memory.

**Ms ARMITAGE** - We did.

**CHAIR** - We haven't made much progress since 12 months ago.

**Mr BARNETT** - In which is that?

**CHAIR** - In regard to TechnoPark. Is that fair to say?

**Mr BARNETT** - My understanding is Homes Tas has progressed quite a bit.

**Ms ARMITAGE** - If Huntingfield is anything to go by.

**Mr BARNETT** - The relevant officer is just coming back.

**Mr WILLIE** - Can we have the West Moonah one, too, minister? We get questions in the community about that.

**CHAIR** - Richard Gilmour, welcome. Director of Community Infrastructure Homes Tasmania. I received this lovely list at lunch time. There's a cast of thousands here. Welcome, Richard.

**Mr BARNETT** - There were questions about TechnoPark and rezoning and where we were up to through you, Chair, and then I think West Moonah.

**CHAIR** - The member for Launceston's asked the same question.

**Ms ARMITAGE** - I ask it regularly.

**CHAIR** - A similar question as last years.

**Ms ARMITAGE** - I've had discussions with Richard over many years about variety of different places. Just the zoning. Obviously, the zoning would need to come first, I would've thought, before the consultation not on the housing area, because you can't put housing if the zoning's not right - if the zoning doesn't go through.

**Mr GILMOUR** - Yes. The Housing Land Supply Act gives government the ability to rezone land that then becomes vested in Homes Tasmania.

**Ms ARMITAGE** - Right. They would still need to consult, I would assume.

**Mr GILMOUR** - Correct, and the act specifies how that consultation process occurs. What we've done throughout - well, what we've learned through the process is that whilst technically the act is really about changing the zone and not about subdivision design, people don't really care about the fact that it's going to become general res or inner res or whatever it

might be. It's really about where are the roads going to be, how many lots are they going to be, where's the public open space.

**Ms ARMITAGE** - What size are the lots going to be I think is really important as well.

**Mr GILMOUR** - Yes, absolutely.

**Ms ARMITAGE** - Is there a mix of sizing?

**Mr GILMOUR** - There will be. Correct. In terms of where we're up to in current process, we've submitted a housing land supply order application through the State Planning Office in Department of Premier and Cabinet. That's gone out for public consultation, and we've run consultation sessions with respect of that, door-knocking, providing information packs and fact sheets, et cetera.

We got a strong response in terms of traffic. There was a lot of interest in how traffic management would work, and in particular it was identified by the community that there's an already difficult intersection onto Hobart Road, and that putting more traffic movement and so on is going to exacerbate that. We've withdrawn our process or put it hold. We then appoint a further traffic engineer, and we're about ready to provide that back through to the State Planning Office.

**Ms ARMITAGE** - Where do the information packs go? Or who do they go to, the information packs?

**Mr GILMOUR** - Local residents.

**Ms ARMITAGE** - So one plus one, or just -

**Mr GILMOUR** - We do draw a circle around, and there's also the consultation process that the State Planning Office go through. It's fair to say they've changed the level of broadened consultations, so it's not just an adjoining land owner. But that we still, obviously, do get people who say, 'Why wasn't I notified about this?'

**Ms ARMITAGE** - If people want information, where can they find it?

**Mr GILMOUR** - They can find it through Homes Tasmania.

**Mr WILLIE** - The West Moonah one, from what I can tell in the community, it's supported by quite a few people in the area. They just want to know what's going on.

**Mr GILMOUR** - Yes.

**Mr WILLIE** - It doesn't seem like the school staff know a lot about what's going on next door either.

**Mr GILMOUR** - It's a very good question. We have a development application in place for 15 minutes on that site. It was a project that we put up as part of the Hobart city deal, and the organisation that was going to deliver that project subsequently couldn't deliver the project. Actually, their funding was reallocated by the Commonwealth to other community housing



## PUBLIC

projects as part of that arrangement. We currently have a contract in place for delivery of units, and it's going to be a pre-fabricated modular housing solution with a delivery date in the next probably eight or so weeks. It's close.

**CHAIR** - Now that everyone's got their special interests out of the way, we'll get back to proper scrutiny.

**Mr VALENTINE** - My set of questions is like a colander.

**CHAIR** - Nothing about Dunalley. Thank you, member for Hobart.

**Mr VALENTINE** - You might've answered part of this when you answered the member for Elwick, but the question is how much of the \$1.5 billion housing package is to build 10 000 homes in 10 years has been released to Homes Tas to date to build and purchase new homes? Let me ask that question first.

**CHAIR** - Don't leave us, Richard. We might need you.

**Ms ARMITAGE** - Don't go far.

**Mr BARNETT** - We shared earlier to date there's been a total of \$205.767 million provided to Homes Tas, comprising appropriation of \$145 757 000, and borrowings of \$60 million. In total, \$205 767 000.

**Mr VALENTINE** - That's all for building homes.

**Mr BARNETT** - Yes.

**Mr VALENTINE** - Okay. Now, you're not going to be able to tell me how much is in the projected for the forward estimates, because -

**Mr BARNETT** - Well, when I say 'building', building and purchasing new homes.

**Mr VALENTINE** - Yes, okay, that's good. You're not going to be able to tell me how much is projected in the forward estimates, because you haven't finished your strategy and Homes Tas has a bit of work to do, is that right?

**Mr BARNETT** - Broadly, yes. We have to finalise the strategy the second half of this year, you know, the sooner the better. There is a lot of time and effort, all the minister's reference group has had input to it, the board has had input into it, we have had all of the stakeholders had input into it. We are going to release a draft, there will be feedback on the draft. We are then going to finalise the 20-year strategy.

**Mr VALENTINE** - Yes, that's okay.

**Mr BARNETT** - Underneath that have an action plan to say exactly what we're going to do in those first four years or thereabouts to say that, you know, where and when and how those funds are to be expended.

## PUBLIC

**Mr VALENTINE** - Okay, and how much has actually been spent already for building and purchasing new homes out of that \$1.5 billion.

**Mr BARNETT** - Well, I think I have answered that.

**Mr VALENTINE** - You started to mention numbers, but I'm interested in the dollars, out of the \$1.5 billion, how much has actually been spent already. Have you got that on notice? Okay, he's got it on notice, so forget that. I wasn't sure whether it was incorporated in what he had asked before or not.

So with the recent 2020 ABS census figures it shows the Tasmanian population has grown faster than projected, and research shows that the total number of dwellings in Tasmania has not kept pace, has not kept up with this growth. Has the total number of social housing dwellings supplied kept pace with the growth in population, that's the question.

**Mr BARNETT** - Okay, so I understand. Between June 2018 and June 2022 Tasmania's social housing stock increased by 5.1 per cent. This was the highest growth of any jurisdiction in Australia and is considerably higher than the national figure of 1.5 per cent.

**Mr VALENTINE** - But that's not the question. The question -

**Mr BARNETT** - No, but -

**Mr VALENTINE** - Yes, go on.

**Mr BARNETT** - It's part of the answer and it shows that Tasmania is punching above its weight. However, Tasmania's population grew more rapidly than expected in this time, by 5.8 per cent. The growth in Tasmania's social housing stock was slightly lower than this unexpectedly high population growth, and I think I mentioned earlier about the unexpectedly high population growth. More recently Tasmania's population growth has slowed, while Homes Tasmania's construction program continues to deliver. It is expected that social housing growth will exceed population growth again in the near future.

**Mr VALENTINE** - So we're behind the eight ball before we start?

**Mr BARNETT** - Well, we are punching way above the rest of the nation.

**Mr VALENTINE** - Well, we are, but -

**Mr BARNETT** - 5.1 per cent compared to 1.5.

**Mr VALENTINE** - But we are still the -

**Mr BARNETT** - The national average on the - it's amazing.

**Mr VALENTINE** - Our growth is outpacing our provision of social housing.

**Mr BARNETT** - Going forward we expect construction to outpace the population growth.

## PUBLIC

**Mr VALENTINE** - Okay. So what is the proportion of social housing dwellings to all dwellings in Tasmania, do we have that figure?

**Mr BARNETT** - Yes. So as at 30 June 2022 the proportion of social housing dwellings to all dwellings in Tasmania was 5.4 per cent. This is based on 14 044 social housing dwellings. So that is the ROGS Report of Government Services, which you would be familiar with, and 259 421 estimated all dwellings in Tasmania, which is the ABS states.

**Mr VALENTINE** - The social housing waiting list, which is roughly around 4000-something people, isn't it? What is it? 4600?

**CHAIR** - It is an average of 81 weeks' wait.

**Mr VALENTINE** - So the social housing waiting list counts one applicant per household. How many young people aged under 18 are applicants for social housing?

**Mr BARNETT** - As at 30 April 2023 there were 128 primary applicants 16 or 17 years of age on the housing register, and to be eligible for social housing applicants must be 16 years of age or older.

**Mr VALENTINE** - So Shelter Tas is concerned about the number of children living in households waiting for social housing. How many applications for social housing include children as members of the household.

**Mr BARNETT** - As at 30 April 2023 there were 1579 primary applicants that were families with children, and as at 30 April 2023 there were 3095 children aged 0-16 years of age within housing register applications.

**Mr VALENTINE** - It sounds like we got the same letter, minister. How many children under 16 in total are included in social housing applicant households?

**Mr BARNETT** - I think that's the last -

**Mr VALENTINE** - That's that last one, is it? Okay, well, it is a separate question here, but anyway, that's okay. How many homes have been built to date with the housing debt waiver funds made available from the former Commonwealth State Housing Agreement, the Labor agreement?

**Mr BARNETT** - Thank you. That was a major pivotal agreement between the state and federal government, for which we are very grateful. As a -

**CHAIR** - Jacquie Petrusma, I think, when she was the housing minister, didn't she organise that?

**Mr BARNETT** - Yes, I think she did a lot. But also Roger Jaensch did a lot, and likewise -

**Mr VALENTINE** - Senator Lambie?

## PUBLIC

**CHAIR** - I think minister Petrusma put the groundwork in. Senator Lambie was part of it, I think.

**Mr BARNETT** - I praise all my former ministers. Ferguson, Jaensch and Petrusma, have all done a wonderful job for which I am very grateful, and of course the former federal government with the support of Senator Jacqui Lambie.

**CHAIR** - And this committee who ask every year how much the outstanding debt was and why couldn't we get it extinguished. I think we can take some credit as well.

**Mr BARNETT** - You have been very, very persistent, and that is an excellent characteristic to have.

**Mr VALENTINE** - Success has many parents, doesn't it?

**Mr BARNETT** - That's right, persistence.

**Mr VALENTINE** - And failures have none.

**CHAIR** - Do you need to redirect your question?

**Mr BARNETT** - As persistent as those campaigning for Teddy Sheean's VC. I will compare it with that, so there you go. As at 30 April 2023, 327 households have been assisted through Commonwealth State Housing Agreement debt waiver funding. This includes the supply of 265 new homes and 62 households assisted into housing. So that is existing social housing homes and private rental incentives.

**Mr VALENTINE** - So how many homes were built during the last and current financial years from those funds?

**Mr BARNETT** - A total of 265 new homes built using the Commonwealth State Housing Agreement debt waiver funds include the following: 2021, 102 new homes; 2021-22, 141 new homes; 2022-23 to 30 April, 22 new homes.

**Mr VALENTINE** - How much of the housing debt waiver funds are allocated in the current budget year to be spent on new construction of crisis and transitional housing?

**Mr BARNETT** - There are 15 units of homeless accommodation in progress, a budget of \$6 million that are anticipated to be completed in 2022-23.

**Mr VALENTINE** - And new construction of long-term social rentals, public and community housing stock?

**Mr BARNETT** - There are 21 new social housing dwellings in progress, a budget of \$3.8 million that are anticipated to be completed in 2022-23, and there are 41 new social housing dwellings in progress, with a budget of \$7.7 million that are anticipated to be completed later this year.

**Mr VALENTINE** - The third part to that question, and other housing? For example, home purchase equity schemes and private landlord subsidies.

## PUBLIC

**Mr BARNETT** - I will take advice on this one.

**Ms MORGAN-THOMAS** - I don't think we have the home purchase equity at hand.

**Mr VALENTINE** - That's just an example, but it is other housing out of those - the new construction of crisis and transitional housing and the new construction of long-term social rentals.

**Mr BARNETT** - So let me assist. I understand there is a budget allocation of \$372 500 to provide 25 private rental incentive properties in 2022-23.

**Mr VALENTINE** - Okay. Sorry, the member for Nelson.

**Ms WEBB** - No, I was just clarifying that that was all from the debt waiver funds. Each of those numbers you have provided there are -

**Mr VALENTINE** - It's debt waiver funds, yes.

**Ms WEBB** - Yes.

**CHAIR** - I have a supplementary from Mr Willie.

**Mr BARNETT** - Yes. To the member for -

**Mr WILLIE** - On the housing register and it was from the veterans' part, but I was just interested in how many veterans are on the housing register and whether you have got an idea of how many veterans are homeless in Tasmania.

**Mr BARNETT** - Yes, we can. That's -

**CHAIR** - You did invite the member to put that to you and would provide an answer at a later time.

**Mr BARNETT** - Yes, we did, and we can assist the member.

**CHAIR** - It was probably Elise's homework over the lunchbreak.

**Mr BARNETT** - Okay. So we have the details, thank you for that question earlier about our veterans. Thank you. So here we go: So, the number of veterans on the housing register - I will just make sure we've got the same details here - are relatively low, data available at 30 April 2022 showed there were 12 primary applicants on the housing register that had an income sourced from Veterans Affairs, so 12. There are currently 21 public housing tenants reporting an income source from Veterans Affairs. Access to wraparound supports in additional affordable housing is important to help veterans with a sustainable life.

**Mr WILLIE** - That seems very low. Is that the only way you identify veterans is an income source from DVA?

**Ms MORGAN-THOMAS** - It's not a question we ask at the time of allocation, and so people can disclose it, but it is not in data that we are able to do. What we are able to do is

## PUBLIC

look at the income source. Now, we know that a lot of veterans don't necessarily just have a DVA income; that they may have other sorts of income stream, but we don't pick it up that way.

**Mr WILLIE** - Should we collecting more robust data than that, minister?

**Ms MORGAN-THOMAS** - It's like disability. It relies on people wanting to disclose. But also what we don't know how many veterans are eligible, because they also have to be eligible for social housing in the first place.

**Mr WILLIE** - Do we have an understanding - nationally it's estimated around 5000 veterans are homeless. Do we understand what that proportion is in Tasmania?

**Mr BARNETT** - As I said earlier, I think I've written to the federal Minister for Veterans Affairs to draw this to his attention, particularly in terms of housing and homelessness and Tasmania and to more fully engage with the state government on that. I'm advised that we're at 1.83 per cent or thereabouts and that's the current status. I'm happy to double check that, but just -

**Mr WILLIE** - In terms of the data, do you think that that may need to be more robust into the future to understand the needs of veterans. I mean just identifying the income source doesn't really give us a good understanding at all.

**Ms WEBB** - Does Homes Tas intend to look at the data collection around their housing register and being able to better understand what that represents in terms of unmet need and therefore be able to feed that into policy development and planning more accurately. Because my understanding is also similarly to the member for Elwick. That this information is very scrappy and pretty clunky right now about who's on that register. There's only limited data points that we can use. Is the government intending to improve that?

**Mr BARNETT** - It's always our intention to improve everything we do, but I'll check with the CEO.

**Ms MORGAN-THOMAS** - Yes, look, we can certainly look at that. What I know from working with people who are vulnerable particularly is that they are often reluctant to disclose things to you in the first instance and may disclose more as they become involved into a deeper relationship with you.

**CHAIR** - So Housing Connect are well placed to do that.

**Ms MORGAN-THOMAS** - No, no I understand that.

**Mr WILLIE** - It sounds like they're not given the opportunity to disclose it.

**Ms MORGAN-THOMAS** - Well they may, but we may not have a record on it so I can have a look at whether that's a thing. That's not just for veterans. It's for a number of vulnerable groups.

**CHAIR** - That was the question the member asked.

## PUBLIC

**Ms MORGAN-THOMAS** - It could be, yes, which we do know depending on how the referral comes. But what we have to be careful of in running a big system like that is if you make it a mandatory question that you must collect it can actually interfere. What case workers tell you is that it can interfere with the work they do in the first place because some of things are iterative, and you pick it up over time. So it is a thing that I would personally like to improve.

**Ms WEBB** - You can have a 'prefer not to say' option though, because that way you can have a prompt question.

**Ms MORGAN-THOMAS** - Yes, that's true.

**Ms WEBB** - That requires an answer, yes, no or prefer not to say and then down the track you come back to ask again; the prefer not to say.

**Ms MORGAN-THOMAS** - Yes and that's a good suggestion and we can look at that. One of our board members, Rob Pradolin, works with Housing All Australians. He's just released a report on Veterans Affairs that he shared with the board last week and there's certainly some things in there that I know the board is interested in looking at and thinking about, so I want you to take comfort from that; that the board's interested in thinking about that.

**UNIDENTIFIED SPEAKER** - Can I come in there? That's not a public document yet, is it?

**Ms MORGAN-THOMAS** - It may not be -

**Mr BARNETT** - It may not be a public document yet if you don't mind, but I've also -

**CHAIR** - Well we know about it now.

**Mr BARNETT** - Well you know about it, but I met with Robert Pradolin last week. We had a one-on-one meeting. He shared the report in-confidence with me and it's quite insightful. I haven't been through the whole report though it's very comprehensive, but I looked, and I know he shared it with the board and with the management of Homes Tas. We will absolutely be looking at that report and trying to learn how we can do things better in Tasmania to better represent the veterans and their community and based on the ABS data it's some 43 veterans who've served in the ADF who are in Tasmania. So, look take your point. We always want to do better, and I think we will, not just today, but based on that report and other feedback I've written to my federal minister. I take it seriously and we've got more work to do in that space and look forward to doing it.

**Ms WEBB** - Thank you, minister. Just to be really clear because we started with a question around veterans but we were then talking more broadly about data collection and evidence-informed policy making from understanding the register better through data collection and so it is comforting that the Homes Tas board are interested to look at that more closely.

**Mr BARNETT** - Yes, and it's excellent having someone on the board like Robert Pradolin, who I have a very high regard for. He's an excellent board member and Housing All Australians, he's a champion in that space. Yes, he is from the mainland but he is delivering

## PUBLIC

his services and support for the people of Tasmania and our state and he's got a big vision to make a difference in this space and I give him great credit.

**CHAIR** - I hope it didn't come across that I was not receptive to people outside of Tasmania. It's just always a question we like to ask on behalf of Tasmanians.

**Mr BARNETT** - That's fine.

**CHAIR** - Thank you. The member for Launceston has a question, and I might have a follow up one.

**Mr BARNETT** - I think there was an earlier question I could answer now. It was a question on notice, 'What is the net increase in social housing stock since 2014?' The answer is according to this advice, the net increase in social housing from 2014 to June 2022 is 555 homes, or 1011 including crisis accommodation and transitional accommodation units.

**CHAIR** - Thank you. Might note that, thank you, Madam Secretary. Thank you, member for Launceston.

**Ms ARMITAGE** - Thank you, Chair. Through you, minister. This might not be one that is connected to Housing Tas or Homes Tas, but I have a follow-on from it, whether it is or whether it isn't. 359-361 Hobart Road. Now I'm sure, minister, you've driven along Hobart Road, and you've seen the 22 units, that huge block of units that's being built on the city mission block. I think it's Catholic Care. I know in the past Homes Tasmania have been involved. Are you involved in that one? And if so, 22 units for the people living in there. First of all, tell me if you're involved.

**Mr GILMOUR** - We are involved. Yes, that's a community housing growth program project. So it was Centacare Evolve in partnership with Launceston City Mission.

**Ms ARMITAGE** - So, was consultation taken with the neighbouring residents for a start and to put 22 units. I know that the local council - my understanding is the local council tried to reduce the number. I think they were working to reduce the number and then all of a sudden, the communication broke down and the original number was built. Has anyone at this table here looked at - driven along there and had a look to see how that looks? Or spoken to any of the residents? I mean or for the people that are going to live in 22 units in that tight block.

**Mr GILMOUR** - I certainly have. I've been on site a couple of times as it's been constructed and I'm aware and it was a project that was prosecuted by Centacare Evolve with obviously in partnership with Launceston City Mission.

**Ms ARMITAGE** - And Homes Tasmania think that block of units is okay for people to live in in that tight an area?

**Mr GILMOUR** - Well the density is consistent with the scheme's objectives, so it satisfies the planning scheme requirements. It's a mixed tenure development. It is going to have some affordable home ownership in there. It's also going to have some -

**Ms ARMITAGE** - Have you seen it, minister? Can I ask your honest opinion?



## PUBLIC

**Ms BARNETT** - Of course you can. I haven't walked through it.

**Ms ARMITAGE** - But going past it and the neighbours. Have you seen it?

**Mr BARNETT** - I've seen it from the outside, but I think the point that's Richard's making is its mixed tenure.

**Ms ARMITAGE** - Can you tell me what mixed tenure is?

**Mr BARNETT** - I draw that to your attention.

**UNIDENTIFIED SPEAKER** - Yes, he was just explaining.

**Ms ARMITAGE** - Thanks Bec, I can listen to Richard.

**Mr GILMOUR** - Yes, primarily it'll be social housing but there is specialist disability accommodation in there and also some affordable home ownership as well.

**Mr BARNETT** - Yes, it goes through a planning process and it's subject to the normal planning process so, not sure that I can answer too much more.

**Ms ARMITAGE** - Broad acre often goes through planning process too.

**Mr VALENTINE** - It's a result of the state-wide planning scheme probably.

**Ms ARMITAGE** - Can I ask the next question, to do with TechnoPark? Will there be any limitations on the density to do with units in there as well? Will there be similar developments to the one on Hobart Road. Which I can tell you now, I know the neighbours are extremely upset and they're not too sure how the poor residents will be either in such density.

**Mr GILMOUR** - Through you, minister, we've obviously got a draft sub-division design. In terms of retention the policy that my CEO and the minister spoke to before around retaining 15 per cent for social housing, that's a consistent approach that we apply to all of our developments. It can be slightly lower or slightly higher, subject to other things like what type of projects we might need or what the surrounding densities, if there are any other Homes Tasmania owned properties.

In terms of -

**Ms ARMITAGE** - No restrictions on units, on the amount of units?

**Mr GILMOUR** - The planning scheme?

**Ms ARMITAGE** - Just the normal planning scheme restrictions.

**Mr GILMOUR** - That's it. So the density that we're allowed under the planning scheme is what -

## PUBLIC

**Ms ARMITAGE** - I wouldn't have thought 22 units under the planning scheme, under the state, would - I'm surprised, because I can always remember when I was on council, there were limitations to the amount of units in any area. I'm surprised that 22 units were allowed in that one block.

**Mr GILMOUR** - It has a planning permit, and so it was assessed by the Launceston City Council.

**Ms ARMITAGE** - That makes it all right?

**Mr GILMOUR** - Launceston City Council, yes. Correct.

**Ms ARMITAGE** - Okay.

**CHAIR** - We might agree to disagree here.

**Ms ARMITAGE** - I think most will.

**CHAIR** - I have a question around the works that are being undertaken at Rocherlea, diagonally opposite the commercial subdivision, or industrial subdivision. As you drive out of Launceston.

**Mr GILMOUR** - On the right-hand side?

**CHAIR** - On the right-hand side as you're driving out. The one that's just been cleaned up and tidied up and they're starting to put some headworks in.

**Mr BARNETT** - Which road are you talking about?

**CHAIR** - Just up from Spiders North café.

**Mr BARNETT** - George Town Road.

**CHAIR** - It's not George Town Road, because you're heading towards Lilydale. So it's on the Lilydale Road.

**Mr BARNETT** - Lilydale Road, okay. I'm trying to work out where you're referring to.

**CHAIR** - Turn the corner and not go to George Town, but head out towards Lilydale, past Spiders North café. Everyone knows that.

**Mr GILMOUR** - We have a subdivision at Lilydale, which has subdivision approval.

**CHAIR** - No, no, this is the one -

**Mr GILMOUR** - I'm sorry, at Lilydale Road, I mean to say.

**CHAIR** - Lilydale Road. Thank you.

**Mr GILMOUR** - Correct. Apologies.

## PUBLIC

**CHAIR** - I thought you meant you'd gone out to Lilydale.

**Mr GILMOUR** - Yes. We do have a subdivision on Lilydale Road, and I won't try to remember precisely the number of lots. I think it's in the order of around 60. This was land that we purchased from the Department of Education, and it was already appropriately zoned, so we've undertaken subdivision approval. We just awarded a civil contract. We're just working through some finalisation of some design issues around that before we press on. So there are some works being done, geotechnical works and stuff as part of that development.

