



PARLIAMENT OF TASMANIA

TRANSCRIPT

LEGISLATIVE COUNCIL

ESTIMATES COMMITTEE A

Hon. Nick Duigan MLC

Tuesday 2 June 2026

MEMBERS

Hon Ruth Forrest MLC (Chair)

Hon Clare Gade-Wright MLC

Hon Sarah Lovell

Hon Cassy O'Connor MLC

Hon Bec Thomas MLC

OTHER PARTICIPATING MEMBERS

IN ATTENDANCE

HON. NICK DUIGAN MLC

Minister for Energy and Renewables, Minister for Parks, Minister for Sport.

Energy and Renewables

Shane Gregory

A/Secretary, Department of State Growth

Vanessa Pinto

Deputy Secretary, ReCFIT and Resources

Andrew Johnson

Director, Office of the Secretary

Sean Terry

Executive Director Energy

Stewart Sharples

Director, Major Energy Projects

Matt Bowditch

A/Director, energy Policy

Danielle Harris

A/Deputy Secretary, Business Services

Sport

Shane Gregory

Associate Secretary, Department of Premier and Cabinet

Brett Stewart

Deputy Secretary, Creative Industries, Sport and Visitor Economy

Andrew Johnson

Director, Office of the Secretary

Jamie Synnott

A/Director, Active Tasmania

Sean Terry

Executive Director Energy

Anthony Reid

Acting Deputy Secretary, Strategy, Housing, Infrastructure and Planning

James Avery
Chief Executive Officer - Stadiums Tasmania

Alex Barber
Director, Major Infrastructure Projects

Danielle Harris
A/Deputy Secretary, Business Services

Parks

Jason Jacobi
Secretary

Sophie Muller
Deputy Secretary, Parks and Wildlife Service

Julian Gill
General Manager (Operations)

Danielle Poirier
Director (Major Projects and Infrastructure)

Tory Ross
Director (Tourism, Experience and Visitor Services)

Andrew Harvey
General Manager (Landscape Programs)

Keith Ryan
Project Director

Louise Wilson
Deputy Secretary, Environment, Heritage, and Land

Stuart Fletcher
General Manager (Land Tasmania)

Yann Gagnon
Director, Royal Tasmanian Botanical Gardens

Amy Russell
General Manager, Wellington Park Management Trust

Adrian Pearce
Manager (Finance)

Josh Brown
Manager (Budget Services)

Sofia Pashev

Senior Finance Analyst (Budget Services)

PUBLIC

The committee met at 9.00 a.m.

Energy and Renewables

CHAIR (Ms Forrest) - Welcome minister to Budget Estimates with Committee A, I think you were in the other place yesterday?

Mr DUIGAN - Yes.

CHAIR - The program sent to you is unchanged here. We've had to make a few adjustments for others, obviously, but I invite you to introduce the people at the table for *Hansard*, and if you want to make some opening comments, you're welcome to do so.

Mr DUIGAN - Thank you, Chair. Great pleasure to be with you this morning to talk energy and renewables. With me at the table, I have Shane Gregory, who is the acting secretary, Department of State Growth, next to him is Vanessa Pinto, who is the acting deputy secretary for ReCFIT and Resources. To my left is my chief staff, Amanda Lovell, who won't be speaking, I don't think, and to her left is Sean Terry, executive director of Energy.

By way of opening remarks, the government remains deeply committed to our energy agenda and through this year's Budget we are continuing to focus on growing our economy through renewable energy projects, supporting regional communities through job creation and community benefits, and securing our long-term energy future so that Tasmanians can continue to benefit from our renewable advantage. At the centre of this agenda is Project Marinus. Project Marinus is the most significant energy infrastructure investment in Tasmania's history, supporting jobs, energy security, and delivering long-term economic opportunities. Following the positive final investment decision last year, and with the North West Transmission Developments now achieving financial close, Project Marinus is moving from planning into construction.

As we've always said, Tasmanians should only pay their fair share for this project, and which is what we have achieved. This includes reduced cost impacts for customers through concessional financing and grant arrangements, and a cap on Tasmania's equity exposure on Marinus Link. This Budget also provisions for our commitment to shield major transmission, connected customers. Project Marinus, and renewable energy more broadly, is good for all of Tasmania, but I recognise that some communities have a bigger role to play in hosting this new infrastructure. This is why we're working to progress our framework for renewable energy community benefit schemes, updating our community engagement and local procurement guidelines, and supporting initiatives like TasNetworks' Bright Future Fund.

Alongside delivering the long-term energy transition, the Tasmanian government has also remained firmly focused on energy and fuel security. Recent global events have reinforced just how important resilient energy systems and secure fuel supply chains are, particularly for island states like Tasmania. While Tasmania's fuel supply remains secure and stable, the government has taken a proactive and precautionary approach in response to global market pressures and fuel price volatility, and this work will continue. Tasmania has demonstrated national leadership in energy security, alongside our role in renewable energy and clean industry development. I welcome questions, Chair, on the Energy and Renewables portfolio.