**CHAIR** - And they'll be the same; they'll be a mixed -

**Mr GILMOUR** - Correct. Yes.

**CHAIR** - The 15, 35.

**Mr GILMOUR** - Yes, absolutely.

**CHAIR** - Thank you.

**Mr BARNETT** - I think it's fair to say, I think I was there with the federal Minister for Housing, Julie Collins, last year when it was released. But it's consistent with the balance, the guidelines, roughly, the 15 per cent social housing, 35 per cent, roughly, affordable housing. MyHome Shared Equity program. There is a mix, and that's the guidelines that are used.

**CHAIR** - Can I ask in regard to the \$3 million to extend the Residential Land Release Rebate initiative, the Headworks Holiday incentive. Is that still being used effectively and efficiently?

**Mr BARNETT** - Yes. The Headworks Holiday, I'll just check where that is in the folder.

**CHAIR** - It says it's going to bring more land to the market sooner.

**Mr BARNETT** - I think it's Department of State Growth, that one. I'm happy to answer that question. That will be in the next bracket of questions.

**CHAIR** - I'll hold that thought. Thank you. Ms Webb.

**Ms WEBB** - Thank you. A couple of quick ones that we might be able to move through. In terms of our - I'm thinking of the performance information on page 132 in the Homes Tas section of budget paper number 2. Net recurrent costs per dwelling. How do we do there compared to other states? I'm looking at our 2022-23 target being \$8700, and that's again for the target for 2023-24. How is that target, and does that actual compare with other jurisdictions? Net recurrent costs per dwelling.

**Mr BARNETT** - Good question.

**CHAIR** - It's in the budget papers.

**Ms MORGAN-THOMAS** - Sorry, I know the number. I've don't know how we compare with other states.

## PUBLIC

**CHAIR** - Just checking.

**Ms WEBB** - Perhaps you can take it on notice. Thank you. Can I also then ask -

**CHAIR** - That's a question. Thank you, Secretary.

**Ms WEBB** - I'm interested to ask a bit about Rapid Re-Housing, if I may, noting that the Rapid Re-Housing program has sort of three streams to it; family violence stream, mental illness stream, and prisoners leaving incarceration. I'm interested to know at the moment how many are currently - how many properties are being utilised in each of those three streams, and what the identified unmet need is in each of those areas; as in, how many people are we turning away from those streams?

**Mr BARNETT** - There is a mix of questions there, I think, but thank you for the questions. If you'll allow a few moments to get to that, because you've outlined the different parts of the Rapid Re-Housing program, including our correctional facilities as well. I'll just see if the team at the table can assist.

**Ms MORGAN-THOMAS** - At the moment, we have, in the south, 112 - or there's 175 applicants on the housing register total for family violence Rapid Re-Housing. That was at 30 April. Now, it doesn't add up, because some can be across regions, but we have 112 in the south, 642 in the north.

**CHAIR** - Six hundred and forty-two?

**Ms MORGAN-THOMAS** - In the north. That's what the number says, though that can't be right. And 26 in the north-west. Let me check that number. That can't be right.

**CHAIR** - That doesn't sound right.

**Ms WEBB** - Sorry, I didn't quite catch those numbers that you were just giving me. Are the numbers on the waiting list for Rapid Re-Housing?

**Ms MORGAN-THOMAS** - They're on the housing register with applications for family violence Rapid Re-Housing.

**Ms WEBB** - So that is the unmet need portion that I was asking about. And then how many people are actually currently in properties in that family violence stream of Rapid Re-Housing?

**Ms MORGAN-THOMAS** - I do know that, but it's not actually in that. We've assisted 441 households at the end of April.

**Ms WEBB** - Thank you.

**Ms MORGAN-THOMAS** - There are 50 family violence properties, and the demand is 175.

**Ms WEBB** - The 50 are all tenanted?

## PUBLIC

**Ms MORGAN-THOMAS** - Yes. Prisoners, there are 12 properties. We don't know what the demand is.

**Ms WEBB** - Sorry, I didn't catch the second category.

**Ms MORGAN-THOMAS** - Prisoners, there's 12. And we don't know what the demand is, or it's not available. And mental health we have five properties, but I'm not aware of the demand.

**Ms WEBB** - Can I just ask, in terms of that then, minister, of not being aware of the demand, this ties back to the conversation we were having earlier about having full data available from our housing register. For example, do we know how many people are on the housing register who are prisoners or parolees, have been released from prison and are currently sitting on that register?

**Ms MORGAN-THOMAS** - I'm not aware that we do, but we know those that are at very high risk. We find out about them and then we put them on the register. So it happens the other way round.

**Ms WEBB** - So we can't interrogate the register to find out who might be on that list who is someone who has recently been incarcerated, or come out of incarceration either as a parolee or an ex-prisoner?

**Ms MORGAN-THOMAS** - No, but we do know that some people who are about to leave through working with the Salvation Army. Yes, 93 people on the housing register at 30 April. We know that those people were still in a custodial setting, or about to leave a custodial setting. That comes partly through the works at the Salvation Army.

**Ms WEBB** - So we could regard that as potentially unmet need for the Rapid Re-Housing, potentially, and there is 12 currently being housed as prisoners.

**Ms MORGAN-THOMAS** - Yes.

**Ms WEBB** - Is 12 the maximum of properties available for that stream of Rapid Re-Housing?

**Ms MORGAN-THOMAS** - No. That's how many properties are dedicated for it. There's always attention in any housing system if you dedicate properties to a whole lot of particular groups. You end up with an atomised system and a lot more vacancies. But it's possible for people who are exiting prison to just go straight into a social housing property that is available.

**Ms WEBB** - Of course that would be possible, but we also know that they quite likely would be waiting 50 weeks like everybody else, or more.

**Ms MORGAN-THOMAS** - No, 78.

**Ms WEBB** - I think priority one might be 50, potentially.

**Ms MORGAN-THOMAS** - 76.5.

## PUBLIC

**Ms WEBB** - The mental health stream was five currently being housed. Is that because that's about the number we're allocating to the mental health stream of the Rapid Re-Housing program?

**Ms MORGAN-THOMAS** - Those are properties that we've allocated to that but it doesn't mean that there are very many people with mental health issues on the waiting list.

**Ms WEBB** - Indeed. How does someone demonstrate a need to get into the rapid rehousing stream related to mental health? Is that by coming out of a mental health facility, I'm assuming.

**Ms MORGAN-THOMAS** - I imagine so, I don't know that off the top of my head. Maybe one of my team can tell me.

**Ms WEBB** - We wouldn't necessarily know from our housing register data how many people on that register have been exited from a mental health facility in recent times.

**Ms MORGAN-THOMAS** - I don't think we would.

**Ms WEBB** - Can I just check then, in terms of the rapid rehousing.

**Mr BARNETT** - Can we just pause for one moment?

**Ms MORGAN-THOMAS** - I'm advised we can take that on notice if you want to.

**Ms WEBB** - Okay.

**Ms MORGAN-THOMAS** - We do know it but we just don't have it here.

**Ms WEBB** - Okay. I'll just note that so I can send it through to you after. The other thing I wanted to ask about is the rapid rehousing streams, the lease length that's currently available under those programs to people who are accessing that housing, is it two years as a lease length?

**Ms MORGAN-THOMAS** - That's my understanding.

**Ms WEBB** - Then what happens at the end of that time?

**Ms MORGAN-THOMAS** - People may be able to go into social housing, may have other options at that stage.

**Ms WEBB** - So of the people, say, who have exited the program in each of the three streams in the past year, so in the 2022-23 year, can you provide information or data about what they were exited into? Were they exited into other affordable housing, were they exited into social housing, were they exited back onto the housing register even? Are you able to provide that data?

**Ms MORGAN-THOMAS** - We'll take that on notice. Sometimes when people exit, you don't know where they go because they don't tell you. You know, if a tenancy ends unexpectedly.

## PUBLIC

**Ms WEBB** - Has anybody in the past year been evicted from a rapid rehousing property?

**Ms MORGAN-THOMAS** - I would have to take that on notice.

**Ms WEBB** - Thank you.

**CHAIR** - Okay, thank you. Mr Valentine.

**Mr VALENTINE** - Thank you. So I'm interested in the National Rental Affordability Scheme. So how many households will be affected by the expiry of that particular affordability scheme, the National Rental Affordability Scheme, in financial years 2022-23 and 2023-24?

**CHAIR** - While the minister is finding the answer, I just want to advise everyone that we'll have a break at quarter to 4 till 4 o'clock for our afternoon break.

**Mr BARNETT** - Thank you very much, Chair.

**CHAIR** - While we're on a roll.

**Mr BARNETT** - Thank you very much, good to be on a roll. So we'll pass to the CEO.

**Ms MORGAN-THOMAS** - Tasmania did relatively well with the National Rental Affordability Scheme, however it's very clearly a commonwealth program that ended so we are having to address some of the issues which arose from that.

**Mr VALENTINE** - That's all right. So do you know how many people were affected? Or households were affected?

**Ms MORGAN-THOMAS** - What we've been able to do is, we've got 20 - a lot of the NRAS properties were with University of Tasmania and they've retained those properties themselves on whatever arrangements they had. We've assisted 20 NRAS properties into the Private Rental Incentives Program and we've got one more to negotiate with.

**Mr VALENTINE** - For the two financial years, 2022-23 and 2023-24.

**Ms MORGAN-THOMAS** - Yes. I don't know if I can - so in 2022-23, there were 45 properties that exited NRAS. Twenty-four of those remain available as long-term rentals owned by community housing providers. Twenty tenants are in privately owned NRAS properties, so they've secured long-term accommodation through Homes Tasmania or a community housing provider, or a private rental. One tenant's been allocated a Homes Tasmania property that's subject to maintenance repairs so when that's finished, they'll go in.

In 2023-24, there's 186 properties which will exit NRAS. Of those, 80 remain available as long-term rentals owned by UTAS. Five will remain available as long-term rentals owned by community housing providers and used as social and affordable housing. One is privately owned and Homes Tasmania will contact the owner to discuss entering the property.

**Mr VALENTINE** - What are we doing for those people who are actually exiting that scheme who might face homelessness?

## PUBLIC

**Ms MORGAN-THOMAS** - They won't because there's actually a solution for all of them.

**Mr VALENTINE** - There's a solution for all, well that's great. Thank you.

**Ms WEBB** - That hasn't been the case in all years past though. This is a program that's been ending over a number of years. We haven't been able to accommodate all those exiting an NRAS property, say, the year before this or the year before that, have we? Just to clarify.

**Ms MORGAN-THOMAS** - I would have to take that on notice but Tasmania's in a very different situation to the rest of the country because of the way NRAS was delivered in Tasmania.

**Mr BARNETT** - Just to be clear, as minister I had quite a bit to do with the federal government, being a federal government scheme over many years and past governments of different colours and persuasions, and making it very clear, it's a commonwealth scheme. We end up holding, you know, the baby with the bathwater. It's put a lot of pressure on Tasmania and Homes Tasmania now to help deliver and, you know, we are delivering. It hasn't been easy. Hasn't been easy. This is another job that the state government's picking up and taking on responsibility for to help and support.

**Mr VALENTINE** - It's called cost shifting, isn't it?

**Mr BARNETT** - A lot of it's outside of our areas of effort and we've historically supported people in the existing NRAS but not always for social housing because there's a difference between the two.

**Ms WEBB** - It did accommodate people over a decade in under market rent rentals, so. So they were people that didn't come to the state during that time looking for assistance. So there was that.

**Mr BARNETT** - Yes, for that period.

**Mr VALENTINE** - It's kept the pressure off.

**CHAIR** - Thank you. Ms Armitage and then I'm going to Mr Willie. Then we're going to have a cup of tea.

**Ms ARMITAGE** - Thank you, just a couple more properties some questions about. Boland Street, and I believed that's been purchased by Housing Tas or Homes Tasmania now. Can you tell me what's actually likely to occur there, how many units are you likely to put on that piece of land? I'm sure that the residents would like to know.

**CHAIR** - What's that, the old Mitre 10.

**Ms ARMITAGE** - No, this is the property next door to Centrelink. Centrelink and the hotel that - the two little cottages that were burnt down in the past. Yes, so prime spot there. Are you able to advise me what's happening with that and what's likely to go on it?



## PUBLIC

**Mr GILMOUR** - Yes, thank you for the question. We purchased that site as a strategic opportunity for future development. It's a project we're proposing would go up for consideration by government as part of the next action plan that sits underneath the housing and strategy. We see that development as having, potentially - and we haven't appointed an architect yet, we're still working through what the end cohort will be. It will certainly be social housing. There may also be an affordable component as part of that and a commercial ground floor level as well. So there's some options which we're looking at for that site.

**Ms ARMITAGE** - Any idea of the density?

**Mr GILMOUR** - Not yet but it would be somewhere in the order of 25 plus, potentially.

**Ms ARMITAGE** - Twenty-five-plus units.

**Mr GILMOUR** - Correct, I think so. That's reasonable given the current zoning for that part of Launceston and scale.

**Ms ARMITAGE** - I've got another question if that's all right. The other one, just with regard to, is the nurses home in Howick Street, and I've asked these questions continually in parliament and I'm often told that Homes Tasmania are looking at the site as well. Obviously, that's been sitting empty for a good number of years. Has bedrooms and bathrooms attached. Can you give me an update? Are Homes Tasmania or Housing Tas still looking at that site? If they are, are they looking to develop it? Are they looking to purchase it from health, or have they already purchased it from health?

**Mr GILMOUR** - Through you, minister. Yes, look, we have had discussions with the Department of Health. We've indicated that if the Department of Health would like to dispose of that site that we'd be certainly very keen to look at it as an opportunity. It's a great location.

In terms of the building as it currently stands, it's being condemned effectively for electrical reasons, it's not safe to be habituated. We understand through the Department of Health that they are currently finalising their masterplan for the Launceston campus and that they still haven't finally resolved that process. That would give them the imprimatur then to go through a disposal process in the normal way. Until they've undertaken that, we have no access to the building.

**Ms ARMITAGE** - So no idea how long that'll take, considering it's been sitting empty for a very long number of years?

**Mr GILMOUR** - No, well, that's really a matter for the Department of Health. I'd suggest that in a strategic sense, they may not have fully arrived at the -

**Ms ARMITAGE** - So departments don't talk to each other? You can't actually discuss with the Department of Health that maybe they might want to work something out.

**Mr BARNETT** - I think it's fair to say Homes Tas has been discussing it with the Department of Health and it's probably a good question for the Minister for Health at the appropriate time.

**Ms ARMITAGE** - Just that I know that Homes Tas were looking at it.

## PUBLIC

**Mr BARNETT** - But as Richard's indicated, Homes Tas have absolutely been looking at it with great interest.

**Ms ARMITAGE** - And the last property, 31 Brisbane Street, Malana. Obviously, that's also owned by Homes Tasmania. How many young people does it accommodate? Do they have their private bathrooms? I can show you, unless it is yours.

**Mr GILMOUR** - Yes. That's a good question. Can I take that one on notice? How many young people are accommodated there?

**Ms ARMITAGE** - I know probably some of it - some of the accommodation part, even though it is a home - owned by Homes Tas -

**Mr BARNETT** - Is this the one on Brisbane Street?

**Ms ARMITAGE** - It is.

**Mr BARNETT** - Where we've toured before, you and me.

**Ms ARMITAGE** - No. I've never toured it. No one's ever given me a tour of it, even though it's just close by to my office.

**Mr BARNETT** - It's not far from you.

**Ms ARMITAGE** - No, not far from -

**Mr BARNETT** - I've been up there myself.

**Ms ARMITAGE** - Just a knock on the door.

**Mr BARNETT** - It's a very good facility.

**Ms ARMITAGE** - It would be interesting to know the situation with it, and what's actually happening, and whether they're male and female. But I know some of those probably come under youth justice. I appreciate that, but it is a housing property, it's just -

**CHAIR** - Malana. Brisbane Street.

**Mr BARNETT** - We would be happy to take that on notice and get back to the committee.

**Ms ARMITAGE** - Just get some information on it, would be good. Thank you.

**Mr WILLIE** - This follows on from the NRAS conversation, because I know a private rental incentive scheme has been a solution for some of those. But I'm just interested in how much funding has been allocated to that program since 2018, and the number of people assisted.

**Mr BARNETT** - To the private rental incentive scheme?

**Mr WILLIE** - Yes.

## PUBLIC

**Mr BARNETT** - We can hopefully help you with that. I'll check with our CEO on the funding expended under the private rental incentive scheme. Do you want the funding or how many -

**Mr WILLIE** - Both.

**Ms MORGAN-THOMAS** - Since 2015.

**Mr WILLIE** - Since 2018, I think it was introduced, unless there was a scheme prior to that.

**Ms MORGAN-THOMAS** - We have done a variety of private rental schemes, but since 2015 up to April, there's been 523 households assisted into affordable private rentals.

**Mr WILLIE** - Yes. And the funding allocated since that time?

**Ms MORGAN-THOMAS** - Funding allocated to that, \$7.5 million over the forward Estimates.

**Mr WILLIE** - Okay. And one more question I can sneak in, Chair, if that's all right.

**CHAIR** - You can.

**Mr WILLIE** - Just the ancillary dwelling program. I'm interested in how many ancillary dwellings have been delivered through that program.

**Mr BARNETT** - Again, is that under the Department of State Growth? Ancillary dwellings.

**Ms MORGAN-THOMAS** - This is not something I'm familiar with.

**Mr BARNETT** - No. This is the Department of State Growth, so if we can hold that.

**Mr WILLIE** - Yes. We'll wait until after the break.

**Mr BARNETT** - Hold that thought after the break.

**Mr WILLIE** - No worries.

**Mr BARNETT** - And ancillary dwellings, we will note for after the break.

**CHAIR** - You mentioned it in your overview, minister.

**Mr BARNETT** - Yes. Happy to assist when I have the figures from the people at the table relevant. I can assist the committee with a question in terms of - I think the member asked about -

**CHAIR** - You mean an answer to a question.

**Mr BARNETT** - An answer to a question about the bands for the FTEs.

## PUBLIC

**CHAIR** - Yes.

**Mr BARNETT** - I'll pass to the CEO.

**Ms MORGAN-THOMAS** - So band 2, we have 15 permanent. Band 3, we have 35 permanent. Band 4, we have 13 permanent, and 2.3 fixed term. Band 5, we have 34 permanent, and 3.3 fixed term. Band 6, we have 33 permanent, and 2 fixed term. Band 7, we have 19 permanents. Band 8, we have 13 permanent and 0.3 fixed term. We have board members, 6. SES1, we have 2 permanents, and SES3, we have 1 permanent.

**CHAIR** - Thank you. And the member for Launceston would like to confirm.

**Ms ARMITAGE** - Just to confirm through you, minister, with Mr Gilmour. The properties on Boland Street also takes in 13A Tamar Street, the 25 units is across 13A Tamar and 4-6 Boland?

**Mr GILMOUR** - There's 10 units at [inaudible] so there's 10 units at Tamar Street.

**Ms ARMITAGE** - So that's going to be 10 units, and then another 25.

**Mr GILMOUR** - Potentially, and I will qualify that to say that we have not yet appointed an architect and fully resolved the cohort that we will be targeting, and also the tenure mix. So it could be if - we'll be looking at maximising what our potential yield is underneath the planning scheme so that we can provide more outcomes for more people, and until we know what -

**Ms ARMITAGE** - As long as it's good outcomes for people. There's nothing worse than people being put into sardine cans. We want good outcomes for people. We don't want them just thrown into housing because it's there, and then it's a terrible outcome for them either, when there are so many. It's not the street front to 13A Tamar, it's the cut-off, it's the back section. Isn't it? Of 13A Tamar Street.

**Mr GILMOUR** - Boland Street, the actual impure development side. Yes.

**Ms ARMITAGE** - And one last clarification.

**Mr WILLIE** - Just to clarify an answer I was given just then about the private rental scheme, you said \$7.5 million over the forward estimates. I was after the costs since its introduction.

**Ms MORGAN-THOMAS** - Can I take that one on notice? I'll get it for you.

**CHAIR** - Costs since introduction on the national private rental incentive scheme.

**Mr WILLIE** - I'll send it to Julie.

**CHAIR** - Okay. Thank you very much. In the interests of comfort, I'll move that we suspend and we come back at 4 p.m. Thank you.

**The Committee suspended from 3.46 p.m. to 4.02 p.m.**

## PUBLIC

**CHAIR** - Minister, welcome back, and we will recommence our broadcast. Hopefully this will be the home straight. Mr Valentine, to continue questioning.

**Mr VALENTINE** - There is one question I have with regard to the MyHome program. I notice this year it has \$500 000 as an extension to that program. I mean, \$500 000 for, I think, arguably one of the most useful programs to put people into housing who are looking for affordable housing. \$500 000 is going to buy, what? If the government is going in with a \$200 000 commitment to each house that is purchased, it is not a lot, is it? So I am just wondering why such a small number for that program and why we aren't looking at a lot higher a number of have people own their own home?

**Mr BARNETT** - Thanks very much for the question, and absolutely understand the sentiment and where you're coming from, but I think it is a misunderstanding of how the program works.

**Mr VALENTINE** - If you can clarify that, that would be great.

**Mr BARNETT** - Yes, I would really like the opportunity to do that. In terms of being a shared equity program and in terms of that, that funding that you are talking about is actually for legal and other related costs.

**Mr VALENTINE** - Okay.

**Mr BARNETT** - So in terms of the most recent figures, by 30 June this year we should have around 150 families will have been assisted into home ownership in the first year of our revised program, double the next best year on record. Terms of how it works, I will pass to the CEO, but in short, the government does provide an increase in the equity contribution available to purchase the new unlive dwellings or the new builds of up to \$200 000 or 40 per cent of the purchase price, whichever is the lesser.

Then we have introduced the ability to purchase existing previously lived in dwellings with an equity contribution of up to \$150 000 or 30 per cent of the purchase price. So it doesn't actually require that cash injection that you were intimating at. I should also note that it is not a first home owner grant; it is a home owner's grant. So whether you -

**Mr VALENTINE** - So it can be -

**Mr BARNETT** - Yes, it can be for anyone. This is the very strange thing as to why Labor released its policy and actually restricted the ability of Tasmanians to enter the MyHome program, so I draw that to your attention, but I will ask the CEO to provide further and better particulars.

**Mr VALENTINE** - Thank you.

**Ms MORGAN-THOMAS** - Thank you, minister. Like the minister says, that is actually going to staffing, a lot of those costs, because what with the demand and the excitement about it we did not have sufficient staffing to be able to manage basically all the conveyancing and loan agreements and all those things on our side that needed to be done. So it is a boost to the administration.

## PUBLIC

The program itself is mostly self-funding, because, you know, loans come in and go, and some people take the opportunity to refinance. Which actually says to me that they have got themselves in a much better place and they don't really want us on their thing, and that money comes back into the program.

**Mr VALENTINE** - Yes, and that means - I mean, to my way of thinking, and correct me if I am wrong, I mean that is truly affordable housing because it is actually putting money back into the pool and allowing you to apply it somewhere else.

**Ms MORGAN-THOMAS** - Yes.

**Mr VALENTINE** - So another family can actually get the benefit of that. Whereas building affordable housing that is not under the MyHome circumstance is only affordable once. But the funds that are in this are an ongoing thing?

**Ms MORGAN-THOMAS** - Yes.

**Mr VALENTINE** - So why do we concentrate on building affordable housing other than this program? Clearly this delivers and I would have thought putting more money into this program would be much more beneficial.

**Ms MORGAN-THOMAS** - Not everybody is in the position to buy, or in fact wants to buy. So affordable rental, over and above social housing -

**Mr VALENTINE** - No, I am not talking about affordable rental.

**Ms MORGAN-THOMAS** - Well, what do you mean?

**Mr VALENTINE** - I am talking about affordable -

**Ms MORGAN-THOMAS** - Sales?

**Mr VALENTINE** - Sales, yes.

**Mr BARNETT** - Sorry, I will just jump in. It opens up the opportunity for Tasmanians to get into the home market with as little as 2 per cent of the value of the home. It is an incredible program, and I will go to housing ministers and they are absolutely very interested in what we are doing. The federal government is actually very interested in what we are doing, they are trying to sort of copy that, and that's fine. We appreciate that, there is no issues there. Good on them, but they are copying our program for a reason, because it is working and it is working really well.

So we have increased the income and the assets limits, so there are tests, there are limits in terms of income and assets and we can fill you in on that. But basically it is an open ball game for people to get into and buy their own. So, as I say, 150 by the end of 30 June this year, but I will ask the CEO to outline further details on the program.

**Ms MORGAN-THOMAS** - So do you want the -

## PUBLIC

**Mr VALENTINE** - Yes, I would like the limits. If they are not in the papers, and I don't think they are.

**Ms MORGAN-THOMAS** - No. So we brought in a reduction in the deposit from 5 per cent to 2 per cent, and applicants are able to bundle that with a first home owner's grant. So if they are a first home owner and they are eligible for that they are able to do it. I don't know if I have the income limits here.

**Mr VALENTINE** - But they're only able to do that with the first home owner's grant if it's actually a build, isn't it, as opposed to a purchase.

**CHAIR** - You only get stamp duty removed if it's a buy.

**Mr VALENTINE** - Yes, if it's a buy they only get -

**Ms MORGAN-THOMAS** - Look, that's not a Homes Tasmania program and I am not across that bit.

**Mr VALENTINE** - Yes, okay.

**Ms MORGAN-THOMAS** - But I know that they can bundle with it.

**Mr BARNETT** - But you can either buy or buy a new home to build, and it is a 40 per cent or 30 per cent, or \$200 000 or 40 per cent for the purchase price, whichever is the lesser, for a new build, and then \$150 000 or 30 per cent of the purchase price, whichever is the lesser for an existing home. So you can get into the market to buy a new home to be built or to buy a home that is already there.

As I say this is not a first home buyer's, as the Labor Party seems to misunderstand. I'm sorry, it is a misunderstanding. It is a home buyer's program. So even if you have had one, they have restrictions, you have to be 10 years - well, no. It's anybody who wants to get into the market to buy a home.

**Mr VALENTINE** - That will please the member for Launceston.

**Mr BARNETT** - Hopefully, hopefully, yes. I think you asked about the financials, but it is done through the Bank of Us. They provide the funding, so there is an arrangement between Homes Tasmania and the Bank of Us, and they are out and about across Tasmania providing the funding support consistent with those rules. We have got the guidelines here, and I will ask the CEO to outline the guidelines.

**Ms MORGAN-THOMAS** - So the gross income limit for one adult is \$87 509 per annum; for one adult with one child it's \$100 636 per annum; one adult and two children \$107 754; and one adult and three children \$127 821 and if it's one adult and four or more children it's \$147 990. For two adult households, two adults no children, \$100 636 is the limit; two adults one child \$120 802; two adults two children \$140 970; two adults three children \$161 138; and two adults with four or more children \$181 205, so they're the upper limits.

**Mr VALENTINE** - Okay, thank you I appreciate that very much.

## PUBLIC

**Ms MORGAN-THOMAS** - That's okay.

**Mr BARNETT** - But thank you for asking about it. It's a really good program. It's really popular. It's becoming more and more successful. It's a big increase on past years.

**Mr VALENTINE** - Well, it achieves an end in the long term.

**Mr BARNETT** - Look, frankly, we want to boost it even more, but the funding we've got there is for legal and other support staff and admin and legal fees. It's not for equity, and these again are different.

**Mr VALENTINE** - No, I understand.

**Mr BARNETT** - Again just misunderstanding by state Labor.

**Mr VALENTINE** - Thank you. I don't mind her misunderstanding it, I just want to clarify.

**CHAIR** - Notes in the budget papers are always very helpful, minister. The member for Nelson.

**Ms WEBB** - Thank you. Can I just go back to the Private Rental Incentives Scheme. I had some questions to follow up on that. You mentioned 523 properties there that have been provided under that scheme. I'm interested to know about the location of those properties in terms of regional breakdown. I'm particularly interested to know whether you checked that against where there are areas of particular need on the waiting list, so we know whether those rental properties captured by that scheme assist us with areas of high need.

**Ms MORGAN-THOMAS** - I can answer that if you like, minister.

**Mr BARNETT** - Yes, please.

**Ms MORGAN-THOMAS** - So there were 377 households assisted in the house. So that's 72 per cent of them; 68 in the north, so that's 13 per cent; and 78 in the northwest. that's 15 per cent and that reflects demand for the program.

**Ms WEBB** - Is it particularly purposeful targeting to try to match areas of demand with this scheme or has it just been a happy coincidence that that's occurred.

**Ms MORGAN-THOMAS** - I think it reflects demand, but it also reflects the availability of properties as well.

**Ms WEBB** - Okay. In terms of the Private Rental Incentives Scheme, and I believe it's a two-year tenancy, and correct me if I'm wrong, minister, but people can roll over into a second two-year tenancy in the same property. Is that correct?

**Ms MORGAN-THOMAS** - Yes, that's correct.

**Mr BARNETT** - That's my understanding, yes.



## PUBLIC

**Ms WEBB** - Across the time that it's been operating, I'm interested in people who have exited the program at the end of the tenancy and where they've exited to, so similar to the questions I asked in relation to rapid re-housing I'm interested to know what tenure of housing people have exited into and if we just focussed on the last two years, have you got data around that? I can put it as a question on notice for follow-up like the Rapid Re-Housing.

**Ms MORGAN-THOMAS** - I think we would have to do that on notice.

**Ms WEBB** - I'm particularly interested to know if any, also people who exited the Private Rental Incentives Scheme at the end of the tenancy then ended up back on the housing register and if any were evicted at the end of a tenancy, so I'll put those on notice.

**Ms BARNETT** - Happy to take those questions on notice.

**Ms WEBB** - Thank you. Then one other question in relation to that Private Rental Incentives Scheme that I'm interested in. In the Action Plan 2019-23 that we've had in place, presumably ending quite shortly. One of the actions there, action 10.1 was an evaluation of the Private Rental Incentives Scheme pilot. Was that completed and how did that inform changes or progressions under that scheme and who did it?

**Ms MORGAN-THOMAS** - I don't think it's complete. No.

**Mr BARNETT** - Just bear with us, thank you.

**Ms MORGAN-THOMAS** - Thanks. I'm advised that we did an internal review.

**Ms WEBB** - An internal review?

**Ms MORGAN-THOMAS** - It led from moving it from one year to two years.

**Ms WEBB** - Extending the tenancy period from one year to two years? That's not then a publicly available document then presumably if it's an internal review.

**Ms MORGAN-THOMAS** - No, and we're currently looking at it as well, about what it will look like - in the process of ongoing review of programs, we're looking at other opportunities.

**Ms WEBB** - Okay and was there some assessment as part of that internal review as to the degree to which the program met intended aims.

**Ms MORGAN-THOMAS** - Yes, because that was part of the reason for extending the time period.

**Ms WEBB** - Okay, may I move onto another question, or not?

**CHAIR** - Yes and then I'm going to move up the table.

**Ms WEBB** - Okay I'm interested in some of the youth-focussed areas. I have just two questions on youth-focussed areas if that's okay. The first one is around our youth facilities that I know the government at times refers to as Foyer facilities. Now the Foyer Foundation

## PUBLIC

website says we have no accredited Foyers in Tassie, but there are three sites. Devonport, Launceston and Hobart. Who, I think they describe it as committed to accreditation, so I'm just interested to understand where we're at as a state with those facilities which the government likes to call Foyer facilities. Where are we at with actual accreditation as Foyer facilities.

**Mr BARNETT** - So I'll pass to the CEO shortly and just indicate our commitment to the Youth2Independence facilities provided over 100 beds for young people state-wide.

**Mr VALENTINE** - Four hundred did you say?

**Mr BARNETT** - One hundred. Yes, and out of the 20 funded homelessness shelters, nine dedicated shelters providing over 55 beds for young people. So that's in the context of young people. Capacity to help young people will increase over the next 18 months with work underway to increase capacity in shelters and Youth2Independence by around 100 new beds, including 26 new units of supported accommodation for youth age, 16 to 24 years in Hobart at a new Youth2Independence facility to be managed by Anglicare. One that I visited many months ago. An additional \$5.2 million election commitment will deliver a new youth housing initiative for even more supported accommodation for vulnerable young people.

The project will deliver 20 new modular homes and 10 converted larger homes by 30 June 2022 and this will help around 50 vulnerable youth every two years who are exiting from shelters, statutory care or youth detention, to engage in education and employment and transition to independent young adults. I should also note Anglicare are operating Thyne House in Launceston. I've visited a number of occasions and just completed the upgrade there for another 20-bed expansion at Thyne House, and work is underway on the northwest coast. You've got Evelyn House in Devonport, Trinity House in Hobart that I referred to earlier and the 25-bed facility for Burnie and that's the new Youth2Independence facility at the back of near the TAS Tafe out the back of Burnie. So there's a range of investments.

**Ms WEBB** - Yes, I'm well aware of the range. The question I was asking was around the Foyer model and accreditation. I'm interested in that particularly.

**Mr BARNETT** - Did you want to speak to that?

**Ms MORGAN-THOMAS** - Yes, they're not currently accredited.

**Ms WEBB** - No, I know.

**Ms MORGAN-THOMAS** - We're considering whether that is a thing we would want to work with the sector to pursue or whether there are alternate uses for those things. I know the Youth Foyer sector well from my prior experience and a lot of the things that the Y2I do kind of overlap with that, so I think there is a thing to work through and I know that the Homes Tasmania Board is really interested in looking at some of those products but has not got around yet to it.

**Ms WEBB** - So it's part of consideration that's coming up. I understand that they already crossover into that space and the thing that's probably holding us back from accreditation might be that they're not funded adequately enough to deliver the full suite of Foyer support. Would that be the main barrier that's holding us back from accreditation at this point?

**Mr BARNETT** - I'll jump in there and say no. I mean, accreditation as you referred to in terms of Foyer Foundation as a model the accreditation's not necessarily a relevant factor. What we're focussed on is getting outcomes for young people in Tasmania and Tasmanian circumstances for Tasmanian young people and certainly in terms of accreditation of the Foyer Foundation, my advice is it's not an agreed regulatory requirement. It's optional. I have met with Foyer Foundation. They do fantastic work in other parts of the country. It's relevant to Tasmania, as the CEO's indicated. We do provide some of the services which do overlap with the Foyer Foundation. They do some good work, but we don't see it as a requirement for Tasmania.

**Ms WEBB** - It's not a requirement. We'd certainly trade off associating ourselves with that model by calling ourselves the Foyer models or Foyer facilities without actually coughing up enough to be able to get the accreditation that actually would be needed if we were to be accredited. I accept that it's not a priority, and the model is a good model. The extent to which we currently align with that model is good. Can I ask about the Youth at Risk Centres?

**Mr BARNETT** - I will just quickly jump in with Youth2Independence. My understanding is that we are leading the nation with respect to these facilities supporting young people in Tasmania. We are absolutely doing a terrific job with Youth2Independence in terms of the support and services for young people. Now, albeit, that's not accredited by the Foyer Foundation.

**Ms WEBB** - I don't know what you mean when you say, 'leading the nation.' Was there a particular marker or measure or evidence base that you're pointing to in terms of that?

**Mr BARNETT** - That's just the feedback. The CEO might provide further and better particulars, but that's the feedback I have. It talks about the facilities that we have, and the major centres to reach out to the young people population, so it's a matter of having those services available for the young people. It's a very comprehensive service. I've visited them all, the ones that are being built as well. We're backing it in. We think it does a good job, and it's delivering outcomes for young Tasmanians.

**Ms WEBB** - I think they are great facilities, too, minister. As you know, I'm quite familiar with them myself. But if you make a claim that we're leading the nation, I'm just interested to know if there's a basis on which you're making that claim in terms of data or evidence, just so I understand how you're pegging us there.

**Mr BARNETT** - Sure. I can take on board where you're coming from. My point is that we've got Youth2Independence in Hobart, we've got one in Launceston, we've got it in Burnie, and as a proportion of the population, my understanding is that the outreach and the services provided on a per capita basis is amongst the highest in Australia, if not the highest.

**Ms WEBB** - To young people through those facilities.

**Mr BARNETT** - To young people, yes.

**Ms WEBB** - Is that in ROGS or is that - how is that measured?

**Mr BARNETT** - I don't know.

## PUBLIC

**Ms WEBB** - Right. So we're just imagining that it's there.

**Mr BARNETT** - We're not imagining it. I'm providing advice.

**CHAIR** - One more, and then we've got one more from Mr Willie, and then we need to leave this area, or otherwise we won't make our quarter to 8 deadline.

**Ms WEBB** - Youth at Risk Centres that we have, now two, I think, in south and north of the state. How are we measuring our met need for those centres? What do we know about the current unmet need? Knowing that fabulous though they are, and we don't necessarily need a description of them, there's only potentially, I think, eight beds in them, or something of like that. Wonderful for the eight young people who are - or children - who are in those facilities, but what's the unmet need?

**Ms MORGAN-THOMAS** - I can't tell you a number, but I do know that we've been having conversations with DECYP, children -

**Mr VALENTINE** - DECYP, yes.

**Ms MORGAN-THOMAS** - Sorry, I can't remember what it stands for.

**CHAIR** - It's a funny acronym. Isn't it? That one.

**Ms MORGAN-THOMAS** - Yes. Particularly about the range of accommodation options for children and young people that overlap between our - who have both a housing need, whether they're - particularly when they're at risk if they're under 16, about what is the best option for those things. I can't give you an answer, but I can tell you we're having ongoing conversations with them.

**Ms WEBB** - Is the data available, or perhaps I can request it on notice, around young people who have exited from the Youth at Risk Centres and where they're exited to in terms of housing tenures or support?

**Ms MORGAN-THOMAS** - Yes, I'd have to take that on notice.

**Ms WEBB** - Thank you.

**CHAIR** - Question on notice, thank you, Madam Secretary, just in regard to that data. Thank you, Mr Willie.

**Mr WILLIE** - Thank you, Chair. I had to show some restraint before, just to clarify what the minister was talking about, that the Labor Party policy is to expand the places and lift the income thresholds for MyHomes. I'll just remind the minister it was a Labor government which introduced home equity schemes, so we do understand it.

My question, Chair, is I'm interested in the safe emergency accommodation facility in the Northern Midlands.

**Mr BARNETT** - Say again? The which one?

## PUBLIC

**Mr WILLIE** - The safe accommodation facility. The proposal for one in the Northern Midlands. Has there been any feasibility work done on that, and if so, when can that be released publicly?

**Mr BARNETT** - Whereabouts in the Northern Midlands?

**Mr WILLIE** - I've just got a note here from another member in the other place who is interested in this. I can read the whole question to you, if you like. Safe emergency accommodation facility in the Northern Midlands to better support women in rural areas. Have these milestones been made available, and if so, how, where, and when, and whom were they provided? Specifically, what organisation conducted or is to conduct the feasibility study.

**CHAIR** - I know there's one at Fingal.

**Mr BARNETT** - It may be a project - unless it's a Centacare Evolve project, which is a separate entity, as you know, that works with St Joseph Affordable Homes, but Centacare Evolve. It's not a Homes Tasmania project.

**Mr WILLIE** - It's not a Homes Tasmania project, okay.

**CHAIR** - No.

**Mr WILLIE** - I can clarify that, and we can ask tomorrow in the other place.

**Mr BARNETT** - I'm happy to follow up maybe tomorrow.

**Mr WILLIE** - Yes.

**CHAIR** - Okay. Homework for somebody tonight.

**Mr BARNETT** - Perhaps if the member wanted to share that with his colleague.

**Mr WILLIE** - Yes.

**Mr BARNETT** - Happy to try to help the committee.

**CHAIR** - Thank you. Member for Hobart, did you have anything else?

**Mr VALENTINE** - My question is around Springvale Hostel. It's closing and it's considered essential housing for kids who live in the country and who need to go to high school in town, as we used to say. I was in that situation many years ago. Apparently, it's being slated for use for housing. What type of housing is expected to go there? More importantly, what's being provided to house the students who are now no longer going to be using Springvale? There must be some housing options that you've been considering as Homes Tasmania.

**Mr BARNETT** - Thanks for the question. The first part of the answer relates to the minister for Education, who is responsible for that facility in the past, which you would be aware of.

**Mr VALENTINE** - Yes, I realise.

## PUBLIC

**Mr BARNETT** - Yes, and of course, I am not, unfortunately, the minister for Education.

**Mr VALENTINE** - No.

**Mr BARNETT** - Fortunately or unfortunately. Minister Jaensch is doing a great job.

**Mr VALENTINE** - But it is accommodation, and that's why I was -

**Mr BARNETT** - It is accommodation, but I'm just making the point that in terms of the housing for students going forward, clearly, that's a matter for the minister for Education, but we are -

**Mr VALENTINE** - We'll ask that later.

**Mr BARNETT** - Yes. I will pass to Eleri the CEO in terms of opportunities for Homes Tasmania.

**Ms MORGAN-THOMAS** - We're currently going through a process of transferring it legally, and the title from education to Homes Tasmania and - because of the age of the building and things like that, that's slightly more complicated because maybe it was never surveyed or - anyway, there's a lot to sort out there. We have it on a lease while that happens, so we can't do any additional work there of a construction nature, or -

**Mr VALENTINE** - So it's on school land. Is it?

**Ms MORGAN-THOMAS** - It's on some land that was owned by the Education Department. What we are doing, though, is what we call a meanwhile use while we are waiting for all the legals to sort it. We are working with Hobart Women's Shelter, and they will have three units there - additional units. Due to the configuration of the building, we have to look at what is suitable, because it's the sort of student accommodation. They don't have individual bathrooms, they have shared bathrooms.

**Mr VALENTINE** - Dormitory style.

**Ms MORGAN-THOMAS** - Yes, dormitory style. No, I don't think it's dormitory, but it's not - requires communal dining. What we have done is thought what's the best way to use that? We didn't want to put a lot of really vulnerable people in there because of the configuration. We thought that would not be a good social outcome. So we've offered it to the Migrant Resource Centre. Have I called them the right name? Migrant Resource Centre.

**Mr VALENTINE** - Yes.

**Ms MORGAN-THOMAS** - They're going to house refugees and newly arrived migrants in there, and do a collective kitchen arrangement. That's our meanwhile use while we are waiting for all the other stuff to get sorted, and we can develop the property.

**Mr VALENTINE** - Once that's through, you'll be able to develop units on that site.

## PUBLIC

**Ms MORGAN-THOMAS** - There's heritage considerations and all of those things to think about. While all that is happening, we are looking at what's the best use for this building, taking into account sensitivities and all of those sorts of things.

**CHAIR** - What about the students who are currently using it? What discussions have been with the Education Department?

**Ms MORGAN-THOMAS** - Those students are all no longer there. They're gone.

**CHAIR** - They're gone, they're done.

**Ms MORGAN-THOMAS** - Yes, they're done is my understanding.

**CHAIR** - That wasn't exactly the email that we received. Was it?

**Mr VALENTINE** - No.

**CHAIR** - No.

**Ms MORGAN-THOMAS** - My understanding is that we have effectively a vacant possession.

**CHAIR** - Yes. I hope -

**Mr VALENTINE** - We'll have to ask some questions and -

**Mr BARNETT** - You can ask those on Thursday.

**CHAIR** - Yes.

**Mr VALENTINE** - We'll have to ask them on -

**CHAIR** - Yes. It wasn't quite the information we received. Members, I am mindful that we could have spent all day in this area, and I hope that, minister, you and your team appreciate that it's, such a huge challenge, not only for you as a government, but for us as members, who we take the calls. We have to provide the pathway to get to the 78 weeks on the wait list. Sadly, most of those people think that we've got a house for them somewhere, or a home. So, we thank you for your time, and we will now head into your area of the Minister for State Development Construction, and we've already done the housing. So, thank you.

**Ms MORGAN-THOMAS** - Thank you.

**CHAIR** - Just a brief suspension while we change the table arrangements. Thanks everyone for your time.

**The Committee suspended from 4.31 p.m. to 4.34 p.m.**

**MINISTER FOR STATE DEVELOPMENT AND CONSTRUCTION**

**CHAIR** - So, welcome back, minister. I'd like to recommence the broadcast and thank you for the last part of our session today, and again welcome you in your capacity as the Minister for State Development and Construction, which also may well cover industry, business and development.

**Mr BARNETT** - It does. Lots of things.

**CHAIR** - So, thank you. I will invite you to introduce your team at the table, but also provide an overview for members' information. So, thank you.

**DIVISION 11**

(Department of State Growth)

**Mr BARNETT** - Thank you very much, Chair. I Thank the committee for the opportunity to present today, and before delivering an overview, I'd like to welcome Kim Evans, as Secretary, and also Mark Bowles, Deputy Secretary, Business and Jobs and likewise, the Coordinator General from the Office of Coordinator-General. In introducing Kim Evans, I wish to indicate that this will be his last Estimates Hearing.

**Mr VALENTINE** - You and me both.

**Mr BARNETT** - Also the member for Hobart. I would like to sincerely thank Kim Evans, the Secretary, for decades of experience and contribution, to not just the Estimates table, but the government and the people of Tasmania.

**CHAIR** - Thank you. We'd like to endorse your words. Sitting on this side of the table, we very much appreciated over a couple of decades, almost myself, the work that Mr Evans has shared with the committee during my time. So, thank you very much and all the best for the future, whatever that might look like. A board appointment somewhere. I'm working on one for the member for Hobart, so see how I go with you.

**Mr BARNETT** - So, thanks very much, Chair. The budget's about strengthening Tasmania's future, delivering for all Tasmanians. The economy remains strong. More than 56 000 jobs in addition to those employed since we came to government. We are acknowledged now as the nation's lowest taxing state, as the Treasurer outlined just a few days ago, Tasmanians are taxed at nearly half the rate of their Victorian counterparts. Of course, that comes as no surprise to the government.

We're committed to reversing the population decline that was present when we came to office. We've set a bold and ambitious target to increase the state's population to 650 000 by 2050, and we're ahead of schedule; way ahead of schedule. In fact, that target is expected to be met 2032-33. We've had that 11.3 per cent increase since March 2014, when we came to office. The economy has grown by 4.3 per cent last financial year, which is stronger than the national growth rate. Tasmania remains on top of the quarterly CommSec report as the best performing state.

As a major driver of economic activity and employment, we recognise the significant contribution of our major industrials and that they contribute to the state, and I've referred to



that earlier in the day. We're investing \$750 000 in the budget over three years to support our major industrials through enhanced client focused services as well as supporting those seeking to do business in the state. The budget also continues funding for the Office of Coordinator-General, which is Tasmania's principal entity to attract and support investment in the state of Tasmania.

In the most recent financial year, the OCG facilitated projects worth over \$328 million of investment. This brought a total of investment facilitated since 2015-16 to over 2.9 billion. Congratulations are due to John Perry and his team in their ongoing contribution to Tasmania. As well as, in terms of construction and infrastructure activity, it provides vital jobs and an economic boost to Tasmania's needs for sustainable investment into cost of living, relief, health, housing and education. So, a growing economy enables us to invest in essential services, health, housing, education and the like.

Chair, the 2023-24 budget includes funding for the Macquarie Point Urban renewal project, with a multi-purpose stadium at its core. We now have an exciting vision to take this once in a lifetime opportunity to bring Mac Point to life and make it truly a place that people can enjoy. It'll be a place for Tasmanians, a place for visitors, a place to do business and a place to come together with a new multi-purpose stadium as the jewel in the crown. It will be the centrepiece and has been the final missing link in gaining our own men's and women's AFL team. It's a long-held dream that no Tasmanian should let slip away.

The precinct has the potential to attract millions of dollars in private investment with the stadium alone creating 4200 construction jobs and 950 ongoing jobs per year, while boosting housing supply and creating community spaces for all Tasmanians to enjoy. The budget also provides 60 million towards a new AFL high performance training and administration centre to accommodate and support the new Tasmanian AFL teams, now that a licence has been granted. Together, these projects bring pipeline activity to the construction industry, supporting them to grow and invest in their businesses.

In short and in summary, the Rockliff Liberal government is getting on with the job of delivering investment and strategic jobs growth to build a strong economy and benefit to Tasmanians for decades to come.

**CHAIR** - Thank you.

**Mr BARNETT** - I'll finish there, Chair, if that's okay.

**CHAIR** - Thank you very much. I'll make a start on this one, and then I'm sure there will be plenty of questions to come. I'm interested in the current staffing for the Office of the Coordinator-General, just so I've got some understanding.