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CHAIR - Thanks minister, before we launch into that, I just want to ask whether you have inquired of your chief of staff, or other staff in your office, whether they sent the email revealing my personal information to Pulse Tasmania?

Mr DUIGAN - No, I haven't made any inquiries into that matter.

CHAIR - Why not?

Mr DUIGAN - I simply assumed that wouldn't be the case, and I did not receive the email.

CHAIR - You haven't made inquiries, though, because obviously the departmental staff received the email.

Mr DUIGAN - Yes, I mean, I think we have broadly discussed it in the office, whether I posed the question, did anyone, I don't believe I did, but I haven't seen the email. I don't believe my staff have seen the email.

Ms LOVELL - Will you look into that? Will you inquire about that?

Mr DUIGAN - I'm more than happy to do that.

Ms O'CONNOR - It's probably worth asking a few questions.

Mr DUIGAN - Alright.

CHAIR - And will you feed that back to us through this process?

Mr DUIGAN - Yes, I will. I will ask. I can ask now. Have you seen the email?

Ms AMANDA LOVELL - It did not come to our office.

Mr DUIGAN - The email did not come to our office.

CHAIR - Well, the commitment was that it would be sent to all chiefs.

Mr DUIGAN - It was not.

CHAIR - That's interesting in itself, isn't it. Minister, to go into the energy portfolio itself, can you support the Renewable Energy Dividend policy?

Mr DUIGAN - Yes.

CHAIR - Hydro is estimating a large dividend of \$173.8 million in 2028-29, would you expect the community to benefit from that through the RED?

Mr DUIGAN - I think there is a review of the RED scheduled by Treasury in 2028. Without wishing to prejudice the outcome of that review, you know, the policy we have in place at the moment is when Hydro returns a dividend in excess of \$90 million the RED is

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enacted. That will be the case up until the policy is renewed or reviewed and in which at that time there will be more deciding.

CHAIR - If that's the case, it stays in place until there's a different policy decision.

Mr DUIGAN - Yes.

CHAIR - Then in that case, it should have been in the Budget. In the 2029-30 year, Hydro is scheduled to make quite a significant - or we expect it - profit above the threshold. So it should be there. If it's still a thing, it should be there.

Mr DUIGAN - Okay. Well, it doesn't live in the energy portfolio, it lives in the Treasury portfolio. That would be a matter for the Treasurer, who I imagine you raised it with yesterday.

CHAIR - You're the Energy minister.

Mr DUIGAN - Yes.

CHAIR - You said that you support the policy.

Mr DUIGAN - Yes, I do.

CHAIR - Surely, you will check that it's actually included in there where Hydro's profits are predicted to be above the threshold.

Mr DUIGAN - Yes, I'm responsible for Hydro. I'm not responsible for Treasury, which is responsible for the Budget and putting those lines in.

CHAIR - You don't see there's a calculation error, because it looks like a policy change that's not been made. Will it be made or publicly made?

Mr DUIGAN - As I say, you know, the policy remains as it is up until -

CHAIR - Well then, it should be here.

Mr DUIGAN - Well that may be, but again, it's a question for the Treasury, not for Energy and Renewables, I don't think -

CHAIR - That leaves quite a significant error if it continues, which is the current policy in 2029-30 and an uptick in the forward Estimates outcomes that are potentially not right.

Mr DUIGAN - As I say, I'm focused on what Hydro does and pleased to see a good number in there in regard to Hydro's numbers and ability to generate and trade. As I say, I am supportive of the Renewable Energy Dividend. It's a good method of distributing a dividend to Tasmanians who ultimately own all of our electricity assets.

CHAIR - Well it's a shame it's not in there, because for anyone looking at this will think, the government changed their mind on that policy. They've just got rid of it. Otherwise it would be reflected in the Budget once that that trigger is tripped.

PUBLIC

Mr DUIGAN - Yes. The only thing I will again point to is the fact that the RED has a date of review which is 2028 and whether the Treasury will -

CHAIR - Treasury is saying that's not going to continue.

Mr DUIGAN - For one reason or another -

CHAIR - Treasury made a decision then; it won't continue, so people should be told about that.

Mr DUIGAN - I don't know that Treasury will get to make that decision.

CHAIR - So it will be your decision.

Mr DUIGAN - No, I think it will be the Treasurer's decision and the government's decision, whoever that may be.

CHAIR - But the budget paper suggests there's been a policy change. Otherwise it would appear, at least in the policy parameter statement, if there'd been a change, which you said there hasn't been a change of policy, so it should appear. It's not there.

Mr DUIGAN - Again I would say this is one for the Treasurer and the Treasury to illuminate why that figure isn't there.

CHAIR - Another hole. I will come back to some of the matters you've raised, but I just want to talk about your output group.

Output Group 7 - Renewables, Climate and Future Industries Tasmania

7.1 Energy and Renewables

CHAIR - If you look at the appropriation particularly, it does drop away considerably. I have quite a few questions related to that. I'm asking this of all the departments because the Treasurer made it really clear yesterday, saying it's your responsibility as the minister. Have you identified the number of FTEs that will need to be reduced in the 2026-27 Budget year and each of the forward Estimates to achieve the savings you're required to in your department?

Mr DUIGAN - Thank you. I appreciate that. I will pass to the acting secretary to illuminate the detail - but I'm aware of my responsibility in all of my portfolios to meet our efficiency targets. They are not insubstantial, but I agree with the central tenet that we need to cut our cloth and reduce our spending. Energy is one of those areas in terms of - and these things tend to happen across a department landscape rather than be targeted necessarily in various -

CHAIR - But it's your responsibility, according to the Treasurer.

Mr DUIGAN - Indeed it is. I absolutely do not resile from that responsibility. But to the specifics of your question, Shane is probably best placed to answer that.

CHAIR - I'm just looking at the number of FTEs that you might have identified that need to go from this area.

PUBLIC

Mr GREGORY - Through you, minister, the machinery of government change came in the middle of the Budget preparation. The budget papers have provisional allocations across the outputs. We have a lot of work to do. This is a substantial machinery of government change, obviously across the department. While we have an overall target in terms of FTE, no we haven't dispersed that across all the outputs. We have a lot of work to do over the next six months in particular just to work through the transition of the functions out of what's currently State Growth and the creation of Building Tasmania. While we have an overarching target and we've had 148 expressions of interest around 10 VRs, we haven't drilled down -

CHAIR - There are 148 expressions of interest for voluntary redundancies?

Mr GREGORY - Yes. But we haven't drilled down to output by output the exact impact. We talk about the operational efficiencies being a provisional allocation because of the machinery of government change in the mix.

CHAIR - We see this happen with budgets from time to time when there is a big departmental shift, so it's hard to follow the numbers. Anyway, that's not your fault. The 146 individuals who have expressed an interest in voluntary redundancy, if I can direct this back to the secretary, minister, how many of those sit in the Energy and Renewables area?

Mr GREGORY - I'd have to check that. What I would say though, is of the 148 -

CHAIR - Sorry, 148, my mistake.

Mr GREGORY - That's the number of people who've expressed interest.

CHAIR - I know that's not the number who are going to necessarily get it. I'm just interested in how many -

Mr GREGORY - I would have to check. I don't have that number.

CHAIR - Can you take that on notice to provide the number?

Mr DUIGAN - Vanessa, do you have a number in the ReCFIT area?

Ms PINTO - Thank you. Through you, minister, yes, that's five.

CHAIR - Five in the renewable energies who have expressed interest?

Ms PINTO - Yes.

CHAIR - Minister, do you have a documented plan to manage the necessary staff reductions or other efficiency measures?

Mr DUIGAN - Again, that would be one I would pass to the executive.

Mr GREGORY - Through the minister, that comes back to a piece of work we really need to do now.

PUBLIC

CHAIR - What is the timeline for that work, Shane? How long do you expect that to take?

Mr GREGORY - We've had all of the expressions of interest. They've been dispersed out to the relevant deputy secretaries who are having a look and considering those. We will all come back together and consider every individual one and understand what the impacts might be in specific areas. I understand that both the Treasurer and the Premier have been quite clear. We won't necessarily offer 148. One of the key things as we move into post-machinery of government change is that we still have functions - able to operate. We won't be offering TNVRs to everyone who has put their hand up. I think we're working towards a round of offers which would allow people to start to exit around August, at the earliest, so we have a couple of months' worth of work.

CHAIR - If the first ones are exiting in August, obviously it makes it more difficult to make the savings across the department because you need them to leave on the 1st of July, effectively, to get any sort of savings. But then you also have to pay the redundancy or the separation costs, whatever it is, there'll be separation costs, whether it's voluntary, involuntary or retirement, there are still separation costs. Do you have any idea what that cost will be? And within the five - then maybe they don't go, but let's say, have you got any idea how much this is going to cost to separate the staff you need to separate?

Mr GREGORY - Obviously, that's going to vary by individual, someone who's been around for a long time -

CHAIR - I'm not asking for an exact number, but a ballpark.

Mr GREGORY - It's not as simple as saying, well, it's going to cost this much. The budget chapter in terms of our employee expenses contemplates that there will be a cost of exit of the employees and, in fact, it's fairly balanced from what it normally is, in terms of salary expenses; the savings will kick in in the following years. There's an assumption that the cost of the severance payments will, as you're indicating, largely sort of fit within the cost of the salaries in year one.

CHAIR - Correct me if I'm wrong, but what you're saying is that there won't be savings this year in the staff sense because they're not going to leave until at least August and you've got to pay separations.

Mr GREGORY - There won't be full-year savings.

CHAIR - How are you then planning, and this is to you, minister, how are you planning to actually achieve the expectations that the Treasurer's outlined pretty fiercely in the budget papers for your portfolio responsibility?