**Mr BARNETT** - Thank you very much, and we have the Coordinator-General here with us, John Perry.

**CHAIR** - That's our first line item.

**Mr BARNETT** - Yes.

**CHAIR** - 1.1.

**Mr BARNETT** - Much appreciated, Chair. I'm just clarifying for the record; we'll go to OCG and I'll ask the Coordinator-General to respond.

**CHAIR** - Thank you.

**Output Group 1  
Industry and Business Growth**

**1.1 Office of the Coordinator-General**

**Mr PERRY** - Yes. Thank you, minister. At the present time, we've have 16 staff in the office of the Coordinator-General.

**CHAIR** - That's four down on last year.

**Mr PERRY** - Yes. We're recruiting at the moment. We have three positions that are - two that are in interview, one that's in advertising and one that's about to be advertised.

**CHAIR** - It's a high staff turnover then? Does that reflect the numbers that you're looking for?

**Mr PERRY** - We have had a number of people who have moved to different roles, and so we're recruiting to backfill those positions.

**CHAIR** - On the exit, was there any reason given for - better opportunities, other areas of interest?

**Mr PERRY** - Yes.

**CHAIR** - Can you share with the committee something around that?

**Mr PERRY** - Promotions. We've had a couple of people who have been poached from the private sector, paying higher salaries, and other promotions, predominantly.

**CHAIR** - A very good question that's been asked previously today by the member for Nelson is around the number of consultants and the quantum that has been provided to the Office, given that this, I expect, has some technical nature around some of the work which your office does.

**Mr PERRY** - Yes. I think for the previous year, the total consultancy costs - I can't give the individual number of consultants, but the expenditure on consultants was \$325 000.

**Ms WEBB** - Can we have that broken down?

**CHAIR** - That would be excellent. Can we break that down? Is it just one, or is it a number?

**Mr PERRY** - No, it's multiple consultants.

**CHAIR** - All right.

## PUBLIC

**Ms WEBB** - Are we able to get the detail of that on notice, if we put a question through on notice?

**Mr BARNETT** - Yes, I'm happy to take that on notice.

**CHAIR** - Thank you. I'm just checking with our secretary. We often have to work out

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**Mr BARNETT** - We can respond to that question.

**CHAIR** - There's usually a target of investment which this office has. I'm interested in whether the investment opportunities through the Office of Coordinator-General has achieved its estimated value, or it may well have been like last year and been over and above. Thank you.

**Mr PERRY** - Yes. Slightly over for last year; 328 against a target of 320. The year for this year hasn't been finalised yet, but we are confident that we'll be able to meet the target which was set for this year as well.

**CHAIR** - Is there some large projects, or are they many projects? I'm just interested in the work that's being undertaken, and given that you do have some diminished staff numbers, whether that's impacted on the work you've been able to carry out through your office. Minister, if that can be provided to you, or through -

**Mr BARNETT** - I think through the OCG.

**CHAIR** - Thank you.

**Mr BARNETT** - The Coordinator-General could speak to that.

**Mr PERRY** - Yes. It's made up from a number of different projects, and the way that it's measured, to give you an example, we're working on a pipeline of projects that if you take the total value of those, it's somewhere above \$6 billion. But not all of those will land, and it's a continuous figure. What we do for the target is that we look at measurable outcomes at the moment that you're able to record it. For example, a development application being approved, or a grant deed being signed. We have a whole range of different projects which we're working on that add up to over \$6 billion. For the projects that we concluded, or were able to measure for last year, there's a range of different projects that are included in that. It includes some hotels refurbishment, tourism attractions, work in services, advanced manufacturing, mineral processing. It is a range across different projects that have summed.

To answer your other question around how we work with a reduced staffing, we are very busy, but we're managing. I think it would be fair to say that in the last two years, we've had some much larger projects that aren't measured at the moment because they haven't met the criteria that are needed to be able to represent those. But we're continuing to work on those as we pitch and compete with other locations as well. We have also seen, because of COVID, we saw a drop off in the interest from overseas, but we saw more interest from other parts of Australia. We're now seeing more interest come back from overseas as borders have opened, even though overall foreign direct investment is down probably 20 per cent internationally for a whole variety of different reasons.

## PUBLIC

**CHAIR** - We were provided with some figures during the last Estimates process; that the total investment facilitated since 2015-16 was over \$2.5 billion. Do we have an updated figure on that?

**Mr PERRY** - The figure is \$2.9 that considers 2021-22, and so we'll have an updated figure for 2022-23 that will go into the annual report that is published in October.

**CHAIR** - In October.

**Mr PERRY** - Yes.

**CHAIR** - Thank you. I'll open up the question time. I'm not going to take all the questions.

**Mr WILLIE** - I've got one.

**CHAIR** - Thank you, Mr Willie, and then Ms Armitage.

**Mr WILLIE** - Thank you. Minister, we've been told in the Treasury hearing in the other place - no, it's this committee A. It's the Legislative Council, but it's about the Qantas Contact Centre where the payroll tax reimbursement scheme finishes in 2024-25. There're 103 FTE staff there. The Treasurer said that we should ask you, as part of State Development, and the Coordinator-General. The question is, have there been any discussions with yourself and the Office the Coordinator-General on what happens post that -

**Mr BARNETT** - What is the question, just to clarify?

**Mr WILLIE** - Whether there's been discussions between yourself, the Coordinator-General and Qantas on what happens with the Contact Centre post that payroll tax relief. Are they committed staying in the state and continuing that employment?

**Mr BARNETT** - I'll ask John to respond.

**CHAIR** - It's a good question.

**Mr BARNETT** - To kick it off from the OCG, and then we've also got the Department of State Growth here as well.

**Mr PERRY** - We haven't had any discussions with Qantas at this stage.

**Mr BARNETT** - Yes.

**Mr WILLIE** - Okay.

**Mr BARNETT** - I'll check with the secretary of the department and just check if you've got a status report.

**Mr EVANS** - I haven't got a status report, minister, in that I'm not aware of recent discussions, but we can check that. But if you go back, the support package that was put in

## PUBLIC

place originally was part of trying to attract them, Qantas to relocate and centralise their call centre here in Hobart, which was very successful, and as part of that, we've put in place the support package. I'm not aware of all of the details of that support package here now, nor the status of discussions. But we can check on whether we've had recent discussions, and certainly would be intending to have discussions with Qantas.

**Mr WILLIE** - It was a 10-year package, was my understanding. Perhaps you'll take that on notice, minister, and you could update the committee on where that's at post-2025 - sorry, 2024-25.

**Mr EVANS** - Post 2024-25.

**Mr WILLIE** - Yes. That's when the relief comes off. What Qantas has said to you. What you've said to them.

**Mr BARNETT** - I'm happy to take it on notice and check. Obviously, if it's post 2024-25, I'm not sure that we've got anything further to add because we've got a couple of years to go. Just to clarify, are you talking about payroll tax?

**Mr WILLIE** - Yes, payroll tax relief.

**Mr BARNETT** - Okay.

**Mr WILLIE** - Yes, there's a 10-year relief package. As the Secretary said, it was an attraction package, I think, at the time. I guess the question here is it's not far away from coming off, and we want to make sure that those jobs stay here.

**CHAIR** - Time flies, minister.

**Mr BARNETT** - Well, we're in the middle of 2023 at the moment, but I will just check if the Secretary has anything else to add?

**Mr EVANS** - No, nothing further to add beyond what I have said, minister. But one of the great things about these sorts of workforces in places like Tasmania is they get very low turnover of staff, and so I would be surprised if there is any risk to their workforce. But obviously we will follow up over the course of the next 12 months and have some discussions with them.

**Mr BARNETT** - I know you made a reference to the other Committee earlier, but I just

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**Mr WILLIE** - Yes, the Treasurer deflected it to you.

**Mr BARNETT** - I have just made the point in terms of payroll tax. Obviously that is a matter for the Treasurer and Treasury. We will -

**Mr WILLIE** - But he said to ask you in the other Committee, so that's why I am doing it.

## PUBLIC

**Mr BARNETT** - To whatever degree possible we will follow up and try to assist the Committee accordingly.

**CHAIR** - We have a question on notice, Madam Secretary, around the payroll relief.

**Mr BARNETT** - I'll send it to you.

**CHAIR** - Thank you. So another question, Mr Willie?

**Mr WILLIE** - No, it's just that one at the moment.

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

**Ms ARMITAGE** - Thank you. My question is with regard to your removal of red tape.

**CHAIR** - What about the green?

**Ms ARMITAGE** - Maybe green. At the moment red is the one that is listed here in the booklet, and red is the one that there is a report on each year, which is a bit interesting. So I noticed in the report from 2021-22 there were quite a few areas of red tape work in progress, and some already - and I just wondered if you could actually tell me, I guess, the more significant achievements in the red tape sphere that may have been removed or if there is still - I don't know, there's the automated water storage bushfire assessments. I know bushfire assessments of development applications is always a difficulty for many people. I'm just wondering what are some real achievements here in the red tape cutting.

Have the ones that have been listed in the 2021-22 with the dates - well, I guess it is the hopeful completion date - how are they tracking? Particularly some of the larger ones, like the small business regulatory and process reform project which was to be completed in 2023, how are they tracking, and how some that have already been completed going.

**Mr BARNETT** - Thank you very much for that, and I pass to the Coordinator-General shortly, but it was an election commitment of ours to deliver - I think it was 85 per cent clear upgrade on reported red tape by 2022. As detailed in the consolidated red tape reduction report we have addressed 83 per cent of 187 red tape issues identified by industry and the wider community since our first term of government.

This year's report highlights the percentage of reforms completed has slightly decreased from 85 per cent to 83 per cent this year as a direct result of 25 new reforms being initiated by relevant agencies, thereby decreasing the completion rate whilst positively increasing the work in progress. I can give you a heads up that we expect to be releasing that report imminently. There is a lot of work that has been done on that report, and I am very pleased with the progress of the report, but I will pass to the Coordinator-General to provide further and better particulars.

**Ms ARMITAGE** - Yes. Just to see some of the red tape work in progress has gone over to the little column that says 'red tape cut'.

**Mr BARNETT** - Yes, and I think I touched on that at least to some degree, but I will ask the Coordinator General to respond.

## PUBLIC

**Mr PERRY** - Thank you, minister. The minister mentioned there were 25 new reforms that have been taken on board in the last year. There were also five that were completed in the last year.

**Ms ARMITAGE** - Can you list the five? That would be great, through you minister.

**Mr PERRY** - I can, yes. So streamlining planning referrals to TasNetworks, that was completed. An extension in relation to specialist service grant agreements to extend the period of time to reduce the amount of work in seeking to renew those. There were some changes and reforms to The Mental Health Amendment Act.

There was also the mutual recognition of interstate shot-firing authorities, and so automation in relation to that. In fact a lot of the projects over the last year have really focused on automation and online activities to make it easier to renew. There is also a program to make it easier for businesses to apply for loan assistance and ongoing management of loans. There was a further reduction in the requirement for heavy vehicle permits.

**CHAIR** - Was that negotiated with Queensland?

**Mr PERRY** - I believe it was negotiated across the - with the federal government.

**Mr BARNETT** - So that is an area of special interest to our transport sector.

**CHAIR** - It is an area of special interest.

**Mr BARNETT** - In which I know you would be interested, Chair. I know the Minister for Transport is very focused in that space and trying to deliver a more streamlined approach. It does come up from time to time. You know, transport, long haulage, trucking sector, they are strong advocates and they put forward their views and they are listened to. So this is one area where we have got some traction as it were in delivering.

**Mr PERRY** - The automated assessments in relation to water, sewerage and bushfire as part of a development application; environmental planning, public health and local heritage permit assessments, and an online application lodgement for development related applications in the PlanBuild Tasmania portal. So as I said, they are the ones that were cut, but there were a number that were also taken on board which are that type of automation and making it easier for people to access.

**Ms ARMITAGE** - And others still in progress?

**Mr PERRY** - Yes.

**Ms ARMITAGE** - Thank you.

**Mr BARNETT** - Thank you very much for your interest.

**CHAIR** - Thank you. Mr Valentine?

**Mr VALENTINE** - Okay. Well it's just a question, and I know we're going to go this -

**CHAIR** - But this is a question for the Coordinator-General directly?

## PUBLIC

**Mr VALENTINE** - I know we're going to Macquarie Point at a later point, but has your office had any involvement with the Macquarie Point Urban Renewal Project and its development? Through you, Mr Minister.

**Mr PERRY** - Not a great deal, no.

**Mr VALENTINE** - No. Not a great deal? Can you sort of expand a little bit on that.

**Mr PERRY** - So a peripheral -

**CHAIR** - Somebody gave you a call or an email?

**Mr PERRY** - So peripherally we have had some discussions, but we haven't been involved in working through the project or undertaking any component parts of it.

**Mr VALENTINE** - Okay, thank you.

**CHAIR** - Can we get a bit more of a description on that role?

**Mr WILLIE** - Will you, moving forward take a more hands on role?

**Mr PERRY** - Who'll be in charge?

**Mr BARNETT** - Well thank you for the question. Obviously going forward we will take advice and do what is in the best interests of the project.

**CHAIR** - So there will be a role for the Office of the Coordinator-General into the future?

**Mr BARNETT** - I'm not suggesting it one way or the other, we will take advice on that and what is best. The OCG is very busy in every other respect in delivering investment and opportunity, growth and jobs to Tasmania. I am sure the OCG will continue to be very busy in that space.

**Mr VALENTINE** - I would just think with the level of experience that the Office of the Coordinator-General has that it might have been a natural project for such an office to deal with, that's all.

**Mr BARNETT** - Where that expertise can be used to benefit the state of Tasmania I am sure it will be. But as you know, and as you have just heard, the Coordinator-General and his team are very busy delivering investment and opportunities to Tasmania.

**Mr VALENTINE** - Okay. We will drill down into it later.

**CHAIR** - We will, thank you.

**Ms WEBB** - Okay, I will go to a different area. Tourism expression of interest process, still underway as we speak. Can I get some information then on the last two years, 2021-22 and 2022-23, in terms of the number of projects or initiatives submitted there and where those are at in terms of their project status category?



## PUBLIC

**Mr BARNETT** - Thank you for the question. It is correct, as the minister and the Premier might have noted, tourism is one of our biggest industries and critical to our economy and jobs. We take all this very seriously. We want to continue to deliver the tourism expression of interest process and the important role it plays in delivering those job creating tourism projects across the state, especially in those rural and regional areas, natural and cultural values is all relevant.

So the EOI process proactively encourages that tourism opportunity in those natural areas. There was an enhancement to that process in the last 12 months or so, and the Coordinator General can speak to that. We've got very good examples, of course, with the Maydena Bike Park in the Derwent Valley, Freycinet Lodge on the east coast, Blue Derby Pods Ride in the North East and a range of other projects. But I will pass to the Coordinator-General who might wish to provide further and better particulars regarding the EOI process as per the member's question.

**Mr PERRY** - Thanks, minister. Yes, there were three projects submitted in the past financial year and they're at varying stages of the assessment process.

**Ms WEBB** - So that we 2022-23 year.

**Mr PERRY** - That's right.

**Ms WEBB** - The year before that, 2021-22.

**Mr PERRY** - We might have to take that on notice, minister.

**Ms WEBB** - Are those projects available or are they confidential.

**Mr PERRY** - No. When the assessment panel reviews a project and approves that project to then go on to further assessment, it is listed on our website at that time. If a project, if it withdraws before that approval or they don't get approved then it won't appear on the website. If it's approved by the assessment panel then it comes onto our website.

**Ms WEBB** - Okay, so the ones that you mentioned from 2022-23, the three projects, they're still in the assessment by the panel phase?

**Mr PERRY** - That's right.

**Ms WEBB** - How is that assessment panel comprised currently and what's the term of people.

**Mr BARNETT** - Thank you for the question. I'll ask the Coordinator-General to respond. I can give you the names of the current assessment panel members. So John Perry, coordinator-general; Dion Lester is from the Local Government Association, Dr John Whittington, currently CEO of Blue Economy CRC who many of you would know; Sarah Clark, of course, current CEO of Tourism Tasmania who is a newish member of the panel; Malcolm Wells, who's got a range of various background in the National Parks and Wildlife area and very appropriate to that as well. So you've got five current members of the panel.

## PUBLIC

**Ms WEBB** - I understand, the selection process, the term on the panel, is there a formal way that that membership changes or is it just set and then it stays?

**Mr PERRY** - So there isn't a term. As part of the enhancement process, we did a renewal process and those three people that the minister referred to have recently been appointed to the panel.

**Ms WEBB** - The minister referred to five people, you being one of them, so the other four, which three were the ones that were recently appointed?

**Mr PERRY** - Mr Lester, Dr Whittington and Ms Clark.

**Ms WEBB** - Right. Malcolm Wells has been on there for a period of time already.

**Mr PERRY** - That's right.

**Ms WEBB** - How does that occur when you're replacing members on the panel?

**Mr PERRY** - So when the review of the assessment panel was provided and we undertook the review of the EOI process, one of the aspects that we were looking for were people with relevant expertise that weren't linked to either the tourism sector and that had relevant industry experience, and so a number of people were put forward for consideration and selection.

**Ms WEBB** - Put forward for consideration, you went out and sourced people or did you put out an expression of interest process to draw in or was it a tap?

**Mr PERRY** - So it was a selection of a number of people that were then put forward for the minister's consideration.

**Ms WEBB** - So a tap on the shoulder to go and seek people who were determined to be, potentially, fitting the bill and then provided to the minister for selection.

**Mr BARNETT** - Well, we won't characterise those panel members in the way that you've characterised them. We'll characterise them by saying that they are upstanding, outstanding citizens who provide advice and are recommendations from the panel, which is greatly appreciated to government. They are consistent based on the 2022 review, where we had input from stakeholders and the Tourism Industry Council, for example, on the EOI tourism process, we got that feedback, it was a rigorous review, we actually had the Auditor-General's report as well. So we took on board all that advice and enhanced the panel and the role of the panel, and we believe that those on the panel are very experienced and entirely capable and professional.

**CHAIR** - I won't speak for the member because she can always speak for herself, but this is just an opportunity for the committee to gain some information and it's purely of interest and no aspersions cast about the people on it.

**Ms WEBB** - Thank you, Chair, I absolutely would like to make a comment about that too. I didn't characterise members of this panel in any particular way in asking the questions that I asked. I cast no aspersions on them. It's unfortunate for you to suggest that I did.

## PUBLIC

You'll understand that this is an Estimates committee, selection occurred in relation to this panel, it's of public interest how selection occurs. This is a panel that's making some very fundamental recommendations, it's a no go point for expressions of interest put into this process, the assessment of this panel. So it's a public interest to understand how members are selected. My questions about the process - which I don't think have been properly answered yet, I'd like to hear more - are simply to have on the public record how that occurs. There's no implications about anyone involved.

**Mr BARNETT** - I apologise if there's been any misunderstanding but I think you used the words at the end of your commentary that they needed to fit the bill. Now that could be taken in different -

**Ms WEBB** - Skill sets.

**Mr BARNETT** - That could be taken in different ways, so if I've taken it in a different way to the way you've taken it, I apologise, however, I wanted to indicate that the review of the EOI process last year was very thorough, it was very rigorous, it included review by the Auditor-General, input from the Tourism Industry Council and we've responded to that, and they've provided an enhancement to the process. I believe we've acted in accordance with the report and recommendations that have flowed from that, so I hope that assists the member.

**Ms WEBB** - Well, it doesn't quite answer my question about the process, because it's still a little opaque to me to understand how the selection occurred. I completely take your explanation of the review that was done and acting on the review. Sensible. Of course that's what you would do. Now I'd like to understand how we arrived at having new people on the panel. What the actual process was. Was it a process that invited peoples' interest, for example, who were then considered and then put forward to the minister, or was it that there was a proactive approach made to specific individuals identified from within the Office of the Coordinator-General or wherever? I'd like to just understand that in more detail.

**Mr BARNETT** - Thank you, I'll ask the Coordinator-General to speak to that.

**Mr PERRY** - It was a process that we conducted as part of the review with engaging with key stakeholders and then we put forward suggested panel members. It wasn't advertised for application, it was selected according to the areas that we'd identified the skill sets that were needed.

**Ms WEBB** - Thank you for that explanation. That's what I was alluding to where I was saying 'fit the bill', in that sense, that it was a skill match.

**CHAIR** - Another word for skill set.

**Ms WEBB** - What is the cost to administer the panel?

**Mr PERRY** - The panel members are not paid for their time. They give their time voluntarily. The cost is absorbed in our office in terms of supporting the panel. So people on my team prepare the papers for the assessment panel and collect the information that is logged through an online portal for applications. So we don't separate that cost out. The only other cost that I could identify for you would be the probity costs that we pay to have a probity adviser who participates in the assessment panel process, and also the review as well.

## PUBLIC

**CHAIR** - Is that reasonable that those good people, as you have indicated, are not remunerated in any way?

**Mr BARNETT** - Would you like to speak to that, John?

**CHAIR** - This is a significant piece of work that they undertake.

**Mr PERRY** - That's been the approach that we've adopted from the beginning and so that's how we've approached it.

**Ms WEBB** - Can I ask on that, in terms of the recommendation that came from that auditor-general report, in terms of reviewing the panel, there was a recommendation to review the panel composition and obtain a broader representation from community stakeholders. So in terms of responding to that recommendation from the Auditor General, with the makeup of the panel currently, can you point to where you feel that you've given effect to that recommendation?

**Mr PERRY** - With the new appointments.

**Ms WEBB** - The three new appointments.

**Mr PERRY** - Yes.

**Ms WEBB** - In terms of broader community, stakeholder representation. Through any particular members of the panel in relation to that mix?

**Mr PERRY** - All of the panel members have a variety of different roles which they perform outside of their roles as assessment panel members, and so all of them would bring those skills to bear.

**CHAIR** - Thank you. Any other questions for the Office of the Coordinator-General?

**Ms WEBB** - I do have something.

**CHAIR** - Yes, okay.

**Ms WEBB** - Sorry. Another one, I'm just trying to find where I got up to.

**CHAIR** - One other one, thank you, and then we'll move out to industry and business development.

**Ms WEBB** - No, sorry, that was relating to red tape production which I think we mostly - in terms of that Red Tape Audit Report 2021-22, is there going to be an X iteration in 2022-23, 2023-24? When's that next iteration? I might've missed that in the answer.

**Mr BARNETT** - I mentioned it earlier. I think I used the word 'imminent' or in the very near future.

**Ms WEBB** - In terms of the makeup of the Office of the Coordinator-General, how many FTEs in that office are involved in that red tape production program for focus there?

## PUBLIC

**Mr BARNETT** - Three, minister, one.

**Ms WEBB** - One.

**Mr BARNETT** - Can I just add to your question about 2021-22 EOI projects?

**Ms WEBB** - Yes.

**Mr BARNETT** - There were three new projects that came through.

**Ms WEBB** - Three in that year, also. Are they still in the assessment phase not yet determined?

**Mr BARNETT** - Yes, I believe so.

**Ms WEBB** - Okay. Are there only those six? The three from each of the years I mentioned in the assessment phase at the moment, or are there still some from prior to 2021-22?

**Mr BARNETT** - I can tell you that in a second. No, that's the total six.

**Ms WEBB** - Okay.

**CHAIR** - The three that were from 2021-22 - is that correct? Would you expect that it would take that long to have a decision? That's probably putting people's lives on hold, so I'm just interested whether that would be an expectation that those - certainly the current ones, but the three that are outstanding, they're still in the assessment process.

**Mr PERRY** - My understanding is that each of them has an individual set of circumstances, but there are certainly two of those that I'm aware of that were put on hold because of policy decisions that needed to be resolved relating to the project, or - there have been other things that have been - that have evolved through that period.

**CHAIR** - Right, so through the minister. Not necessarily any issue with the office and the process, more around the actual applicant and what they're trying to achieve is why there's been a delay.

**Mr PERRY** - Yes, and having to investigate further certain aspects of it.

**CHAIR** - Thank you.

**Ms WEBB** - Is there also an issue around how often the panel meets? Is that as required?

**Mr PERRY** - Yes.

**Ms WEBB** - In terms of what you're ready to have something assessed, the panel convenes to do the assessment.

**Mr PERRY** - Through the minister, yes, that's right. If you have three applications during a year, that doesn't require setting up regular meetings, so it's an as needs. I probably

## PUBLIC

should add, also, that each project requires a range of other advice that is provided to the panel, so that has to go out, be obtained, and then brought back to then have the meeting for panellists.

**CHAIR** - And then go through the probative process as well.

**Ms WEBB** - How many people in your office are involved in facilitating the tourism EOI process altogether then, around those sorts of activities?

**Mr PERRY** - It varies, but two people are really focused on it. Sometimes there might be some additional support, given workload or whatever, but there are two people that work specifically around it, among other things that they do.

**Ms WEBB** - Thank you.

**CHAIR** - Thank you very much. That's 1.1 concluded, and we'll now move.

**Mr BARNETT** - Just to answer the earlier issue, member, Mr Willie -

**CHAIR** - Member for Elwick.

**Mr BARNETT** - Member for Elwick. In terms of Qantas, can I just quickly respond to the member and the committee?

**CHAIR** - Qantas had contacted you right now?

**Mr BARNETT** - My advice is the Treasurer has indicated in the other committee that we expect, as a government, that successful businesses that are committed to Tasmania to not always expect the taxpayer will be there to provide ongoing support. The OCG has responded in terms of non-contact with Qantas. The secretary on my left is not aware of any, but of course, we have got a number of months, in fact, years to go. We would be, of course, fully - happy to engage as a government with Qantas in an ongoing way, but we don't expect businesses to want forever support with these types of matters. I just draw that to the committee's attention.

**CHAIR** - So don't just expect a Boag's deal into the future. Right, thank you.

**Mr BARNETT** - Thank you.

### INDUSTRY AND BUSINESS DEVELOPMENT

**CHAIR** - Thank you very much, John. We appreciate your time today. We have 1.2, which is industry and business development. Very important line item for scrutiny.

**Mr BARNETT** - Thanks very much, Madam Chair, and obviously we have both Kim Evans here, and Mark Bowles, who's Deputy Secretary, Business and Jobs, happy for questions.

**CHAIR** - Okay, so we don't need anyone else to join us?

## PUBLIC

**Mr BARNETT** - Not at the moment.

**CHAIR** - Not yet.

**Mr BARNETT** - We're always at the ready, happy to assist.

**CHAIR** - If Mr Evans can't answer the question, it's probably not answerable. Thank you. I ask the member for Launceston, Ms Armitage, to commence questioning.

**Ms ARMITAGE** - You've actually just mentioned Boag's. I'm not really sure whether that's going to come under this area or not. I know that last time I spoke to Boag's, they were currently working through the deed with the government, and there was \$500 000 in the current budget. Does that come under this area, minister, or not? I'm just thinking it is - well, it was just that the Chair mentioned it. It wasn't something I was going to ask about, but then I thought, well - I'm not sure which budget - no, that's fine. I'm assuming there's \$500 000 in one Budget, and \$500 000 next year.

**Mr BARNETT** - It's not something that came to me as minister.

**Ms ARMITAGE** - No.

**Mr BARNETT** - I think it's a tourism area. I'm obviously State Growth and construction and housing.

**Ms ARMITAGE** - No, that's fine. It was only when the Chair mentioned, I thought, well, maybe just in case.

**CHAIR** - I'm just here to help, really.

**UNIDENTIFIED SPEAKER** - It'd be good to know what line item it was in, or what area.

**Ms ARMITAGE** - That's fine. I certainly can look to other areas.

**CHAIR** - It's in tourism, then. That's what the minister has indicated.

**Ms ARMITAGE** - My first question, just to ask, looking then down at international students I think is a really interesting one. Are you able to provide the number for - obviously COVID was 2021-22, and we know the numbers are down there. What was it prior to COVID? The international students commencing studies, because we know that international students are very important because they're full fee-paying students. How much did it drop?

**Mr BARNETT** - Yes, thanks very much for that. It's a very good question, very important area, and there has been significant change since COVID, and in fact, before COVID. I would want to say, in terms of international students, very important.

**Ms ARMITAGE** - Yes.

**Mr BARNETT** - They do provide positive impact for Tasmania, not just economically but socially, culturally, and the benefits flow through to tourism, to business, to retail.

**Ms ARMITAGE** - The new UTAS, obviously the new buildings help. I know that with international students, they obviously like to be close to city.

**Mr BARNETT** - They do.

**Ms ARMITAGE** - What was it prior to COVID, the figure?

**Mr BARNETT** - I've got those figures, so I'm happy to assist the member, and then I'll pass to the secretary. We do have, and have launched the Tasmanian Global Education Growth Strategy, which provides a framework for collaboration between industry and government in supporting international education in Tasmania. It's estimated the sector reached a value of \$668 million per annum in 2019-20, and that was an increase over 110 per cent on the 2016-17 estimated value of \$314 million. This is a testament to the value of the collaborative effort. COVID obviously kicked in, and it's had a very significant impact on our international student numbers, with the estimated value of the sector falling to \$381 million in 2021-22.

Of course, it's due to a range of factors including border closures, market changes, significant increases in national and global competition for students. The figure for the 2022-23 year is expected at the end of this calendar year. The Government is undertaking a review and a refresh of the global education growth strategy, and that refresh will reflect the newer challenges faced by the international education sector in Tasmania, while capitalising on what we have learned in recent years.

Our priority is to support industry with engagement and re-engagement across a range of international markets and facilitate positive experiences for international students. In this regard, as you know, the Premier has been on a trade mission earlier this year - I think it was February - to Korea and Japan. Likewise to Vietnam in the past, I should also add.

**CHAIR** - He went to New Zealand as well, didn't he?

**Mr BARNETT** - That's right. He also went to New Zealand, earlier.

**CHAIR** - Obviously Asian countries have -

**Mr BARNETT** - Yes. That's where the numbers are, primarily, and India as well. Austrade education fairs have been operating and connecting with international students and education agents. I want to give a shout-out to Study Tasmania. They were in Vietnam with the Premier on the trade mission, as well as the University of Tasmania, GETI (Government Education and Training International) representing government schools, TasTAFE and Tasmanian independent schools. They were engaging with over 130 international education agents in Hanoi and Ho Chi Minh City on that visit to Vietnam.

I might pause there and check if the secretary has some further figures to add.

**Ms ARMITAGE** - Or if he has the pre-COVID figure for 2019-20? It would be interesting to see what pre-COVID international students were. We have the COVID figures, obviously, and how it has dropped, but I would like to know what they were before COVID, and what we are trying to aim to get back to, because it doesn't look like we're aiming very high at the moment.



**Mr EVANS** - Through you, minister, I have some data here relating to 2019-20, 2021 and 2022, bearing in mind -

**Ms ARMITAGE** - The figure for 2021 would be COVID, wouldn't it? What was before that? Before COVID struck, what were our figures?

**Mr EVANS** - In 2019, total enrolments were 15 513.

**Ms ARMITAGE** - A big difference.

**Mr EVANS** - Yes. In 2020, it was 16 000. During 2022, we had 12 500. As the minister has indicated, we don't have the year-end figure for 2023, but the year to date would indicate there is an increase again in 2023.

**Ms ARMITAGE** - So, they are the ones carrying through. I'm looking here at the international students commencing their studies in Tasmania. In 2021 it was 6751. I'm trying to compare with the figures that we actually have in the Budget book. So, during 2021, the actual number was 5649.

**Mr EVANS** - Okay. So in terms of commencements -

**Ms ARMITAGE** - Yes, commencements. So, new students, obviously.

**Mr EVANS** - In [inaudible].

**Ms ARMITAGE** - Right.

**Mr EVANS** - 2020, COVID, 7234, 6214. 2020, 5727. The indication I have is that there is an increase in 2023, but we just haven't got that.

**Ms ARMITAGE** - Are we getting the feeling from the trade missions that people are favourable? That parents are favourably looking to send them back? Do international students do online as well, or not?

**Mr EVANS** - I think it's fair to say right across the country it's slow to recover, and it is a very competitive marketplace, particularly with the US and other countries. But it is recovering - some parts and some places quicker than others.

**Ms ARMITAGE** - Because they have all had COVID. We're not alone in that, and we have probably been better than most. You feel that is what has been happening? There is nothing, no silver bullet that you're looking to put out there to try to encourage the new development in Hobart and in Launceston?

**Mr EVANS** - Through you, minister, it's a major part of our focus with trade missions, for example. We put a lot of effort into the entire sector, trying to connect with the potential marketplaces, inviting delegations here to look through the various agents.

**Ms ARMITAGE** - I'm assuming certain courses are more favourable for students to come to Tasmania to do?

**Mr EVANS** - I couldn't give you exact details on that.

**Ms ARMITAGE** - Do you know whether it would be business courses?

**Mr EVANS** - It cuts across higher education that in schools. I should add that one of the challenges has been that China is far slower to recover than some other markets - so a lot of our focus is going into other markets at the moment.

**Ms ARMITAGE** - Looking at the provision of information and advisory services to the SMEs, I noticed there's a considerable difference, obviously. It would be interesting to know their pre-COVID as well. Obviously the 18 632, the actuals in 2021, are when people were contacting more because these were COVID figures. If I could have the 2019-20 figure, it would be good.

**Mr BARNETT** - Sorry, have you got a line item there?

**CHAIR** - It's on page 261 of the budget papers.

**Ms ARMITAGE** - Yes. 'Provision of information and advisory services to SMEs'. It's at the top of page 261, Budget Paper 2, volume 1.

**CHAIR** - No, not that one.

**Ms ARMITAGE** - 'Performance information output'.

**CHAIR** - Just at the top there.

**Ms ARMITAGE** - Yes. I note that the digital-ready engagements that are not included that the footnotes - and they have actually been taken out. Could I get the figure for 2019-20, just to get a comparison of what it was before COVID? For the digital ready, would that have been in pre-COVID as well, or only in the COVID figures? I notice that the digital ready are not included, so I wondered what the rationale was for taking digital-ready engagements out - and whether you see an increase or a decrease in the number of digital-ready engagements? It's hard to work out things when there are some things taken -

**CHAIR** - As you can see, minister, this committee is forensic.

**Mr BARNETT** - I can see that, and as the Minister for State Development, Construction and Housing, I also note for the committee that this is very much in minister Ogilvie's area of IT and small business. I draw that to your attention.

**Ms ARMITAGE** - That's interesting, because it's listed under industry, business and development.

**CHAIR** - It is listed under your outputs.

**Mr BARNETT** - I'm sure the secretary will do his best.

**Ms ARMITAGE** - That's right. Then we can ask the follow-ups to minister Ogilvie on Wednesday.

## PUBLIC

**Mr BARNETT** - I draw that to your attention, that's all.

**CHAIR** - Thank you, minister.

**Mr EVANS** - I was just going to explain the construction of the Budget. Output 1.2 includes a number of minister's portfolios - including the Minister for Advanced Manufacturing and Defence Industries, the Minister for Trade, the Minister for State Development -

**Ms ARMITAGE** - So, SMEs are not included in the -

**Mr EVANS** - This is minister Ogilvie.

**Ms ARMITAGE** - All right. Let me leave the SMEs and go to another one.

**CHAIR** - So, Mr Bowles will be all over it on Wednesday.

**Ms ARMITAGE** - Yes. A question on notice. How about this one, performance measures - is that still minister Ogilvie as well? The performance measures on page 261 of Budget Paper 2, which states: 'The satisfaction on outcomes are measured by feedback from the minister's office'. Is that your minister's office, or minister Ogilvie's office? 'And were appropriate colleagues and clients'. Minister Ogilvie, or

**Mr EVANS** - Through you, minister, I will go back to my comment before. This output group relates to a number of ministers and we would talk to all of the relevant ministers about their satisfaction with the support and the advice of the -

**Ms ARMITAGE** - So I can ask a question in this area?

**Mr EVANS** - Yes.

**Ms ARMITAGE** - Okay. My question is that it doesn't really sound like a formal qualitative or quantitative collection of data. Do people know when they're contacting the minister's office or communicating with colleagues and clients that they're giving feedback that will be used towards this performance indicator?

Are people aware they're giving feedback? If not, how can we know that this is reliable data in order to assess the effectiveness of the policy, project and progress, and the program advice being given. Are people aware when they're communicating with these offices and people that this is what they're doing? Are they asked the questions? It seems an interesting one.

**Mr EVANS** - It primarily relates to the feedback we're getting in terms of the quality of policy advice that we're providing to the minister and key relevant stakeholders relating to policy.

**Mr BARNETT** - I can speak to a -

**Ms ARMITAGE** - All right. It just seems an unusual way of -

## PUBLIC

**Mr BARNETT** - I get surveyed each year - and I think this is what the secretary was trying to outline - with respect to the quality and comprehensiveness of the advice the minister receives. My understanding is a similar sort of survey goes to my colleague ministers in this space. You can ask them all the same questions because this is what this is about - to provide feedback to the department about the advice and the information that's provided.

At the end of the day, we want to do what's best for Tasmania. We're servants of the public. We want to help businesses large, medium and small. They're the engine room of our economy. The survey is provided, and we provide feedback on that. Hopefully, that helps inform the secretary and his offices on how better to provide that advice and deliver the services Tasmanian business needs.

**Ms ARMITAGE** - I'm not sure about other members at the table, but I don't think I've ever been asked advice on the timeliness of answers back from some offices, but that might be interesting.

**Mr BARNETT** - I mean, it's a survey.

**CHAIR** - The honourable Leader can provide that feedback. She quite often gets it.

**Ms ARMITAGE** - No, I'm thinking written.

**Mr BARNETT** - There's a gap at the bottom of the survey which is headed 'Other' where you can write whatever you want.

**Ms ARMITAGE** - I don't think I've ever seen a survey. That's what I was just saying, minister. It might be quite useful.

My last question on this is hopefully for you, about growing the value of Tasmanian premium exports to international markets. I'm just wondering if it's yours, to start with, and what things are included in Tasmanian exports to international markets.

**Mr BARNETT** - I was the Minister for Trade, and proudly so, for a good while. It was a great honour. But the Premier is currently the Minister for Trade.

**Ms ARMITAGE** - He's now taking that one.

**Mr BARNETT** - And will definitely be able to respond to that question.

**Ms ARMITAGE** - We don't have the Premier, so unfortunately not.

**Mr BARNETT** - He's in the other committee.

**CHAIR** - But that might change. That might change next year.

**Mr BARNETT** - Well, he is the Minister for Trade.

**Ms ARMITAGE** - Thank you. I'll leave it for others to ask some questions.

**CHAIR** - Any other questions about this particular output group 1.2, Industry and Business Development?

**Ms WEBB** - Thank you. I want to get some information on the footnotes relating to this line item. I'm looking on page 283. Footnote 10 at the bottom of the table describes or explains the decrease in this line item from 2025-25 onwards - so, from \$97 million or so in 2023-24, down to \$45 million or so in 2024-25. There's a number of things listed.

**Mr BARNETT** - Have you got a page number there?

**CHAIR** - Pages 282 and 283. It's still in this book here.

**Ms WEBB** - I'm looking at footnote 10 at the bottom of page 283, which relates back to this line item in output group 1.2. The explanation provided for the decrease from 2024-25 says it reflects the funding profile of existing Budget initiatives. It then lists a whole lot of Budget initiatives, so therefore those things that are ending, I presume, and therefore reflecting in a significant decrease.

I am interested in the one listed as Macquarie Point Operating Costs. Could you explain the decrease that occurs from 2023-24 across to 2024-25 and onwards?

**Mr BARNETT** - No. We can maybe address that when Macquarie Point is at the table. I'm more than happy to bring them to the table in due course in this session, or we can take it on notice. Whichever you'd prefer.

**Ms WEBB** - Where is Macquarie Point coming to the table in this session?

**CHAIR** - In capital investment.

**Ms WEBB** - Okay. I'm happy to come back to it there.

**CHAIR** - Any other questions there? I'm interested in the AFL team package as well. Is that part of this one? I'm sure that's not Macquarie Point.

**Ms WEBB** - No, it's the team package. It's not -

**CHAIR** - It reflects additional funding included for the package. There's no decrease. It's an increase.

**Ms WEBB** - Which minister is responsible for that?

**Mr BARNETT** - For the AFL team, it's minister Street - Sport and Recreation.

**Ms WEBB** - Okay. Is he even in this?

**CHAIR** - You can see why we do get a tad confused, minister.

**Mr BARNETT** - No, that's fine. Not a problem.

**Ms WEBB** - He's not listed as a minister in this department.

## PUBLIC

**CHAIR** - Can I ask about the Royal Agricultural Society of Tasmania Hobart showground redevelopment?

**Mr BARNETT** - Yes, I'm more than happy to speak to that.

**CHAIR** - Thank you.

**Ms WEBB** - Minister Street isn't listed in this department, so it can't be helped.

**Mr WILLIE** - He has a Sport and Recreation line item.

**Mr BARNETT** - Happy to come back to your question, so hold the thought.

We've committed \$42.15 million to the redevelopment of the Hobart Showgrounds. It'll revitalise the site, delivering showground pavilion arena site infrastructure, a commercial precinct, large areas of public space and residential housing. Putting the housing hat on for a moment, it will provide new facilities for the community, business, boarding, tourism and commercial uses, and be designed for high levels of utilisation for events, shows, markets, music, conferences and commercial activities.

The [inaudible] Project will see the delivery of over 450 new homes, including up to 150 affordable homes. The number of houses will make a significant contribution to Hobart's overall housing stock in a highly accessible inner-urban location, close to employment, shops, schools and transport networks, including the northern suburbs transit corridor.

**CHAIR** - Right, but it'll still -

**Mr BARNETT** - I can share more, but that's -

**CHAIR** - Sorry.

**Mr BARNETT** - Overall, the redevelopment is expected to encourage more than \$230 million in economic activity over the next four years, and create over 200 jobs - out your way, Mr Willie.

**Mr WILLIE** - We support it. It's a good project.

**CHAIR** - This is the showground redevelopment.

**Mr BARNETT** - Yes.

**Mr WILLIE** - Not Macquarie Point.

**Mr BARNETT** - The member for Elwick knows about that, and the interest in that.

**CHAIR** - It'll still be home to the show? There'll be still space for the show?

**Mr BARNETT** - Yes. It's a huge boost for the Royal Agricultural Society of Tasmania, and the Royal Hobart Show, which I know many around this table are very supportive of. The Government funding commitment is the subject of a grant deed with the Royal Agricultural

## PUBLIC

Show Society, with funding cashflow across project delivery milestones. We're keen for it to progress, and happy to respond to any other questions.

**CHAIR** - Right. What about the residential land rebate? Have I missed my opportunity, if that was for housing?

**Mr BARNETT** - No. We can assist you on that, hopefully. That's separate to the showgrounds. That's to do with supporting further development on residential land.

**CHAIR** - It's a rebate.

**Mr BARNETT** - Yes, it's a \$30 million program. We announced it, I think, in September 2021. It's one of several initiatives announced by our Government to boost land and housing supply.

**CHAIR** - That's winding down now.

**Mr BARNETT** - Yes.

**CHAIR** - It says here, the decrease from 2024-25 reflects -

**Mr BARNETT** - Yes, so we have the \$30 million. It's a rebate of actual costs incurred, of up to \$5000 per utility type per lot, and up to a maximum of 40 lots. Eligible utilities are defined as water and sewerage infrastructure, and power infrastructure.

**CHAIR** - So it's for developers.

**Mr BARNETT** - Yes, and it's to encourage residential development, to encourage building more houses faster. As of 27 April this year, approximately \$17.4 million has been rebated to 137 approved applications, for a total of 2727 residential lots. The program is due to close 30 June next year. Not this year, next year - or when fully subscribed, whichever comes first.

**CHAIR** - Thank you.

**Mr BARNETT** - Chair, you did ask in an earlier question in the housing space about ancillary dwellings.

**Mr WILLIE** - I asked.

**Mr BARNETT** - I'm happy to answer that question now. It opened on 30 June 2021, the ancillary dwellings program, as one of several Government initiatives aimed at boosting housing supply.

**CHAIR** - You got \$10 000. Didn't you?

I can't remember which member asked about it.

**Mr WILLIE** - I asked.

**Mr BARNETT** - It might have been the member for Elwick.

**CHAIR** - Thank you.

**Mr BARNETT** - So the ancillary dwellings opened on 30 June 2021. The program is one of several Government initiatives aimed at boosting housing supply.

**CHAIR** - I think about \$10 000 for an ancillary dwelling in your backyard?

**Mr BARNETT** - Yes, that's right, a very good memory. A \$5 million program providing \$10 000 for the first 500 new ancillary dwellings that are made available for long-term rental, for two years or more. So I visited those last year.

**CHAIR** - But they had to come off the housing wait list?

**Mr BARNETT** - It's for long-term rental for two years. I will just come to that in a minute. The program is administered by the Department of State Grants. As of 26 April 2023, 206 applications have been approved or conditionally approved, with 165 applicants receiving their first payment and 47 of those applicants receiving their second payment. The program was due to close 31 December this year or when fully subscribed. It is not specifically for people on the housing register.

**CHAIR** - Okay, thank you.

**Mr VALENTINE** - It is interesting that two years is considered long-term. I don't think I'd want to be up for a visit in two years.

**CHAIR** - No, two years just flies. Members, if there are no other questions in this line item then we will move to 90.3, which is 'Business Support Loan Scheme interest costs'. Ms Webb?

**Output Group 90**  
**COVID-19 Response and Recover**

**90.3 Business Support Loan Scheme - Interest Costs**

**Ms WEBB** - To clarify that in 1.2 Industry and business development, even though it is listed under this minister's portfolio, that AFL package related to the minister for Sport?

**Mr BARNETT** - The Secretary is happy to try to answer any questions on the AFL package. We might need to bring other people to the table if you have questions about that line item.

**CHAIR** - Yes, I was interested because this reflects additional funding for the AFL package and the Elphinstone International defence infrastructure, science and technology. We will get to that on Wednesday.

**Mr BARNETT** - Yes, sure.

**CHAIR** - But I'm interested in the AFL package.



## PUBLIC

**Mr BARNETT** - Okay. I will pass to the secretary, and we will try to assist the Committee.

**CHAIR** - So we won't rely on Mr Street?

**Mr BARNETT** - The secretary has offered to try to assist the Committee.

**CHAIR** - Thank you. I did indicate that if Mr Evans wasn't able to answer it, it probably wasn't answerable. But we have two gentlemen. Welcome, Gary, welcome, Brett, who you might introduce officially with their titles.

**Mr BARNETT** - Yes.

**CHAIR** - Or I can, if you want me to?

**Mr BARNETT** - Or you can.

**CHAIR** - Deputy Secretary of Transport and Infrastructure, Gary Swain.

**Mr SWAIN** - That's it.

**CHAIR** - And we have Brett Stewart, Deputy Secretary Resources Strategy and Policy.

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

**CHAIR** - Congratulations, gentlemen, very big titles.

**Mr STEWART** - So we're available to answer questions.

**CHAIR** - The question is increased funding for the AFL team package.

**Mr STEWART** - And what specifically is the question?

**CHAIR** - What is it, how much is it?

**Mr STEWART** - For the AFL?

**CHAIR** - Team package.

**Mr VALENTINE** - There's a lot of other stuff with it, you see. We don't have a breakdown.

**Ms WEBB** - We have a breakdown across the forward Estimates, but specifically what will it be spent on?

**Mr VALENTINE** - No, not in that line.

**Mr BARNETT** - I think we'll get Brett Stewart, our deputy secretary, to kick it off.

## PUBLIC

**Mr STEWART** - So through you, minister. If we go to table 10.1 on page 248 of the Budget Paper 1. It is under 'Key deliverables'. There is a breakdown, and it is in alphabetical order. 'Tasmanian AFL team package', there is \$10.85 million for next financial year. That is made up of two of the establishment funding tranches for the new club, being \$5 million each.

The commitment under the funding and development agreement signed with the AFL is for four tranches of \$5 million over four years. The first two come in the first financial year. So there is one that is executed on the establishment of the club, and then there is another one next September. Sorry, this September.

**CHAIR** - So that is \$5.850 million?

**Mr STEWART** - So that is \$10.850 million. The \$850 000 is for administration of that package. That is further work to establish the club and infrastructure. The next two years at \$5.850 million are one further tranche for each year of establishment funding, and then the \$12 million in the final out year is the first of the operational funding commitments. That may need to be reprofiled to the following year given that these numbers were put in the budget paper prior to the licence being signed.

**CHAIR** - You must have been pretty confident.

**Mr STEWART** - Well, that takes a bit of time.

**CHAIR** - Perhaps it's a question for the minister, not yourself.

**Mr STEWART** - And the licence agreement specifies that the commencement date for the team, or the commencement year, would be 2028. So that \$12 million will likely need to be reprofiled out by year.