Mr DUIGAN - Which is a reasonable question, and I think there are a number of measures that are already in place around consultancies and accommodation and travel and all those kinds of things.

CHAIR - Give us a breakdown of those, minister.

PUBLIC

Mr DUIGAN - Again, they're not things that I would necessarily see at that granular level of detail but, Shane, you may be able to provide some details.

CHAIR - Just before you start, this has been a matter that every budget we're told we're looking at consultancies, we're looking at travel, we're looking at that. One would have thought most of the fat would have been cut. Anyway, I'm happy to see how you're going to cut more from that.

Mr GREGORY - One of the key things that is happening, not just within our department but across government, is looking at the office accommodation footprint. In my role, when I was at DPAC, we had been working through this, in the last 12 months we significantly reduced our office accommodation footprint, simply by utilising -

CHAIR - You've already done that?

Mr GREGORY - That was already done at DPAC and that work was continuing, and that's something the DSG had already identified as something to work its way through and consolidate office accommodation, so we would continue with that. We will also look at where we can use technology to be more efficient and streamline process as well, by moving more to technology. Looking around the table, most people are now moving to, obviously, working through this process with technology, as I do, and there are opportunities there just to cut cost of consumables. This will ramp up over time.

CHAIR - Can you just talk us a bit more about what the plan is around the use of technology to achieve some of your savings?

Mr GREGORY - That will be looking at every process we do that perhaps is done currently in a manual way and moving that into the more technology-based approach. Part of the department for a long period of time has used electronic workflows around document management very efficiently. That was the road space that I was in previously. That isn't across the entire department that we'd be looking to do that. That attracts a lot of efficiency.

CHAIR - When you say the entire department, we're talking about the new agency or what are we talking about here?

Mr GREGORY - We're talking about the department as it currently exists but also moving into the new agency.

CHAIR - Just to be clear, will State Growth continue to exist or are we just going to have Building Tasmania after this? What is the plan?

Mr DUIGAN - As I understand it, State Growth will no longer exist as it is now. It will be Building Tasmania and then there are machinery-of-government changes and I think that has been outlined that State Growth -

CHAIR - Not very clearly.

Ms THOMAS - We've asked for a briefing for LegCo members.

Mr DUIGAN - I think, you know, there is a document.

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Ms O'CONNOR - Yeah, there is. It's more of a slide presentation.

Mr DUIGAN - Basically, yes.

Ms O'CONNOR - Doesn't tell us much.

Mr DUIGAN - Well, it sort of says where everything goes.

Ms O'CONNOR - Sure.

Mr GREGORY - Through you, minister, yes, from July, State Growth will be Building Tasmania and then the elements that are currently in State Growth, the functions that currently sit in State Growth that don't relate to the Building Tasmania function, will be transitioned out to other agencies, so climate change goes to NRE Tasmania and then, basically, everything else moves across to DPAC. So, economic development, the energy portfolio -

CHAIR - Creative industries.

Mr GREGORY - Creative industries - well, there's a component that goes into a combination of Tourism Tasmania, Brand Tasmania, sport, arts, creative industries and events, that goes into, they come together and then the remainder. So, essentially the remainder of what's currently ReCFIT and economic development portfolios move across to DPAC. So, by the end of the calendar year, the aim is that we'll have Building Tasmania as the department, the other functions will be stripped out and we'll be then moving in the project delivery functions from other agencies, including bringing in Homes Tasmania.

CHAIR - So minister, the SSMO put out a paper in February this year about reporting on these budget savings and the requirements for - well, about the whole process, but about reporting those savings. What's your expectation with the reporting? I mean, Mr Gregory said it's going to take a while to get things nailed down a bit more and some clarity around it, but 1 July is when Building Tasmania starts. So, when do you expect to get the first report on the savings measures?

Mr DUIGAN - Again, sorry.

Mr GREGORY - Through the minister, Chair, I think that will be into the new, maybe a couple of months into the new financial year, we've got a lot of work to do.

CHAIR - Yeah, I wasn't expecting it before that, to be fair, but within the third quarter of this year, you'd have a report?

Mr GREGORY - I think we would probably need to by then, yes.

CHAIR - So, when you receive that, minister, do you intend to make that publicly available as part of that reporting so members of parliament and Tasmanians can see how the changes are being made and what the plan is?

PUBLIC

Mr DUIGAN - I would need to take some advice on that particular aspect. I'm not sure whether there would be an intention to make that public, but certainly, it will be important to Cabinet ministers who are charged with overseeing these efficiencies.

CHAIR - It's also important to the parliament, who's asked to pass a budget with lots of gaps in it, and lots of holes in it, as well as lots of expected savings, to see how it's actually tracking, wouldn't you think?

Mr DUIGAN - As I say, happy to take some advice as to whether those will be made public or not.

CHAIR - So can you come back to the committee with that, whether it's your intention to make them public?