**Ms WEBB** - Through you, Chair. Because that quantum of funding would be for the first year of the team actually competing -

**Mr STEWART** - That's right.

**Ms WEBB** - rather than, potentially, in 2026-27, when we're not expecting it to be competing at that point.

**Mr STEWART** - That's right, through the minister.

**Ms WEBB** - Can I ask another question?

**CHAIR** - Well can I ask, in the 2026-27 financial year, if the \$12 million has to be reprofiled, how much do you expect to see sitting in there for the forward Estimates? Will it equal \$12 million when we get to the filing year, or will it be a different figure altogether?

**Mr STEWART** - For the 2027-28 year?

**CHAIR** - Yes, which is going to be the year that the team will kick off, if you excuse the pun.

## PUBLIC

**Mr STEWART** - I can't probably predict what the budget paper will say for next year, but the commitment for the first year of operation of the team is \$12 million.

**CHAIR** - Right. But you said that the \$12 million might have to be reprofiled.

**Mr STEWART** - That's right.

**CHAIR** - So that means that that goes into the 2027-28 forward Estimate, so what will sit in the forward Estimate for 2026-27.

**Mr STEWART** - So under the last -

**CHAIR** - Will that be \$12 million as well?

**Mr STEWART** - No. Through you, minister, under the licence agreement the establishment funding would be extended to cover that additional year of establishment.

**CHAIR** - Right. So that will possibly be around \$5.8 million sitting there and then pushing the \$12 million out to the following year?

**Mr STEWART** - Correct.

**CHAIR** - Thank you. That didn't reflect that because you didn't know what the funding agreement would look like and when the team would start, prior to the Budget papers being printed?

**Mr STEWART** - Correct.

**CHAIR** - Thank you. Member for Nelson.

**Ms WEBB** - Thank you. I am interested in more detail about the funding that is there for 2023-24, the first two tranches of the establishment funding and what it is expected to cover. What is going to be included in that?

**Mr STEWART** - Through you, minister, the agreement with the AFL stipulates that the Government will provide \$5 million per annum for the first four years for establishment. That money would go to the club, once it is being established, to support staff and other development costs.

**Ms WEBB** - In terms of budgeting that amount, it is only once the club is established and there is a board in place that then a budget is created by that board to then use this money. Is that the sequence of events?

**Mr STEWART** - That's correct. The money needs to pass to a body to administer. One of the first next steps for us is to establish those board positions. The funding flows once that occurs.

**Ms WEBB** - What is the timeline for the establishment of those positions, of the executive, of the board to government?

## PUBLIC

**Mr EVANS** - That is one of the urgent things we need to get moving with within the first 60 days of the signing of the agreements, so we're working with the AFL now around the establishment of the club and the initial appointment of the establishment board.

**Ms WEBB** - Any costs that are being incurred now in that process are captured within that \$10 million allocated for 2023-24, or are the costs additional? And where would they sit?

**Mr EVANS** - I'm not sure what costs you're talking about. We're wearing a range of costs internally, and if you go to the Budget, \$850 000 of that \$10.5 million is to assist us with the costs associated with the administration, which would include things like any external legal advice that we would need to get.

**Ms WEBB** - Yes, this is what I'm thinking about. Yes, so that's that \$850 000?

**Mr EVANS** - A whole range of other costs that we are incurring.

**Ms WEBB** - Right.

**Mr EVANS** - They are funded within this line item.

**Ms WEBB** - Thank you.

**CHAIR** - Thank you. Mr Willie, you had a supplementary in regard to this allocation for the AFL team package?

**Mr WILLIE** - Just a clarification. What I'm hearing is the 12 times 12 operational agreement starts in that out year, was it 2028 when it's reprofiled? That's when it starts for 12 years. There are additional costs up until that point. We go above and beyond what the Government committed to. So the four times \$5 million in setup is on top of the 12 times 12, minister.

**CHAIR** - For the 10 years.

**Mr STEWART** - That's correct.

**Mr WILLIE** - So we're talking about another \$20 million to set up the team.

**CHAIR** - Maybe \$25 million if you have to add the extra year in.

**Mr STEWART** - The \$20 million of establishment costs has already been publicly announced a number of times.

**Mr WILLIE** - In the agreement.

**Mr STEWART** - That is separate to the 12 by 12 commitment.

**Mr WILLIE** - I just wanted that clarified. That's all.

**CHAIR** - Any more clarification around the AFL team package? If not, then we will move to 90.3. Stay where you are, gentlemen, because we will need you again, I'm sure.

### **90.3 Business Support Loan Scheme - Interest costs**

**Ms WEBB** - Thank you. I don't think we need to spend too much time. This is COVID-19 funding that has ended in the year that we're in. It's only \$500 000. If there's anything in particular to point to in terms of how many businesses accessed the loans under the scheme in this financial year, in this last tranche of the funding provided? Is there any data you'd like to update us on in relation to that? Did we use it all, for example?

**Mr BARNETT** - It's probably a good question for the deputy secretary of Business and Jobs, Mr Bowles. I'll just check if he's available to assist the committee.

**Mr BOWLES** - The COVID -19 Business Support Loan Scheme was a \$50 million loan scheme that opened on 30 March 2020 and closed on 25 May 2020. It was available to support business continuity, viability, and sustainability at the onset of the pandemic in Tasmania. The loan term is for five years with an initial three years interest-free period, then it switches to the Tasmanian Development Board commercial rate. Principal repayments must commence after three years. There were 361 loans originally approved under this scheme for a total of approximately \$35 million. Feedback on the scheme has been positive so far. Numerous businesses have reported to us how important the loan was for their survival at the time. To date, only one borrower under the scheme is known to be under external administration. This borrower has a \$95 000 loan.

**Ms WEBB** - The \$500 000 that's sitting there in 2022-23 on this line item, we're no longer putting out loans under this scheme through this financial year. So that funding was for what?

**Mr BOWLES** - Through the minister, that was funding allocated at the time that the loan was announced to reimburse the Tasmanian Development Board for their loan - their costs for the interest-free period over that three-year period.

**Ms WEBB** - Right. I see.

### **Capital Investment Program**

**CHAIR** - The Capital Investment Program relates to the Budget Papers pages 273 and 274, where we will have an opportunity to talk about a couple of significant projects under this area. I'd invite Mr Willie to make a start. Thank you.

**Mr WILLIE** - Thank you, Chair. I have a keen interest in this one because it's in my electorate. Minister, the government you are part of promised a nine-court state-of-the-art multi-court centre in 2018 and allocated \$10 million for funding, planning and design, and construction of a multipurpose indoor sports facility in Glenorchy. At the time, the Budget said the new complex will be fit for purpose with multi-use courts and sport amenities that meet current and future demands of community and elite sports participants.

**CHAIR** - It's a high-performance centre.

**Mr WILLIE** - The multi-sports facility will cater for a wide variety of sports to be determined by extensive community consultation. For example, basketball, volleyball, netball, squash, table tennis, futsal, badminton, dance, martial arts, roller derby, gymnastics and other

community events. My question, minister, is how many courts will the project deliver? I know it was refined in 2020 to four courts. How many will be available to community sports organisations, and how many will be available to the JackJumpers?

**Mr BARNETT** - Thanks very much for the question. It's a very important question to the community in your area. We've committed \$125 million. The \$8 million for the purchase and upgrade of Wilkinsons Point, redeveloping the MyState Bank Arena, developing a high-performance training facility for the National Basketball League JackJumpers, for which we're all very proud, and the new community indoor multi-sports facility. It's prime waterfront land, it's developed to an agreed masterplan, it resolves the location of buildings and infrastructure, subdivision for future development, and transport connections on site within Glenorchy, the rest of Hobart and the state, including emerging transport options, including ferries.

TasRacing has been invited to consider the benefits of including connections with Elwick Racecourse in the master plan. That could potentially benefit both racing participants and the users of Wilkinsons Point. The staged redevelopment of the MyState Bank Arena, \$67.6 million, commenced in 2021. The final stage involves replacement of the roof and external wall cladding and will be complete very soon. The works are delivering an enhanced experience for fans and audiences, a range of seating options, improved sight lines to the centre court, stage, as well as the large screen and television viewing. It's a world-class venue -

**Mr WILLIE** - I'm asking about the multi-court facility, not the main centre.

**Mr BARNETT** - Now, I'm moving to the multi-sport facility.

**Mr WILLIE** - Thank you.

**Mr BARNETT** - It's all interconnected. The multi-sport facility is a community indoor multi-sport facility that has received \$34.7 million. JackJumpers training facility, \$15 million for conjoined buildings located next to the MyState Bank Arena. Once stakeholders have reviewed the design options and their feedback has been received, which is absolutely imminent, design development can commence followed by a development application, which, as I say, is imminent. Construction is expected to be completed by the end of 2025, contingent on approvals and builder availability.

You asked about the number of courts. It's a four-court indoor multi-sport facility. It caters for local and regional basketball, netball, volleyball and futsal training and competition, and programming opportunities for other sports that are traditionally played in indoor sports halls. It features a purpose-built community gymnastics facility.

The JackJumpers' high performance training facility includes two courts, player locker rooms, an elite level gymnasium, medical and rehabilitation facilities, aquatic recovery and rehabilitation pools, lecture theatre and meeting rooms, player dining, and education and study areas. The two high performance basketball courts used will be prioritised within an agreed usage plan with the JackJumpers and for the JackJumpers and will also be available for the community use when not being used by the JackJumpers. Subject to full-cost funding by the LK Group, administrative offices for JackJumpers staff will also be included.

So the Government's \$49.7 million investment in the new indoors multisport facility and JackJumpers' high performance facility is a major commitment to increasing participation of

## PUBLIC

our young people in sport, enabling them to aspire to play at the highest levels on a national stage and provides more elite sporting content for Tasmanians.

In conclusion, the redeveloped MyState Bank Arena and new multisport facility are important community facilities for Greater Hobart and the community, and the key attractors and catalysts for complementary commercial development actually on the site.

**Mr WILLIE** - Can I clarify, minister, is that four community courts and two courts for the JackJumpers, so six in total?

**Mr BARNETT** - Yes.

**Mr WILLIE** - Okay. Minister, what are some of the reasons for the delay? It was promised for nine courts in 2018, it has gone from \$10 million to \$34 million for the community side and then there's an additional \$15 million for a JackJumpers' performance centre.

**Mr BARNETT** - Look, I am happy to refer to - in terms of the history, I think you are making reference to what may or may not have been said a long time ago. We're working through this; it is quite a complex matter. It is a matter that the Government is - very, very important, and we take it very seriously. We've got to get it right, and the opportunity is there to boost community activity and community sport, and particularly by younger Tasmanians, not just in Glenorchy, broader Hobart, and across the state; and attract more people to the MyState Bank Arena. It will have multi benefits and multi-use benefits for many, many people.

**Mr WILLIE** - So my questions are: how come it has taken so long, and what are the some of the reasons it has blown out so significantly in cost?

**Mr BARNETT** - Just to be clear, my understanding is that we promised, as a government, a four court facility for the community. We've worked with the JackJumpers -

**Mr WILLIE** - I have got a photo of Will Hodgman here and the article says 'nine courts'.

**Mr BARNETT** - I'm just saying that's my advice. I will pass to the secretary to outline more of the details.

**Mr EVANS** - Thank you, minister. So this was a project that was transferred to State Growth, so I wasn't involved in those early years.

**Mr WILLIE** - Yes.

**Mr EVANS** - So I can't really comment on the commitments that were made prior to our involvement, but the project that we inherited was to develop a four court -

**Mr WILLIE** - Multi-court? It's getting late.

**Mr EVANS** - Facility. What happened beyond then is that when he started that detailed planning we went into discussion with the LK Group about their needs for the JackJumpers, and so the project schedule was changed allowing time to improve the multi-court facility by adding functionality and integrating it within the broader development of Wilkinsons Point.

So moving from just four courts to putting in place the JackJumpers facility, we needed to go through a new process to integrate the designs of those.

As I say, initially the multi-court facility was designed as a community indoor multi-court facility, redesigned to incorporate the JackJumpers, and then later redesigned to add offices for the JackJumpers' administrative staff. The minister has already explained that that's something that is integrated into the design, but it will really be a matter of when we get the final quotes for the building, whether the JackJumpers want to take up that option at their cost. The multi-court sport facility has been integrated within a masterplan for the development of the whole Wilkinsons Point site now.

The masterplan's purpose is to guide Wilkinsons Point stage development by locating buildings and infrastructure like services. What sites are available for subdivision more broadly for more future development, integrating transport connections on site within Glenorchy into the rest of Hobart, including emerging transport options like ferries. Simply taking a simple build and integrating it into a site like Wilkinsons Point has added some complexities, but we are now at a point where we are - well, minister? You might want to talk about the important milestones.

**Mr BARNETT** - Yes. There is an important milestone for the Committee that I can advise, and that is that last week the development application was lodged for that development, and likewise that will go on public display in the not too distant future through the normal process of the Glenorchy City Council.

I can advise that it has come after extensive consultation with the various stakeholders and engagement with those stakeholders, including the JackJumpers, but also the various sporting organisations: Basketball, netball, futsal and the like. It is a real opportunity and we're very excited about it as a government, and I know the community will be as well. But there will be an opportunity for public feedback on that development application in the very near future.

**Mr WILLIE** - Yes. Minister, I'm asking the questions because the community is pretty fed up playing in crumbling infrastructure. At Moonah Basketball Centre, the roof leaks. We have had a promise in 2018 that got refined and was supposed to be completed by July 2022. It just seems to be never-ending.

**Mr BARNETT** - I appreciate where you're coming from, thanks for your special interest. I will pass to the Deputy Secretary, Gary Swain, in a moment, but there has been a lot of hard work on this by the Department, by others, a lot of consultation and engagement. It is very complex. We have had ongoing consultation and engagement with the JackJumpers as well, including Larry Kestelman and his team.

That has all taken time together with interaction with the Tasmanian racing industry and so there are a lot of stakeholders involved as the Secretary has outlined. It is a development opportunity, you've got to get it right. There are real opportunities for more retail and public engagement in that space, and again we are having ongoing discussions with the LK Group around that and that opportunity, but I will just pass to the Deputy Secretary to add to that answer.



## PUBLIC

**Mr SWAIN** - I was just going to add a couple of points of detail to what has already been said.

**CHAIR** - Just move that microphone over a little bit, Gary. They do like to be really looked at.

**Mr SWAIN** - Is that better? I was just going to make a couple of points in addition to what has been said. In addition to what was handed to State Growth, so it didn't, as Kim outlined, really go to that broader masterplan. At some time after it transferred I think the ferry prospects did move from a notional development to much more real because of the \$20 million of funding that was made available in the federal budget to councils. Now that dovetails with the work that we're doing on ferry master planning more generally, so that increased the need to have that masterplan.

The other point was because of the consultation, and I think comfort that we have got that from Glenorchy Council in our interactions with them, we are hoping to go to market before the end of the year for the construction contract if we can get through the approvals process fairly cleanly. So, yeah, we're hoping to move this job along now.

**Mr WILLIE** - Minister, it sounds like there will be consultation through the planning process, but what consultation has happened in terms of the grassroots user groups, like the local basketball association or netball association or futsal?

**Mr BARNETT** - Thanks for the question, I will pass to Gary Swain.

**Mr SWAIN** - So we have had ongoing discussions with those key user groups. We have also been using Waypoint to assist us with that, which is an expert consultancy that is particularly skilled at making sure the infrastructure we build meets the needs of those groups. Obviously, the council, and the neighbours like the Royal Hobart Showground and racing. But we're also anticipating to continue that consultation all the way through this and not just the bits that are required by the planning framework, but more on a good practice basis to keep the stakeholders advised as we go through.

**Mr WILLIE** - I've got some last questions, Chair.

**Mr BARNETT** - We've got some more information to assist the member if you are interested.

**Mr WILLIE** - Sure. Of course I'm interested.

**Mr EVANS** - So just in terms of broader stakeholder engagement, obviously the council itself but in terms of sporting stakeholders through Basketball Tasmania with Ben Smith the CEO; through Football Tasmania, Matt Bulkeley the CEO; Netball Tasmania CEO -

**Mr WILLIE** - Peak organisations, not local user groups.

**Mr EVANS** - Mitchell Coulson. Yes, but my understanding is that Ben's been engaging more broadly as part of his interaction but it's been channeled through the peaks groups, that's right. Obviously the JackJumpers, as the minister already pointed out, both with Jorrick

## PUBLIC

Chivers and with Christine Finnegan, but also the owner of the LK Group, Larry Kestelman and his crowd.

**Mr WILLIE** - Minister, once it is completed, who will be responsible for managing the facility and how will the user agreements work with the different sports? Obviously, there's a high demand with a lot of sports and they're all going to want maximum time in the facility.

**Mr BARNETT** - I'll pass to the deputy secretary, because I think it's a very good question. You asked earlier about your local community facilities, and I just wanted to note that in the budget we have \$10 million over two years for the Tasmanian Active Infrastructure Grants Program in the budget to fund community sporting facility upgrades across the state. I know Nic Street, the relevant minister, is very keen to promote that.

**CHAIR** - I think some of that money needs to go outside of Hobart, if you don't mind, minister.

**Mr BARNETT** - It's statewide, Chair.

**CHAIR** - I think most will see that enough's enough. So, thank you.

**Mr SWAIN** - Through you, minister. So we have done some work on the operating models. Not yet finalised. Stadiums Tas is obviously one possibility and we're talking to Stadiums Tas about that because they will inherit the long-term lease for the multisport facility and there is some sense in having only one party involved in the whole site, in terms of the sporting facilities. So that's still to be worked through and we've got to find a model that is reasonably cost efficient too given who the users are.

**CHAIR** - Because there's no point having the facility if you can't afford to use it.

**Mr SWAIN** - Yes. Absolutely. In relation to that, there is cost sharing between the LK Group in their use of the facility and the balance of the facility, so that actually will defray some of the fixed costs of the facility which is good. In relation to demand, I think it will be strong and however it's operated or whoever it's operated by will need to have a booking system that's pretty transparent and fair. You know, because we'll have to have a way of equitably allocating time on court.

**Mr WILLIE** - Will it be done on participation rates with the different sports or something like that?

**Mr SWAIN** - We haven't got that far to be honest, just that we need to have a booking system where it's very clear what the basis of it is. But we haven't worked through the specifics of that yet.

**Mr WILLIE** - Thanks for the indulgence, Chair.

**CHAIR** - That's fine. I'm going to suggest that we have a five minute comfort break. So we will suspend the broadcast and be back in five minutes to continue this because we had an afternoon tea break. Thank you.

## PUBLIC

**The Committee suspended from 6.13 p.m. to 6.19 a.m.**

**CHAIR** - I believe that we were finished with the MyState Arena. Is that correct, Mr Willie? Was it called MyState?

**Mr WILLIE** - No, the multi-court. It's next to MyState.

**Ms WEBB** - Well, the discussions were part of the public works, if you recall, Chair.

**Mr VALENTINE** - That's right. So there's just one question I have.

**CHAIR** - Just one question from the member for Hobart.

**Mr VALENTINE** - I don't think it's been asked. So why the blowout? It's gone from a commitment - it's actually 48 per cent over the last 12 months; \$33.5 million now to \$49.7million. So why the blowout in the cost?

**CHAIR** - We don't mind who answers the question, minister. Mr Finch is right behind you.

**Mr SWAIN** - Okay. So, part of that is the JackJumpers facility, the inclusion of that. Yes, that's \$15million. But I, yes -

**CHAIR** - That won't be covered by the state. Isn't that an LK requirement?

**Mr SWAIN** - No, that's part of the state funding. What I was going to say was I don't think we have all the history of this. We didn't put the original estimate together. When the project was first set up, we looked at it afresh when it came to state growth. Now, that was in the context of a very hot infrastructure market, and we made some assumptions around market movements and have since taken some advice on costing for the project. I can't talk to all the history of it, but I can say that we've looked at the numbers afresh since it came to state growth and put a revised proposal back to the government about expected cost.

**Ms WEBB** - So it was under-costed from the outset potentially.

**CHAIR** - It was under-costed in the first place.

**Mr SWAIN** - I'm not commenting on that. I'm saying we didn't put it together and the market has moved significantly in that time period. We've seen that on numerous projects where the escalation factors have been quite high through the period coming out of COVID until now and now we're dropping back to more normal kind of escalation arrangements.

**Mr VALENTINE** - There you go. So.

**CHAIR** - There you go.

**Mr VALENTINE** - I mean, what do we do with that information? We can't do much with it. I suppose that's what it is.

## PUBLIC

**CHAIR** - Well, we could send it off to the Public Accounts Committee and they can have a look at it and then they'll come back and say it's gone over budget. So, thank you. Now, who would like to make a start on the next part of the capital investment program?

**Ms WEBB** - Well, perhaps I could pick up the one that I was told to defer until now, if that's all right? From -

**CHAIR** - Yes, thank you, member for Nelson.

**Ms WEBB** - So, this was back when we were looking at line item 1.2 in the Industry and Business Development line item. I was asking about the footnote which is in the budget papers at the bottom of page 283 there - budget paper 2, volume 1. It relates to the decrease in that line item from 2023-24 works, about \$97 million, to 2024-25, where it drops down to just over \$45 million. In the footnote, the explanation is that the decrease from 2024-25 reflects the 'funding profile of existing budget initiatives including,' and then it lists a range of things that are presumably coming to an end or dropping in their funding, and the one that I'm interested to ask about is, 'including Macquarie Point operating costs'.

Is Macquarie Point operating costs included in this line item, what those costs are perhaps across the years presented in the line item. The Macquarie Point operating costs for 2022-23, then 2023-24, and then where the drop happens, 2024-25, what happens to the Macquarie Point operating costs at that point, and again into the other forward years. This way we can understand what element of that decrease is associated with Macquarie Point operating costs. I hope that's clear.

**Mr BARNETT** - Thank you for the question. It's quite a long, comprehensive question with many parts, but I'll ask the secretary to respond to the question.

**Mr EVANS** - You're right. It's the detail. Unpacking the detail, there's lots of variations depending on funding coming off across that whole range of initiatives in the footnote. In terms of the Macquarie Point operating costs, that contributes \$5 million of that, which is coming to an end in a year or so.

**Ms WEBB** - So, Macquarie Point operating costs come to a complete end after 2023-24? So, from 2024-25. Or just drop by \$5 million? What I suggest is maybe you could provide across those years presented there what the Macquarie Point operating costs are so we can see just that component.

**Mr EVANS** - Yes. I haven't got it at hand easily all those reconciliations here now.

**CHAIR** - We can take partial if that's available, minister, and then have the rest of it be provided.

**Mr BARNETT** - Yes, thank you.

**Mr EVANS** - 2023-24 Macquarie Point operating costs.

**CHAIR** - Conclude.

## PUBLIC

**Ms WEBB** - No, I'm interested to have the Macquarie Point operating costs across the years presented there on that line item, so 2022-23, 2023-24, 2024-25, 2025-26. Perhaps you could clarify, do they disappear altogether because Macquarie Point Corporation ceases to exist altogether at a certain point.

**CHAIR** - 2023-24. Did I understand that correctly? They will cease altogether in 2023-24.

**Mr EVANS** - Beyond 2023-24, that would need to be subject to a future budget process.

**Ms WEBB** - So, there's nothing budgeted here past 2023-24 for Macquarie Point operating costs. Is that so Macquarie Point Corporation? Is that right? That's what those costs are? The funding for the Macquarie Point Corporation?

**Mr EVANS** - Yes.

**Ms WEBB** - So does the Macquarie Point Corporation wrap up on 30 June this year?

**Mr BARNETT** - I think what the Secretary is saying is that the decision hasn't finally been made on the future of Macquarie Point Development Corporation going forward, so that it's subject to a future budget process. As you rightly say, the funding is there for the budget through to 30 June. But there's been no final decision for government going forward. But it is absolutely subject to the budget process and for further deliberation.

**Ms WEBB** - In fact, but this budget, though, relates to 2023-24. There's not another budget process between now and 1 July 2023. But you're saying that -

**Mr EVANS** - 2023 or 2024?

**Mr BARNETT** - 2024, I think you mean.

**Ms WEBB** - Well, I'm asking you: does the Macquarie Point Development Corporation come to an end this year on 30 June. Is it not funded for 2024-25 or 2023-24?