Mr DUIGAN - Happy to.

CHAIR - I mean I'm not asking you to name up people; it's just how it is progressing with the savings target.

Mr DUIGAN - I think it's probably unlikely but, again, I would seek - I would be after some advice on that. I won't rule anything in or out here at the table.

CHAIR - Can you take it on notice, whether there is an intention to make it public or not?

Mr DUIGAN - Yes.

Ms O'CONNOR - Minister, when were you aware former minister Ms Ogilvie had initiated Supreme Court proceedings?

Mr DUIGAN - Well, I think as I have already mentioned in relation to this matter, it is a complex legal matter. There are issues regarding anonymity and confidentiality, and I won't be making any further comment.

Ms O'CONNOR - That wasn't the question. The question was, when were you aware that the former minister had initiated Supreme Court proceedings.

Mr DUIGAN - Yeah no, I won't be making any further comment.

Ms O'CONNOR - Was it before 17 November last year when she gave a dishonest answer to this committee?

Mr DUIGAN - I won't be making any further comment.

Ms O'CONNOR - Well, these are questions that go to integrity in government, probity, how public money is expended. You were part of Cabinet when a decision was made to cover the legal fees of a minister who had initiated Supreme Court proceedings and the consequence of the minister not being truthful about that is that now she's back on the backbench. So, there are still questions here, don't you agree?

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Mr DUIGAN - I won't be making any further comment on that matter.

Ms O'CONNOR - Well, were you in Cabinet when the decision was made to cover Ms Ogilvie's legal fees from the public purse?

Mr DUIGAN - As I have, I think, said repeatedly now I won't be making any further comment.

CHAIR - That's a pretty simple question, were you in Cabinet or not?

Mr DUIGAN - I won't be making any comment.

Ms THOMAS - The Treasurer answered it.

Ms O'CONNOR - On what basis do you think it is appropriate not to answer a basic question about what you knew when? Because I'm not asking you to enter into sub judice or compromise any legal process. We're just trying to understand who knew what when because for seven months after the minister misled this committee, silence from everyone in government - \$120,000 of public funding. It is reasonable to try to understand what ministers were thinking.

Mr DUIGAN - As I've said, it is a complex matter, as I understand. It is a legal matter. There are issues around confidentiality and I will not be making any further comment on the issue.

Ms THOMAS - It's not on the issue.

Ms O'CONNOR - It's not on the issue.

Ms LOVELL - If I could ask a question that's not about the legal matter: when did you become aware that the minister had misled parliament?

Mr DUIGAN - I won't be making any further comment.

Ms LOVELL - That's not about a legal matter, though. It's not under any kind of order or confidentiality.

Mr DUIGAN - I won't be commenting.

Ms LOVELL - Can I ask you a question then that's not about minister's current legal case: in Cabinet, when the decision is made to approve expenditure of public money on a member or a minister's legal fees, what information is given to Cabinet at that time? Not specific to Madeleine - or to Ms Ogilvie's - case, but just generally speaking, is Cabinet aware of the name of the member? Are they aware of the court or jurisdiction that the proceedings are taking place under? Are they aware of the content or the nature of the matter?

Mr DUIGAN - I won't be making any further comments.

Ms O'CONNOR - Well, it's just completely unacceptable.

PUBLIC

Ms LOVELL - That's not about a specific - that's about a Cabinet proceeding, generally speaking.

Mr DUIGAN - I won't be discussing matters that are discussed in Cabinet.

Ms O'CONNOR - Cover up on cover up.

Ms LOVELL - Well, I'm not asking you to discuss matters that are discussed in Cabinet; I'm asking you to comment broadly on the process.

Mr DUIGAN - There is a policy. There's a policy in place that's available for all parliamentarians, but I won't be making any further comment.

Ms O'CONNOR - Well, it just feels like what we're dealing with here is a cover up on a cover up, where a minister misled this committee, asked a very direct question, failed to properly correct the record and months went by when, clearly, you and all of your Cabinet colleagues knew that she had misled parliament. You knew that. And I wonder, did you have any conversation with the minister about correcting the record? Because the fact is, her conduct brings your whole government into disrepute. So, you must have known that the former minister misled parliament because that's seven months ago and here we are; and you're not going to say anything.

Mr DUIGAN - I'm not going to say anything.

Ms O'CONNOR - Well, it doesn't cast a very good light on you or your Cabinet colleagues.

CHAIR - Okay, we will move on. Minister, Output 7.1 Energy and Renewables, is being cut from \$25 million from 2024-25 to \$7.9 million in 2026-27 to \$4.6 million by 2028-29. Sorry, the years wrong there, my mistake. It was 2025-26 -

Ms THOMAS - Estimated outcome.

CHAIR - Yeah.

Mr DUIGAN - It goes down.