**Mr EVANS** - Sorry. It's funded in 2023-24.

**Ms WEBB** - Right.

**Mr BARNETT** - Yes, yes.

**Ms WEBB** - But not 2024-25 necessarily.

**Mr EVANS** - No.

**Ms WEBB** - Okay.

**Mr EVANS** - My point is that will be subject to further consideration by the government in terms of the funding model moving forward.

**CHAIR** - It may not exist after 2023-24.

**Mr EVANS** - Well, no, I wouldn't suggest that for a moment.

**Mr BARNETT** - It also has funding in its account. It's a corporation and there is funds in the account. But you're talking about government investment into the corporation, and there's \$5 million, is my understanding, in this financial year, from 1 July through to 30 June next year.

**Ms WEBB** - Sure. Okay.

**Mr BARNETT** - Then going forward, there's nothing in our budget for that, but this is a matter for over the next 12 months, to work that through as part of the budget consideration in the usual way.

**Ms WEBB** - So we would normally though, expect to see that corporation in past years funded across the forward estimates, fully. Normally it is around that \$5 million mark, is it not? We're not funding it necessarily in this budget. We're not funding it past 2023-24, which is an unusual thing. It's different to the way it's been treated in previous years. The expectation is then that there is some reassessment underway as to whether it will exist past the next financial year.

**Mr BARNETT** - Well, as I say, this is a matter for government going forward, in consultation with the board, and clearly the corporation itself. They've been doing very important work and they've got a big job to do going forward and -

**CHAIR** - Remove that infrastructure that's no longer required.

**Mr BARNETT** - There's a lot of work to do, and the Acting CEO and the board are doing a terrific job on all that work, and the very important work to advise government, and the government will come to a conclusion and make decisions about that in the months ahead.

**Mr VALENTINE** - In fact, they're just going out to public consultation, are they not?

**Mr BARNETT** - That's right. For the precinct plan for the Macquarie Point which does include Regatta Point. So, the answer is yes to that.

**Ms WEBB** - But you're not at this time able to rule out the Macquarie Point Corporation might not exist past 30 June next year.

**Mr BARNETT** - I am saying that a decision hasn't been made around that matter as yet. It's been performing a very important role. It will continue to perform a very important role and I would envisage that to continue forward until such time as we have other reasons to discontinue it. It has a very important role.

I'm happy to bring forward the acting CEO to the table if you'd like to have further and better particulars around the operational budget and what's happening. My secretary is on the board of the corporation, and I think it's fair to share a view as well, but this is an important matter. They're doing important work and it is ongoing and as minister, I appreciate their work and I thank you for that.

## PUBLIC

**CHAIR** - I'd be interested to have some understanding around the works which are required to be undertaken there. I believe there's \$100 million earmarked for that.

**Mr BARNETT** - I think that would be most welcome if the committee's happy to allow for that because then you can ask questions of the Acting CEO, Anne Beach. If I can introduce Anne Beach to the table, Acting CEO for which I thank her and all her team for the important work they do at Macquarie Point.

**CHAIR** - Okay, so we've had Anne Beach join us at the table.

**Ms WEBB** - Can I follow up on the question and this might be a question for you, minister, rather than the Acting CEO, but you mentioned of course -

**Mr BARNETT** - I wonder if Anne perhaps could join Kim Evans down at this end. That would be useful.

**Ms WEBB** - I'll ask this question while you're moving and that'll give you a chance to settle. As you mentioned it's not just funding allocated in the budgets in state government. The corporation has its own funds and operates its own accounts and things, so if the corporation was to wind up on 30 June next year how would all those aspects of the corporation, then be resolved and where would those accounts and where would it sit and who would take over?

**Mr BARNETT** - Okay, let me be very clear. I think that's very much a hypothetical question and I'll assist the member and the committee to outline why. In the financial year 2022-23 there was \$8.2 million estimated to be spent on capital projects to progress the site's development. An operating surplus of \$5.2 million is forecast. Cash balances are projected to be \$55.9 million as at, 30 June 2023. As of 30 June 2023 the corporation has invested \$20 million and generated assets worth a total of \$107 million. So there's capital expenses, there are operational expenses. They do important work, so I think it's an entirely hypothetical question and they have no intention of winding up the corporation next year so that's the position that I'm happy to share with you. If there's any indications of that let's just be very clear that is not my intent. They have very important work to do, and that work is ongoing.

**CHAIR** - Couple of questions from that then, minister and you know this is absolutely not directed at the acting CEO, but can we have some indication of when there'll be an appointment for CEO for the Macquarie Point Development Corporation then.

**Mr BARNETT** - That's a matter for the premier in terms of the appointment and in terms of that process. I think it's fair to say that matter is ongoing.

**CHAIR** - Right, thank you.

**Mr BARNETT** - I appreciate the work of the acting CEO. Of course that's a matter for the board. I'm the minister as you know but they do have a board. Brian Scullin is the chair. He does a great job. Kim Evans, on my left is a member of the board so in terms of that recruitment -

**CHAIR** - So there hasn't been any discussions at this point in time around that position.

**Mr BARNETT** - Well the board has to undertake that recruitment process.

**CHAIR** - You're not aware of any discussions then that question should've been.

**Mr BARNETT** - Well I'm happy for Kim Evans to comment on that.

**Mr EVANS** - I might just add, minister, this is an appointment that is made by the Premier. It's a head of agency equivalent so the board will have a role, but the recruitment process would be under the direction of the Premier's department, and we have as a board talked about the best timing to recruit the new CEO and it is fair to say that when the position became vacant last year the prospect of a stadium at Macquarie Point wasn't under serious consideration.

Once it did then that quite reasonably caused us to reflect on is it the right timing given that no decisions have been made about funding for the stadium or the commitment to the stadium itself, was the timing right? Now that we've got the funding locked away subject to the budget process then that's a matter that the board will further consider and talk to the Premier's department about.

**CHAIR** - Thank you and now if I can get you to address your mind to the remedial works at Macquarie Point in the order of \$100 million and, you know, given the escalation in costs, albeit that Mr Swain thinks things have plateaued out. I beg to differ. If he's tried to get a builder and get works done recently. Not easy. So I might have some understanding of where we are with the project.

**Mr BARNETT** - Thanks very much. Well, look, I'll kick it off and then I'll pass to the acting CEO, and note that it's 9.3 hectares. It's a massive undertaking with a huge parcel of land. It does need extensive complex mediation from its history as a former industrial site preparing for its future development. The majority of the site is remediated with just two southern corners to be finalised. Works are underway to remediate the southeast corner where the former SeaRoads Shed stood until the end of last year and a historic navy diesel pipeline has been removed and the resulting diesel contamination is currently being removed and treated. This is the final area to be remediated on the original site.

The southwest corner of the site was added to the site in 2015. Planning's on track for the remediation of that parcel to start at the end of the year. There are a range of other remediation measures and I think at this point I can provide more of an overview only but in terms of those further and better particulars on the remediation side to assist the committee it's best to pass to the acting CEO.

**CHAIR** - I'm interested in the cost to date as well.

**Ms BEACH** - Thank you, minister. So as the minister said we have two parcels remaining that we're currently working on. In the southeast corner of the site which is the last of the original part of the site that requires remediation. That work is underway and we're anticipating finishing that in the coming months. Certainly by the end of the year.

There is one other key parcel that requires remediation and that is the southwest corner of the site. That wasn't part of the original site and was added in 2015 so it wasn't originally provided for in the funding and the ability to progress that was part of the 2021-22 Tasmanian Government contribution to the corporation. I'll just note for the prior conversation that the



## PUBLIC

corporation is a public non-financial corporation so there isn't an ongoing state government contribution to that, and we do need to apply for that and receive both capital and operational grants.

Of the funding that's been provided to date, we still have around \$56 million of that at bank. We will be able to complete the rest of the remediation works for about an estimated \$10 million. So there is sufficient money in the bank for us to continue to deliver other projects on site including removing historic infrastructure and installing new infrastructure required for the development of the site.

**Mr VALENTINE** - So that remediation is - is that still going to the Copping?

**Ms BEACH** - It depends on what we find. So some of it requires, that's level 3 does require it going out to Copping. A lot of it we can treat and get down to level 2 or less and are able to take up to McRobie's Gully, so there are a few different options depending on the level of treatment we're able to achieve in the soil.

**Mr VALENTINE** - Is there still a rail line that travels through that site at the moment?

**Ms BEACH** - There has been previously a historic rail line in there so the last trains left in 2014. There is a little bit of remnant that has been removed but it's predominantly been removed from the site.

**Mr VALENTINE** - Okay. So can I go to another issue?

**CHAIR** - Have we finished with the remedial works? We've got an understanding of what's required there?

**Mr WILLIE** - What about the wastewater treatment plant. Can we -

**CHAIR** - Okay. Well that's part of the remedial works, isn't it? So do you want to ask that question while we're here.

**Mr BARNETT** - You go if you want to ask a question that and I can add some information to it.

**Mr WILLIE** - Well just interested, minister. The former premier said in 2018 that the wastewater treatment plant would be moved within four years. It still hasn't moved. When can we expect to see that go out to tender, and why has it been held up?

**Ms BEACH** - Through you, minister. There is a grant deed between Treasury and TasWater to provide for that removal. We have a monthly steering committee meeting with TasWater as a neighbour and a related landowner on that progress. They are still on track to remove that by the end of 2025. One of the important things to note is, to decommission the wastewater treatment plant at Macquarie Point, Selfs Point needs to be upgraded to take the additional load, and the pipeline needs to be installed in between, and a pump station also needs to be installed to be able to provide that load and pump through the pipeline.

## PUBLIC

Those works are all at planning stage and we're working with TasWater for our bit on the site, and there's no indication of that being delivered after 2025. That will be the decommissioning and demolition of the current wastewater treatment plant.

**Mr WILLIE** - There is a concern that it won't be delivered by 2025, minister, because the promise was 2022, and that hasn't happened.

**Mr BARNETT** - I think, as the acting CEO said, that there is an expectation that the completion of the project remains by September 2025.

**Mr VALENTINE** - A further question on that; is it definitely established that the current pipes that are servicing Selfs Point and go past that, virtually past that site, can't handle the extra volume? Because when Macquarie Point, when we decided to pump Sandy Bay sewerage north to Selfs Point, I thought at that stage, and when I was on council, that they actually put in pipes that would cope with that volume. Because there was a consideration then, and that's going back to the early 2000s, and I think at that stage it was something like \$140 million then. So I'm surprised that \$140 million is being touted as the cost, but anyway.

**Mr BARNETT** - Just to quickly -

**CHAIR** - The question is, are you aware of -

**Mr VALENTINE** - The question is, has it been verified that the pipes actually do need upgrading?

**Mr BARNETT** - I think the member is referring to the pipes owned and operated by TasWater.

**Mr VALENTINE** - Yes, we are.

**Mr BARNETT** - For which, obviously, I'm not the relevant minister, nor is Macquarie Point the relevant entity. TasWater would be best to ask that question.

**CHAIR** - But we've heard about monthly meetings with TasWater.

**Mr VALENTINE** - Yes.

**CHAIR** - So would have some understanding, surely.

**Mr BARNETT** - Yes. With respect to the wastewater treatment plant for which the acting CEO has referred. But the member is referring to the Sandy Bay going to Selfs Point.

**Mr VALENTINE** - Yes, I am.

**Mr BARNETT** - I understand where you're coming from, because they need to obviously have adequate facility for that. But that's relevant to TasWater.

**Mr VALENTINE** - I'd have to go back and ask some questions of the engineer.

**CHAIR** - Supplementary, Ms Armitage.

## PUBLIC

**Ms ARMITAGE** - Just a supplementary with regard to the costs, and my understanding - and correct me, minister, if I'm wrong - that the TasWater were responsible for \$40 million and the state government were picking anything over the \$40 million. Is that the case still?

**Mr BARNETT** - I can advise that our government has committed \$100 million to the removal of the wastewater treatment plant. That's my understanding.

**Ms ARMITAGE** - I thought I read somewhere -

**Mr BARNETT** - That's in a deed of agreement.

**Ms ARMITAGE** - It is.

**Mr BARNETT** - I'm pretty sure with TasWater and the state government, and I think there's a reference in the budget, this current budget 2023-24.

**CHAIR** - Of \$100 million.

**Mr BARNETT** - Explicitly recognising the risk of an increased cost. This initial funding agreement was based on a high-level estimate. TasWater has since undertaken a significant amount of detailed engineering environmental design which will further inform and firm up its cost estimate. Following design work, a final cost will be developed by the end of the year, I'm advised. Until the design is finalised, the costs won't be known. Obviously, TasWater are very much across all of that. TasWater, I'm advised -

**Ms ARMITAGE** - I probably could find the comment somewhere if I searched.

**Mr BARNETT** - Yes. It's very much a matter for TasWater, but there is an agreement or an understanding that the state government and TasWater -

**Ms ARMITAGE** - 2016 was the \$140 million. It's a long time ago, isn't it?

**Mr BARNETT** - I haven't got the exact date with me.

**Ms ARMITAGE** - I think it was 2016.

**Mr BARNETT** - I'll check if either the secretary or the acting CEO wanted to add to that, but I think that summarises it quite well.

**Ms BEACH** - Minister, I just note that the grant deed with TasWater is available on Treasury's website.

**Mr BARNETT** - Thank you very much.

**CHAIR** - Thank you. We get to look at a lot of paperwork. Minister, I'm interested in the Tasmanian AFL package and the high performance centre, and there's an allocation of \$60 million for that. I'm interested in how you can put a figure on it if we don't know where it is, so I'm just interested, is there some sites being considered for that particular centre?

## PUBLIC

**Mr BARNETT** - Thank you, Chair. I appreciate your question and your interest in this matter in terms of the AFL high -

**CHAIR** - Obviously, you can't run a team if you haven't got a high performance centre.

**Mr BARNETT** - That's right.

**CHAIR** - According to the AFL.

**Mr BARNETT** - It's a key part of that approach. The high performance training and administration facility has been identified by the AFL task force as a key requirement to support the Tasmanian AFL licence and to underpin future player retention. I'm happy to pass to the secretary to provide further advice.

**CHAIR** - I suggested the Domain through the debate last week, and the member for Hobart wasn't very enthusiastic, so you might have another suggestion.

**Mr VALENTINE** - There have been a lot of sites suggested, I can tell you.

**Mr EVANS** - Thank you, minister. Yes, the agreement with the AFL is that we will contribute no less than \$40 million. The budget allocates \$60 million to a high performance centre. That budget allocation is informed by some very, very preliminary work that we've had done by some experts, Waypoint, and also some architects that support them in terms of what might we expect and need to spend on a high performance centre.

They've worked nationally on these sorts of facilities, not only in AFL, but in other codes as well. They've got a very good understanding of both the requirements and the likely costs. This allocation is pitched at about the mid-point of what you would spend on a high performance centre, so we are reasonably confident in terms of the funding allocation that we're providing, of course recognising that the AFL itself will also contribute some funding.

In terms of locations, it's too early for us to be talking about locations for the high performance centre. Not surprisingly we, through the same consultants, got them to look at, given the sorts of key features that such a facility would need to have and the sort of space it would need to occupy, what are some prospective likely options. The consultants have identified a dozen or more potential options right around the Hobart region. They're under the ownership of some six or seven different landowners. Until we've got to the point where both the funding has been provided and also a decision on the 19th licence made, we have not engaged directly with any of those landowners, nor have we done any detailed work around the design.

The next step would be to do some further due diligence around the options, fine tune those to what might be the most prospective and then have some discussions with the relevant landowners. Because obviously, we'd need to be in a position where the landowners were prepared to work with us to facilitate the land being made available. We'll start that work in the coming months. It will be a detailed piece of work and it will involve extensive consultation with a number of parties.

The AFL, of course, the club, once it's starting to be established, but most significantly, as I've said, the relevant landowners in terms of what might be possible in terms of sites, in

## PUBLIC

terms of trying to narrow down the options for the training and admin facility to a far smaller number than the number we've got through really what's been desktop analysis.

**CHAIR** - The \$10 million in the 2023-24 Budget.

**Mr EVANS** - Yes.

**CHAIR** - Will that consist of some funding towards a land purchase then, if that's the path? Or is that purely for design concept, consultants, whatever that might look like. What's envisaged for that first \$10 million to be used for?

**Mr EVANS** - I couldn't say at this point because until we talk to individual landowners and work through the detail, I'd just be speculating around the basis upon which we might be able to secure a land transfer.

**Ms WEBB** - Can I clarify that, Chair?

**CHAIR** - You might, or you may.

**Ms WEBB** - What I heard the Chair asking was about whether the money that's allocated here, the \$60 million that's there across the forward estimates, whether that includes the work being done to design, to consult, to do the options, does it include land purchase? Then does it include construction? What's included in the \$60 million across that spectrum of activity?

**CHAIR** - The \$40 million for the build, and then there's two \$10million either side. Is that correct?

**Mr EVANS** - The initial funding, that gets you started.

**Ms WEBB** - The \$10 million in this first -

**CHAIR** - The 10 million, include - maybe, possibly including a land purchase.

**Mr EVANS** - I couldn't rule it out, but I wouldn't want to speculate. We haven't got to the point of identifying a site, nor understanding the basis upon which we might be able to secure a site. I'd be speculating to say it would contribute to a land purchase, but certainly -

**Mr VALENTINE** - But it would be a greenfield site? Can you tell us that much?

**Mr EVANS** - There's a range of greenfields and brownfield sites that have been broadly identified, and I would say very broadly identified at this point. We've gone no further than that at this point. We haven't gone further, as I said, because we didn't, A, have the funding, B, a decision around the licence. Now that we are in a position to have a decision on the licence, now is the time to start to engage and look at those questions in more detail.

Just going to the \$60 million, we've committed in the agreements that we've made publicly available no less than \$40 million to the clubs TNA facility, but we also envisage that there will be a need for providing, as part of this facility, maybe some community facilities. It wouldn't necessarily be for the exclusive use of the club, so it may well be to provide complimentary and additional access for community.

## PUBLIC

**Ms WEBB** - Is that included in the \$60 million potentially, then?

**Mr EVANS** - That's all included in the \$60 million.

**Ms WEBB** - Just to clarify because you said the \$60 million was based on preliminary work that was done for you which gave a ballpark, and we've landed on \$60 million as a midpoint in that ballpark, funnily enough. It sounded like you said that was indicated as some sort of mid option or - my question that comes to that is did that anticipate that land purchase was potentially part of that?

**Mr EVANS** - I'd have to check, but I don't think it did. I think what we did, or what our consultants did, was look at, across the country, what do these facilities cost?

**Ms WEBB** - To put in place, but not necessarily including land purchase.

**Mr EVANS** - That's right.

**Ms WEBB** - We could be looking at \$60 million plus a land purchase component separate to that?

**Mr SWAIN** - Through you, minister, if I might. I just was going to note there's also the AFL's contribution, so there's a -

**CHAIR** - I wouldn't get too excited about that.

**Mr SWAIN** - There's a \$70 million funding envelope, and we would -

**Ms WEBB** - Perhaps if we could get some more - before you move off that, if you don't mind.

**CHAIR** - Is that correct, \$15 million from the AFL?

**Mr SWAIN** - \$10 million.

**Ms WEBB** - Is there a specific indication about what that is to be devoted to in terms of this facility? Could that be used for land purchase, or is that about creating the facility that is the AFL specific part of the facility, not necessarily the community aspects?

**CHAIR** - Have they put any requirements on their \$10 million contribution? I seriously thought it was \$15 million.

**Mr SWAIN** - It's for the development broadly. It's not specified at that level, and I was just going to make the point that when we go through more detailed assessment of individual sites, we will - one of the criteria will be can we fit in budget? Obviously, we'll try and be working in the budget frame that we have.

**Ms WEBB** - Your understanding of the \$60 million is that it would - that is the budget, so working within budget would include land purchases within that budget.

**Mr SWAIN** - \$70 million is the total funding envelope.

## PUBLIC

**Ms WEBB** - \$70 million, okay, because of the \$10 million from the AFL. Can I ask about the timelines, because you did - through you, Chair - because you mentioned next as being options, looking at options, finetuning the options, then discussing with the relevant landowners. That's to start in coming months. Do we have a particular time where we need to have concluded this next step's phase and actually have a location identified? Is there a particular timeline on that? Noting that we were supposed to be ready for occupation in 2026.

**Mr EVANS** - Yes. The decision has only just been taken about the 19th licence. This is a piece of detailed work that we have under planning now. All of those questions that you asked will need to be resolved over the course of the next month or so, in terms of the development of a detailed project plan, noting that the agreement that we've signed is we'll use our best endeavours to have this facility in place by the end of 2025 and no later than end of 2027.

**Ms WEBB** - There's a two-year window within which we could deliver it, potentially. Can I ask about the footprint? Because my understanding is that this facility would have to be two full-sized ovals plus a significant development of some administrative areas and blocks, carparking, presumably for a fairly sizable number of cars. Do we understand what the acreage would be or the footprint would be, physically, for this facility as a minimum?

**Mr EVANS** - You mentioned two full-sized ovals. That's best practice. Whether that's achievable, we don't know yet. Whether there's an alternative to having two.

**Ms WEBB** - That's not part of the agreement with the AFL, that there must be two full-sized ovals? Is there an expectation it's built in?

**Mr EVANS** - No, not as far as I'm aware. There are some minimum specs, but it doesn't -

**Ms WEBB** - Do they include two ovals, or not?

**CHAIR** - The women will train on one night, and the men will train on another, like they do in every other football town around Tasmania.

**Mr STEWART** - Through you, minister. There is a schedule in the agreement with the AFL.

**Mr VALENTINE** - Can you name that?

**Mr STEWART** - Yes.

**CHAIR** - What page is it on?

**Mr STEWART** - It's schedule 9. It's page 59 of the club funding and development agreement, page 59. It sets out minimum specifications A to N. It only requires one full-sized MCG to mention fenced oval.

**Ms WEBB** - And no other oval.

**Mr STEWART** - Additional grass training areas adjacent to the main oval or close by, approximately 150 metres by 120 metres.

**Ms WEBB** - So two ovals, one MCG-sized, and one slightly smaller adjacent.

**Mr STEWART** - Correct.

**Ms WEBB** - Do they have to run north south?

**Mr STEWART** - That's not specified.

**Ms WEBB** - Okay. That's typically the way they are. Two ovals, side-by-side, potentially running north south if that's best practice, plus admin facilities, plus car parking, plus potentially community facilities. Do you have a footprint size that you're operating under, and understanding of a particular size at this time?

**Mr STEWART** - Not at this time.

**Ms WEBB** - We could mock it up though, surely? Surely the thought has been given, given that you've actually gone and had preliminary work done to inform the \$60 million budget, surely that has actually presented you with likely - even a spectrum of size, but the likely potential sizes for these facilities, when it's gone and examined other jurisdictions. Is that information in a report that's been made to you that you can then tell us what information you've been given about likely size?

**Mr SWAIN** - No, look, I stand to be corrected but I think when we got the Waypoint work done, we would have started off with best practice and said look at the sites from a best practice perspective. That predated the negotiation or finalisation of that agreement. So now, as Kim says, we need to swing back and over the next couple of months, pretty quickly, refine the list of potential sites with reference to the specifications in the funding and development agreement.

**Ms WEBB** - So in terms of best practice, well, that Waypoint provided you with information about, and I presume that they might have been looking at the facility in Perth, for example, the training and high-performance facility there which has got the two ovals, there must be a certain size there that you've been given to understand. If not, when in the next steps are you actually going to land on the size of this thing. Potential size of this thing, not the final definite but just, right, we're talking about X number of square metres of X number of acres, or however we define this.

**CHAIR** - Hectares.

**Ms WEBB** - Hectares.

**Mr SWAIN** - I'm sorry, I haven't calculated but there is - through you, minister - there's an area relative to that description in the agreement. I just haven't calculated it. That's what we'll be working on.

**Ms WEBB** - So they've provided details in the agreement about the size, you haven't calculated it yet. How long have we had the agreement signed?

**CHAIR** - About three weeks.



## PUBLIC

**Ms WEBB** - We haven't calculated how big this high performance facility is going to be and, therefore, to inform our thinking about where it might or might not be. Have we deliberately not calculated it from the specs? Like, really, they're there.

**Mr SWAIN** - Yes, but I would say, infrastructure projects typically run over two, three, four years. Three weeks is not a long time in the scope of an infrastructure project.