CHAIR - There's a significant - the budget was \$25 million, the estimated outcome is \$21 million down to close to 18, and then a massive drop off the cliff to \$7 or 8 million, rounded up, 5 and then 4.6. Minister, that's a significant drop, and you've talked about in your opening statements - about the importance of the portfolio and the growing of the economy that you claim it will achieve. So, as this output is responsible for facilitating Hydro Tasmania's major projects, of which they've got a number, as well as their maintenance tasks, which is ongoing, Project Marinus is referred to, potentially green hydrogen, potentially offshore renewable energy, the National Electricity Market policy reform, and energy security. Can you explain how this reduction is consistent with those responsibilities?

Mr DUIGAN - I would accept the budget line does go down over time. I don't think that's unusual or peculiar to this particular output, but it reflects the ending of various

PUBLIC

fixed-term initiatives that are coming to an end. Obviously, we will look at further initiatives as time goes by.

CHAIR - Which ones specifically coming to an end?

Mr DUIGAN - I can talk to that, but I just want to make the point about where other aspects of the Energy portfolio are addressed in the Budget. The chunky, meaty bits are in Treasury and Finance, where you will find \$166 million in terms of equity for the North West Transmission Developments to support Project Marinus.

CHAIR - So that would have originally come out of here, would it?

Mr DUIGAN - No, no, but energy, more generally, because your question poses how will we deal with delivering our energy agenda, and I would say it's not all dealt with through this output line.

CHAIR - I appreciate that, but let's talk about what is dealt with.

Mr DUIGAN - There's also a great deal, \$230 million, for energy concessions. There's \$16 million to shield MIs from transmission costs.

CHAIR - In your portfolio?

Mr DUIGAN - No, no, throughout the Budget -

CHAIR - Let's talk about yours.

Mr DUIGAN - in terms of the broader energy-delivery landscape, which your question did reference. So, in terms of this output, there are a number of programs, as I have mentioned, that are coming to a close. Vanessa, in terms of the detail of those and what the profile looks like -

CHAIR - Can I just remind you, before we go to Ms Pinto, that in last year's Budget there was \$12 to 13 million for 2026-27, and this year it's down to \$7.8 million. So, even from last year's Budget it's been a significant drop.

Mr DUIGAN - Yes. And you will see there's been a bit of an underspend in the actuals, or the estimated actuals, for this year as well.

Ms PINTO - Thank you, and through you minister, to the committee: as the minister noted, it's not unusual when there are fixed-term initiatives that start to drop off through the Estimates period, so I will just take you through some of the examples of those. There is the Energy Saver Loan Scheme, that has been very successful, that ceased during the current financial year that we're in. That doesn't continue, but one very similar to that, the Energy Saver Subsidy, which is also known as NILS, is continuing over the forward Estimates. In the hydrogen space there's quite a number of initiatives associated with the government's hydrogen program. There is project-related funding that is supported in this coming financial year, so Metro bus initiative is a good example within that funding.

PUBLIC

CHAIR - You're talking about the things that are continuing, not the things that have been stopped.

Ms PINTO - That one will continue into 2026-27 and then will drop off the following year. There's also a subsidy program through the hydrogen initiative, the green hydrogen subsidy scheme, Countrywide, is the recipient of that. That continues through the forward Estimates but then drops off.

CHAIR - When does the Countrywide Hydrogen project funding drop off?

Ms PINTO - The Countrywide Hydrogen project has a Crown contract associated with that. It is currently dropping off in about 2027-28, but the cashflowing of that is just being looked at to ensure it aligns with that contract.

CHAIR - It could be included in the out-years, is that what you're saying? Just to be clear what you're saying.

Ms PINTO - Yes, that's correct. We've also got the Tasmanian Green Hydrogen Hub, of which the government secured a Commonwealth grant. Associated with that grant, the state government committed funding to support that, just over \$11 million, and that is continuing into the forward Estimates and then drops off during that.

CHAIR - When does that one drop off?

Ms PINTO - That funding drops off into 2027-28.

CHAIR - All right. So, what does continue then? I mean, it's a massive drop off.

Ms PINTO - What we do see continuing, we have the Renewable Energy Services Hub, which is a support program particularly for small business. The intention there, as new renewable developments come online, is there will be opportunity through the supply chain for businesses to leverage that. So, the Renewable Energy Services Hub continues out through until - funding's out to 2028-29 just to support businesses through that opportunity as they come to market. They're the main -

Mr DUIGAN - The renewable energy approvals pathway continues.

Ms PINTO - Renewable energy approvals pathway -

Mr DUIGAN - That's really important, that's people running case management for our renewable energy proponents, amongst other things, you know, providing additional resources to the EPA, and where else?

Ms PINTO - The Tasmanian Planning Commission.

Mr DUIGAN - TPC.

Ms PINTO - And Natural Resources and Environment Tasmania.

PUBLIC

Mr DUIGAN - Yes, so providing some additional resourcing there to get our renewable energy projects up and going.

CHAIR - Minister, on pages 250 to 251 of budget paper 2, there are a number of dot points there that outline what this output group is to do.

Mr DUIGAN - Yes.

CHAIR - Many of them have just been mentioned. Are you able to provide some sort of budget allocation across these areas. It seems to me, when you consider what's happening in the out-years, there are a lot of things that are required still in this output that don't seem like a lot of money to deliver them, like providing case management service for private sector renewable opponents.

Mr DUIGAN - That's what I'm talking about with the Renewable Energy Approval Pathway, which continues.

CHAIR - How much do you spend on that per annum?

Mr DUIGAN - That was \$13 million over four years, I think.

CHAIR - To continue.

Ms PINTO - Yes, for example for the renewable energy assessment pathway, there's just over \$3 million in 2026-27 to support that. Through you minister, that will support resources within the energy unit over that year as obviously it's currently within State Growth, but as it progresses across into its final home agency, it will also be providing -

CHAIR - I wouldn't say final necessarily.

Ms PINTO - No, that's true. As it goes through the machinery-of-government change. Thank you, Chair. There will be, you know, that funding will move with the associated resources. It will also provide support, as the minister noted, that funding also provides support to other agencies like, for example, the EPA.

CHAIR - Minister, we've got one line item and there are a lot of things that are under it. Can you provide it - not now - I'm not asking you to do it at the table? Perhaps take on notice a breakdown of the areas which are funded under this. A lot of them are listed there and how much is allocated over the forward Estimates.

Mr DUIGAN - I mean they're broadly listed there in the Budget; I don't know that we'd be adding a whole lot to that.

CHAIR - You must have a breakdown. Surely in your accounting system there's a breakdown of these areas, the REAP that you talked about, there's all the other areas that have been spoken about with various numbers. Some will continue, some won't be, I'm asking for a like a spreadsheet.

Ms THOMAS - We asked all outputs for these. Yesterday, communities came prepared.

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CHAIR - We did yes. Community services has actually done an amazing job providing that level of detail.

Ms LOVELL - How much funding is allocated out of that lump sum? How much is allocated to each of those items?

CHAIR - There will obviously be a staff component in it as well and overheads. Could you do that?

Mr DUIGAN - Yes, okay, we can do that.

Ms PINTO - We can take that on notice.

CHAIR - I am not asking for it across the table.

Ms PINTO - No, and through you minister, I may also note that the way the team operates if there are high priority areas that need priority focus - the fuel current matters is a really good example of where resources will be redirected across units to ensure that priority matters have been dealt with. Just making note that it's not a clear-cut allocation.

CHAIR - You must have it, to put the number in the Budget there must be something that sits behind it. That's what we're asking for. Acknowledging there is a bit of an energy situation, a fuel situation at the moment, so how much has been required in addition to the normal amount?

Mr DUIGAN - A lot.

CHAIR - Okay, that's not a good number. I mean it's a big number obviously, but I'm, trying to understand in the current budget year, you said you've underspent by \$5 million. How much extra has been required in the fuel security space in this current financial year.

Mr DUIGAN - I actually think, as the dep sec was saying, that it's one of those things where it's sort of all, all hands to the pumps as we deal with the situation in front of us. Would that be a fair assessment?

CHAIR - When was the estimated outcome assessed then? When was that derived at before, because I understand some of these things were locked down in February.

Mr DUIGAN - I don't know. We're talking about bringing more resources into the department, but it is prioritising people's time in the department to focus on a particular issue - in this case that of fuel security, liquid fuel security.

CHAIR - Are we likely to see then the estimated outcome would be a bit undershot here because there has been a lot of - and we all understand the challenge so, it's not that we are criticising you -

Mr DUIGAN - No, the estimated outcome is around a number of program, for example, the green hydrogen hub. We were waiting for the federal sign-off on the final implementation plan. That has taken some time to come through, for them to agree how we would progress

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forward and how we would spend their money and our money. There has been an underspend in that area, for example. There may be others.

CHAIR - Back to the question, minister, do you expect the estimated outcome to hold true to the end of the year because that was obviously done, if what the Treasurer said yesterday about the Auditor-General's budget when everything was locked down and couldn't be adjusted when they identified an error in it, that was basically locked out in February, March. Are we saying that the estimated outcome was sort of put in in February, March, and it could well be different when we get to the annual report?

Mr DUIGAN - It is an estimated outcome.

CHAIR - I know that I'm talking about the issue with the additional pressure on Mr Terry's area?

CHAIR - When was the estimated outcome established?

Mr GREGORY - Through you, minister, in terms of the impact of the current work we're doing on liquid fuel security, it is, as the minister said, it's not that we've brought in a whole heap of extra resources externally. We do have an additional resource we've brought in. The head of the incident management team, Mick Lowe, came across from SES, so that's an additional cost.

CHAIR - From where, sorry?

Mr GREGORY - From the State Emergency Service. He has expertise in incident management. But by and large, we're not dealing with a COVID situation where resources were drawn for a long time, from all across the state servants. We've reallocated priorities within the energy and renewable area. There's certainly a number of things across every department which are business as usual that sort of aren't urgent things that need to be done. We've reprioritised and had the team -

CHAIR - The question was, though, when was the estimated outcome arrived at?