**Ms WEBB** - Surely there was discussion, before this was even signed as an agreement, as to what the magnitude of this commitment was going to be. We're committing ourselves; we've signed on the dotted line to \$60 million towards a high performance centre, are you telling me that before a signature was put on a page, nobody asked themselves or looked at the specs in the document to say 'how big might this be'. Is that what we're saying? Nobody's actually turned to their mind to that before signing on the dotted line.

**CHAIR** - Relevant question.

**Mr BARNETT** - Putting it in context through you Chair, obviously the agreement is signed, I think you have to allow the officers at the table and their team members to undertake the relevant due diligence and optional analysis, preliminary master planning. There's a lot of work to do. You have people at the table who have a lot of experience in this space, much more so than me and others around the table, I would suggest, and they have provided their fair and reasonable responses to the member and members of the committee. In terms of the timeframes, I think the deputy secretary's outlined the views. They are working very hard. There's a lot more work to do including in the coming months, which is what the answer was given by the secretary and the deputy secretary. So I just draw that to your attention and the committee's attention.

**CHAIR** - Thank you. I mean, we're not legal eagles, so. I've scanned the agreement, but.

**Ms WEBB** - Well, it's interesting though, Chair, that we had to clarify here at the table that there were two ovals involved because when I asked the question, that actually couldn't be answered or wasn't answered directly to me, until we looked it up in the document. It's astonishing to me.

**Mr VALENTINE** - It's actually one oval at 150 metres long by 120 metres. So it is virtually two ovals. There's no question about that.

**CHAIR** - So my follow up question is, obviously there's a penalty for a non-delivery in the particular time frame that's been agreed to in the agreement around the actual big centre -

**Mr VALENTINE** - The stadium.

**CHAIR** - It's been referred to as Rocky's Cabin by some of my lot.

**Ms WEBB** - I thought it was the Porridge Bowl.

**CHAIR** - No, Rocky's Cabin. But anyway, we know what we're talking about. Is there any penalty for not being able to deliver the high performance centre as well or is that outside

## PUBLIC

the scope of the agreement? I'm just interested. I think it's a \$4.5 million penalty per annum, a year.

**Mr SWAIN** - That's on the -

**CHAIR** - That's on the what?

**Mr SWAIN** - That's on the Macquarie Point

**CHAIR** - Yes, Macquarie Point. Yes, so is there any penalty for not being able to deliver the high performance centre or is that part of - if you deliver one but you can't deliver the other one in time, is there any additional penalty or is there only the one penalty, for the stadium?

**Mr STEWART** - So through you, minister, there's no financial penalty outlined in the agreement for the non-delivery or late delivery of the high performance centre. Obviously, it's a critical path for the establishment of the team, in particular the VFL and VFLW teams. The \$4.5 million that you have referred to is not a penalty, it's an additional payment to the club should the stadium not be ready in time for the second season. That's to make good on the club's operational funding should the new stadium not be available for the second season. So it's not a penalty as such, it's recognising that if the club is playing in smaller stadia for the second year, that the government will make good on the club's funding for that second year.

**CHAIR** - All right, so say things don't go to plan, which sometimes happens with large infrastructure projects in Tasmania, as we've seen, and you need to play additional games at the UTAS Stadium in Launceston or at the Blundstone Arena, so the Tasmanian AFL club will receive the \$4.5 million for that year if they're not able to play in the second year. Am I correct?

**Mr STEWART** - Correct. Through you, minister. That's to make up for the loss in revenue of not playing in the larger stadium.

**CHAIR** - For the loss of bums on seats, if you like.

**Mr STEWART** - Correct.

**CHAIR** - Opportunity for whatever.

**Mr STEWART** - That's correct.

**Mr VALENTINE** - So if I might, the four and a-half million in this to be paid is if the AFL licence conditions have not been satisfied. So the training centre is not part of the licence conditions. Is that what you're saying?

**Mr STEWART** - It is part of the conditions, the delivery of the TNA facility by 2027.

**Mr VALENTINE** - So that's on page 10, section 9, additional establishment funding in licence conditions delay. There's a four and a half million payment there. If the high performance centre hasn't been completed and it is part of the licence conditions, wouldn't that constitute a four and a half million dollar payment?

## PUBLIC

**Mr STEWART** - So that's an additional establishment funding payment if the team is late entering the competition.

**CHAIR** - But you said it was only if they couldn't play in the new stadium. There's two

**Mr STEWART** - No, so there's two different things here. One is if the team is unable to play in the new stadium in the second year, there's a make good on the team not being able to play in the new stadium.

**Mr VALENTINE** - In fact, that's four and a half million every year thereafter if it can't.

**Mr STEWART** - That's per year.

**Mr VALENTINE** - Yes, that's per year. So that's -

**Mr STEWART** - So the other funding, that's the additional establishment funding is for if the team is late entering the competition, not the stadium.

**Mr VALENTINE** - Not the stadium itself.

**Mr STEWART** - Yes, that's correct.

**Mr VALENTINE** - And not the high performance centre itself.

**Mr STEWART** - That's correct.

**Ms WEBB** - Can I ask another question? On the high performance centre, we know that in regards to a stadium there was a stipulation it had to be within a certain distance of the CBD for a whole bunch of reasons to do with being able to walk there and all sorts of things like that and gain benefit proximity to the CBD. Is there any agreement either in writing on paper or even just in discussion with the AFL about proximity to the CBD of the high performance and training facility?

**Mr STEWART** - It's not defined to -

**Ms WEBB** - So appreciating that it might not be written into the licence agreement, has there been discussions and any indication from the AFL that a certain distance from the CBD is a limit to where that facility can be put?

**Mr STEWART** - No that I am aware of.

**CHAIR** - But we want it as close as we possibly can.

**Ms WEBB** - So the answer is - there is no clarification there? AFL hasn't ruled out it must be within 10 kilometres, it must be within 20 kilometres, 30 kilometres?

**Mr EVANS** - Ideally you would locate it in close proximity to the stadium and in close proximity to other facilities. But it will be a question of what is possible when we get down into the detail of planning, taking on board your comment around, 'You will know exactly what

the footprint needs to be'. We have looked at a whole range of options. We might need to look at more options. Some of the options that have been looked at in the Waypoint work we will probably quickly rule a line through because of the very questions you are asking, or comments you are making around the size. But that work is still to be had. As the deputy secretary said, in the history of an infrastructure project, a couple of weeks into the project not to have detailed answers to all these questions is not an unusual thing. This will take us a number of months to work through.

**Ms WEBB** - Not all infrastructure projects are landed on a department in such an abrupt way as this, either. I appreciate that this is a difficult thing to work with when decisions have been made. The Waypoint options that have been broadly looked at to date, what radius from the CBD do they fit within?

**Mr EVANS** - I am not going into any detail about the Waypoint work because I recognise that they relate to a whole range of sites none of which we are the landowner and I don't think it is useful to speculate on the potential use of someone else's land without firstly dealing directly with the landowner. But it is fair to say that some of the sites are quite distant.

**CHAIR** - Are any of the sites owned by Crown, in the Waypoint -

**Mr EVANS** - I would have to re-read the report. They are a mixture of private and public ownership. To my memory I don't think any of them were Crown.

**Mr VALENTINE** - Given that it is supposed to be close to the CBD, has there been any consultation or discussion with the Hobart City Council in relation to these potential sites?

**Ms WEBB** - You are not going to find an area -

**Mr VALENTINE** - It seems there are a few suggested.

**CHAIR** - The Domain is looking good, isn't it?

**Mr EVANS** - In answer to that question no, we haven't had any detailed conversations with Hobart City Council or any other local government at this point. I have said at the outset, until we secured the funding, until a decision was taken on the licence, we weren't in a position to work through a detailed project plan, stand up a detailed project team and tackle this like a project. That is our next step. That work is under way to do that planning. Over the course of the next few months we will stand up a dedicated project team whose job will be to engage with our consultants, engage with the AFL and the clubs, but most particularly with the landowners and work through the options in providing some recommendations on where we think the best location for this facility will be.

**CHAIR** - Minister, do you have any concerns around the appropriate staff in your department to undertake this quite specialised work. Tasmania has never had an AFL team. Yes, we can look across the water.

**Mr VALENTINE** - Not only that. Project managing across three department is not going to be a small task.

## PUBLIC

**Mr BARNETT** - I think it is fair to say that it is a complex and significant project. In terms of people being able to deliver on that, I think the people around this table and their various teams are absolutely capable of delivering. Likewise, the secretary has outlined -

**CHAIR** - He is bailing, if you don't mind. He has seen the light.

**Mr BARNETT** - The secretary has outlined the very comprehensive and complex nature of the work, noting that it has been just a number of weeks since the agreement has been signed. He has outlined the options analysis. He has outlined the work that needs to be undertaken in terms of planning, design and pulling all those costings together in coming months. Both the secretary and deputy secretary have been exhaustive in their responses to members. They have been absolutely professional in every way -

**CHAIR** - I am not passing any judgment, minister.

**Mr BARNETT** - I think we have had an exhaustive discussion in and around these matters and a lot of speculation has taken place potentially. I believe the honourable secretary sitting next to me has outlined why further deliberations in and around this matter - and I draw that to your attention.

**CHAIR** - He gets to keep the title 'honourable' now it has been Bestowed.

**Mr BARNETT** - He can hold onto that title as long as he likes.

**Mr SWAIN** - Through you, we have pretty well established methodologies for capital delivery. This year will be a record capital delivery year for State Growth. We will be sitting in \$560 million territory. Those methodologies are generic. What we do recognise as part of that is when we don't have specific expertise -

**CHAIR** - You buy it in.

**Mr SWAIN** - Yes. We have already have specific expertise around procurement and other specialist functions that we will wheel into a project and we will bring in typically an external steering committee member when we need to so we make sure we have an adequate level of challenge in the steering committee and expertise available to it.

**CHAIR** - I was thinking about your staff and the amount of work this is going to take. I was here to help the department

**Mr SWAIN** - I am not being defensive. I wanted to share with you that we have a pretty standard methodology including for projects where we don't necessarily have all the expertise we need for it in-house. This is exactly what we did with the Bridgewater bridge - we are looking at a similar approach here.

**Mr VALENTINE** - I would like to ask a couple of questions that I tried to ask in another line item, which the minister put me through to this particular line item. It is in relation to the Cenotaph and the stadium placement. I am interested to know whether there had been any consultation with the Hobart City Council. I appreciate that you have met with RSL Tasmania but has there been any consultation with Hobart City Council in terms of placement of that

## PUBLIC

stadium in relation to where the Cenotaph is? That is the first question. I have another one that follows.

**Mr BARNETT** - Thank you. I think I did indicate earlier that -

**CHAIR** - Yes, you did. You said 'Wait until later'.

**Mr VALENTINE** - Yes, because you said you needed the secretary here.

**Mr BARNETT** - The agreement, as you know, and I think you are aware, with the federal government is that with their funding commitment there is a requirement ongoing, that there be consultation with RSL Tasmania, Hobart City Council, and the Tasmanian Aboriginal community around the urban renewal project at Macquarie Point. I noted that early but I did want to refer to the secretary to speak to that. I did indicate earlier that the secretary may or may not have heard that there had been ongoing discussions with RSL Tasmanian and me and the Premier and also with yourself and other members of the department.

With respect to the Hobart City Council I couldn't answer that question directly. I am more than happy to pass to the secretary.

**Mr EVANS** - I can take a step back and talk about what is to happen from here. The minister has asked Macquarie Point Development Corporation to lead a process to revise the broader precinct plan for Macquarie Point in light of the stadium. Our CEO here is leading that work, and as part of that work, he has asked the corporation, and I should declare I am a director of the corporation, and I am commenting as the secretary of the department, not as a board member here. He has asked the corporation to lead the engagement with a broad range of stakeholders, including Hobart City Council, the Regatta Association, obviously the RSL, Aboriginal community, and other-

**Mr VALENTINE** - The Antarctic Division, and all the other stakeholders on Macquarie Point site?

**Mr EVANS** - Antarctic Division. So there is a range of stakeholders who will have input into the revision of the precinct plan, and as part of revising the precinct plan, we will start to engage with all of those stakeholders, most significantly the RSL and Hobart City Council around the development of the functional design brief for the stadium. As part of that work, we would want to understand exactly the concerns of a stakeholder like the RSL so that we can help build those concerns into the functional design brief so that we can mitigate, to the maximum extent possible, their concerns. That work is underway, acting CEO might want to expand a little bit, but the minister-

**Mr VALENTINE** - Does that include consultation with respect to the housing development on the, or below the regatta grounds there?

**Mr EVANS** - That will initially be part of the broader precinct planning and-

**Mr BARNETT** - I think it would be good if the acting CEO responded. I have communicated directly with the board through the Chair, and to the acting CEO, but those instructions are very clear in terms of developing a precinct plan in and around, or by October this year, October 1 this year, so there's a lot of work to be undertaken, you might have seen

## PUBLIC

the announcement, I think it was Friday or Saturday, by the Macquarie Point, in terms of seeking community consultation-

**Mr VALENTINE** - No I saw, I mentioned that here today here.

**Mr BARNETT** - Thank you very much, so if that's okay through you chair, I will pass to the acting CEO.

**CHAIR** - If you have already had a meeting with some of these stakeholders, go to the top of the class.

**Ms BEACH** - In terms of the direct question around engaging the Hobart City Council, in advance of the decision being made that a stadium would be based in Macquarie Point, the minister and Premier had indicated that Macquarie Point was the preferred location, so we started some early thinking, early work. As part of that, we have had two meetings with the Hobart City Council through the CEOs office, so we have started that early engagement. As the minister and secretary noted, we will be engaging continuously throughout this process as we work towards developing a precinct plan for October 1 to present to the Minister, and that will include those key stakeholders, and others. We have some neighbours around us.

Over the weekend, we published in all three regional newspapers across the State that we have launched a website, we are encouraging people to share with us what they would like to see at Macquarie Point captured in the precinct plan. The precinct plan will be what we are sort of looking at as kind of a mind map, a high level visual plan that shows the key use areas and how to access it, and how it will work, and some supporting commentary, and that will be a key foundation and guiding tool for us and then round some updates we'll do to the master plan, and to inform the user and design brief for the stadium that will subsequently be designed.

**Mr VALENTINE** - Thank you for that, at least I've got some information now. I asked two questions, two lots of questions in Parliament, and didn't get any response apart from a blurb about how good it was going to be, so I'm pleased to at least get some information, but it seems to me like it might not be consultation, it might be information flow and possibly a bit of feedback because it's a plea, that stadium is going there and that's it, is it not?

**Mr BARNETT** - Let's be very clear, there is an agreement in place in terms of the arts, entertainment and sporting precinct. Work is going on with respect to the precinct plan and we'll have that back as a draft by October 1. There has been a lot of work and consultation that has already been undertaken, I refer you to the secretary on my left who has had ongoing discussions with him and his department with RSL Tasmania, so with that veterans' hat on, so I wanted to draw that to your attention, that's not just my meetings with RSL Tasmania, it's through the secretary and his department.

There is a lot of work that has been undertaken, there is a lot more work to do in coming months, and in terms of the design and planning, there is a lot of work to do, so you can refer to a stadium, but exactly what it looks like, how it's setup and exactly the nature of the build is yet to be determined, so there's a lot more work to do and we're going to have the experts that will take into account the key stakeholders, for example, RSL Tasmania, for example, Hobart City Council, for example, the Tasmanian Aboriginal Community, for example, the Australian Antarctic Division. There are many key stakeholders that are entirely relevant to the design of the precinct and that's what this work is going to do over coming months by the corporations,

very important work, and you will see once that draft is back, exactly the designs and the plans, and we'll have a much better idea in terms of what things will be looking like at Macquarie Point and Regatta Point nearby.

**Mr VALENTINE** - See, you talk about the agreement being signed, and this is the agreement here. Can you tell me that that is a legal agreement? Is it a legal agreement? It's been signed by the Premier, we don't know what authority the Premier had when he signed it, and I'm sure there are Treasurer instructions that say what authority needs to be gained to sign up to a \$1.1 billion dollars' worth of development and costs associated such a project. Can you tell me whether that is a legal agreement?

**Mr BARNETT** - Yes so-

**Mr VALENTINE** - Because it doesn't have the Treasurer's signature on it, it only has the Premier.

**Mr BARNETT** - Thank you for the question.

**Mr STEWART** - Through you Minister, I can confirm it is a legal agreement. That agreement was drafted over a number of months, hundreds of hours have gone into it, and throughout we were assisted by the Crown solicitor and expert external legal counsel along the way.

**Mr VALENTINE** - Well it's interesting that the Treasurer's signature is not on it, that's all. I mean, it's like, it's Treasury that's providing the funds.

**Mr STEWART** - It's an agreement between the Tasmanian Government and the AFL, and the Premier signs for the Tasmanian Government.

**Mr VALENTINE** - Yes, well -

**CHAIR** - My question is in regard to some other really integral stakeholders in this process, and I'm interested in when the Parliament might see the piece of legislation for the POSS process, is that August? It hasn't been on my legislative agenda, I believe that there is an arrangement, it's no longer a major project, it's a project of State significance, and that's a different process in the Parliament than what a major projects one would be, so I'm interested in that process and how that might unfold, and if the honourable member for Launceston, she has got an early piece of mail that I've missed.

**Ms ARMITAGE** - I did see something today that was hoping to come-

**Mr BARNETT** - The Premier is in the best position, he has obviously made certain commitments publicly in the Parliament, and he has taken advice on that, and will respond once that advice has come forward, goes through the normal process of Government, which you would fully understand, and then I'm sure you'll have more to say.

**Mr VALENTINE** - I need a follow up question if you wouldn't mind before, and I mean, my question was serious, and you might think how stupid is that, saying is it legal, but my question is serious, for a Government to commit-



**CHAIR** - I believe people did take it seriously.

**Mr VALENTINE** - I'm sure, but for the Government to commit to, probably what is going to end up being \$1 billion, normally I would think that there would be an Act of Parliament that would've been passed to support the project, it's got to go through that process with the project of State significance. I would've thought that it would've had to have gone through the project of State significance first before this was signed, I just, I just wonder what the authority is that the Premier operates on, to be able to put his signature on a paper, and for it to result in a \$1.1 billion worth of that commitment by the people of Tasmania, not just the Premier, it's the people of Tasmania, so it's a serious question.

**Mr SWAIN** - I was just going to say my understanding is firstly, the Crown can be bound by the signature of any of its ministers, so including the Premier, so you wouldn't normally have Treasurer countersign something signed by the Premier, but there are analogous commitments made quite regularly when you think about it, so the Bridgewater Bridge is a similar scale project that didn't come to the Parliament that was signed off through a Cabinet process-

**Mr VALENTINE** - But it would've had Cabinet, did this have Cabinet approval? Can you tell me that, minister?

**Ms WEBB** - When you say signed off though, was there a contract signed with an external group, binding us to it? That's not, the similarity is not there, right?

**Mr SWAIN** - No, it's much more advanced than that if you think it through, so the State is in an arrangement with McConnel Dowell for a fixed price lump sum to deliver a bridge that is worth \$786 million, but if you think more broadly than that, we enter into myspace bus contracts that go for ten years, the accumulative value of those would be well over \$1 billion. I wouldn't know, but I am sure health and education would have major commitments, that if you look out over the term of a 10-year agreement, there will be significant commitments made by ministers of the Crown regularly. Of course, it is still the case that Parliament is sovereign, and the Parliament makes the decision about the Budget bill ultimately each year.

**Mr VALENTINE** - That's right, so what right has this to be signed before the appropriation is passed, and indeed the project of State significance process has been passed? That's why I asked the question, so minister, direct question to you, did Cabinet sign off on this before the Premier signed off on it?

**Mr BARNETT** - Well thank you for the question, I have a two-part answer. The first is that the Premier has made his position very clear in the Parliament last Thursday, and there was a reference to Cabinet confidentiality, and you would understand, as others around this table would understand, I have no intention of discussing matters that are confidential-

**Mr VALENTINE** - I'm not asking you-

**Mr BARNETT** - That have come before the Cabinet, sorry through you Chair, I am trying to answer the question. It's really important, it's a Westminster principle that's been around for hundreds of years, and confidentiality of Cabinet is long established, and I have no intention of discussing that at this committee, or outside of this committee.

## PUBLIC

**Mr VALENTINE** - Even for a \$1.1 billion project or whatever it might happen to end up as?

**Mr BARNETT** - Cabinet confidentiality is absolutely sacrosanct and must be respected, not just by our Government, but by past Government's of every colour and persuasion, and indeed future Government's because you have got to be able to make-

**Ms WEBB** - Let's just be clear though-

**Mr BARNETT** - decisions that are appropriate and are entirely professional, and Cabinet confidentiality is a very important principle of Westminster system.

**Mr VALENTINE** - Can you assure me this is legal minister?

**Mr BARNETT** - The Deputy Secretary has responded to your question.

**Mr SWAIN** - Just one clarifying point, so in relation to the Bridgewater Bridge, if you look at that as analogous, the approval was not the key step in terms of the Government's commitment, it's that the Government couldn't sign the contract with the contractor until the appropriation had passed the Parliament. So that in this case will be, there will be a future point, after a procurement of contracting strategies being resolved and tracked through, where there is a very significant contract decision and the Government of the day will need to make a decision whether to sign that or not. Now that would require, normally, a bunch of Bills to support it-

**Mr VALENTINE** - But in the meantime, if we pull out of this, it's going to cost us, isn't it? Like, it's still binding-

**Mr SWAIN** - There would be multiple agreements across the activities of Government that go for multiple years, where there are, there would have to be a negotiated exit if you didn't want to honour it for any reason.

**Mr VALENTINE** - I think we've covered it.

**Ms WEBB** - Another difference with the Bridgewater Bridge is that Infrastructure Australia assessed that, they didn't necessarily prioritize it for us, but they assessed it at least, but nothing, there has been no such external assessment of this project. That's a comment not a question, and I probably don't have another question. Cabinet confidence is absolutely fine, Government's all the time talk about things they've decided in Cabinet, they release information about decisions made, or the timing of decisions made. Some jurisdictions release Cabinet documents as a matter of course who are under the Westminster system, so it's not necessarily that you can just blanketly hide behind the idea of Cabinet in confidence, the member for Hobart's question was a pretty straightforward timeline question, not asking you minister to divulge anything about deliberations in Cabinet, it was simply a timeline question about was a Cabinet decision taken prior to the signature being put on there. It's entirely something that the Premier could actually provide an answer to, in public, if he wished to, and the fact that he doesn't care to is quite indicative. Again Chair, that's probably a comment rather than a question.

**CHAIR** - I was going to say, and the question is?

## PUBLIC

**Mr VALENTINE** - Well I guess by the time it comes to us as a project of state significance, it might be very important information to know when we deliberate on it, and I guess we'll have to wait until then.

**CHAIR** - Members, I think we have almost exhausted our focus on capital investment programs, we have done our best to seek as much information on behalf of the Tasmanian community as we possibly can in regard to the Macquarie Point urban renewal, which has a significant estimated cost of \$375 million, and the Tasmanian AFL package high performance centre, \$60 million, and that's all in the forward estimates, so we'll leave that one there. Grants and subsidies members, is there any questions in regards to grants and subsidies, on page 237?

### **DIVISION 10**

(Department of Premier and Cabinet)

### **Grants and Subsidies**

**CHAIR** - There is, in the forward estimates, there's about a \$5 million increase from this Budget, 2023/24, and there's a note that reflects the Government's contribution to Homes Tasmania, so that's effectively the allocation there to Homes Tasmania, just on page 238. Just confirming that's the funds to Homes Tasmania, \$87737000?

**Mr EVANS** - That is what the footnote refers to, Madam Chair.

**CHAIR** - Thank you, so that is the only allocation in grants and subsidies, so we will take that as a given. Minister-

**Mr BARNETT** - There is more detail on that which we did touch on earlier with Homes Tasmania, chapter 28, so thank you-

**CHAIR** - Ah yes, no we certainly did. I think we gave Homes Tasmania significant scrutiny today, so on behalf of the Estimate B committee from the Legislative Council, we very much thank you for your time today. There were questions that needed to be asked from our perspective and we do again appreciate the information that was provided, and I expect that there will be a lot more of those questions and answers to come over the ensuing years, and again we'd like to acknowledge secretary Kim Evans and his diligence and commitment to this process over many years, and sincerely do wish you all the best.

**Mr VALENTINE** - Good luck to the person who takes his place I reckon.

**CHAIR** - I am sure he has someone in training. Thank you very much Guy, and we will conclude our broadcast, thank you, suspend.

**The committee adjourned at 7.38 p.m.**