Mr GREGORY - I don't know exactly when that was arrived at, but my point is I wouldn't expect, in terms of the normal business, that there will be much difference between the estimated outcome and where we land.

CHAIR - Minister, are you still expecting to come in under budget by \$5 million?

Mr DUIGAN - Yes

CHAIR - On this line?

Mr DUIGAN - Right.

Ms O'CONNOR - Thank you, Chair. Minister yesterday you explained in a House committee about Firmus plans to expand AI data centres across the state - you mentioned Bell Bay at 300 megawatts of power use. Also there are plans, as we understand it, to build a data centre in Wesley Vale and another site.

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Mr DUIGAN - I don't think there's another site.

Ms O'CONNOR - Three sites.

Mr DUIGAN - I believe so.

Ms O'CONNOR - Three sites.

Mr DUIGAN - Project Southgate, as I understand it, has three sites.

Ms O'CONNOR - Three sites, Bell Bay, Wesley Vale and -

Mr DUIGAN - St Leonards.

Ms O'CONNOR - St Leonards, okay.

Mr DUIGAN - Which is stage one. So, St Leonards is under construction.

Ms O'CONNOR - Okay, can you tell us more about the Wesley Vale site, in terms of projected energy use and any other details you can provide on the timeframe for these projects?

Mr DUIGAN - Wesley Vale, as I understand it, is circa 40 megawatts. I believe they have secured a site there and I don't think I've seen anything in regard to timeframes around Wesley Vale.

Ms O'CONNOR - Bell Bay?

Mr DUIGAN - Bell Bay is at the old pulp mill site.

Ms O'CONNOR - Yes.

Mr DUIGAN - Let me see what I have here. Near George Town, Bell Bay development application, expected to be publicly advertised soon. Subject to approval, stage two is proposed to deliver approximately 288 megawatts of AI computing capacity. Company estimates stage two would involve approximately \$1.86 billion in construction investment and support around 115 direct, and 284 indirect operational jobs.

Ms O'CONNOR - Temporary jobs because data centres aren't employment heavy.

Mr DUIGAN - Support around 115 direct.

Ms O'CONNOR - Full-time ongoing jobs?

Mr DUIGAN - Yes, I think that's what they're saying. As with any major project, approvals and infrastructure capacity will determine the timing and scale of future stages. Government's role is to facilitate investment, ensure proper regulatory oversight, and support an orderly approvals process.

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Ms O'CONNOR - Do you think government's role is to facilitate investment, no matter what the investment is and whether or not it's in Tasmania's best interests?

Mr DUIGAN - We absolutely want investment that is in Tasmania's best interest, yes.

Ms O'CONNOR - But do you believe the establishment of three big data centres here is, and given that there will be heavy power consumption, water use, do you believe that is in Tasmania's best interest?

Mr DUIGAN - Firmus would defend heavily their use of water. They're not a heavy water user.

Ms O'CONNOR - How do we know?

Mr DUIGAN - Because their existing company has been in Tasmania since 2019, with the site of St Leonards. A 20 MW site there, so not insubstantial, and they have a different cooling methodology, so they're not large consumers of water and don't intend to be. They are, however, large consumers of electricity and there are obvious expectations that government has around what we would see in association with new load and that would be new generation and partnering with new VRE. In terms of where they situate these sorts of things, they must be in areas where the network can support them and if there is network augmentation required that would be at their cost.

The other thing - I think it is important to consider in the Tasmanian context - is what allied industries come along with these developments. There is the opportunity, I'm sure, for the development of -

Ms O'CONNOR - What? More data centres?

Mr DUIGAN - more tech, other jobs, different jobs, different supply chains. There are opportunities in that space.

Ms O'CONNOR - Okay. Can you just explain to the layperson what your understanding is of the product, if you like, of Firmus and how it'll be used or applied? They're setting up data centres on an island off the mainland. What are they trying to do, do you think?

Mr DUIGAN - As I understand it, and I am very much a layperson myself, they host computing power that is sold into the market on relatively long-term contracts, as I understand it. Anyone else like to have a crack at it?

Ms O'CONNOR - How do they transport the -

Mr DUIGAN - Essentially, Marinus Link provides a very substantial uplift in Tasmania's connectivity in terms of, I think, 1500 times our -

Mr TERRY - In the optic fibre.

Mr DUIGAN - in the optic fibre. But, essentially, as I understand, again this is very lay, that the question comes in -

Ms O'CONNOR - Across Bass Strait.

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Mr DUIGAN - across Bass Strait, the heavy computing is then done within the data centre and then the answer goes back. So, the question and the answer are not the data-heavy pieces, it is the level of computing required to transpose the question into an answer.

Ms O'CONNOR - Do you know why Firmus has decided to set up shop here with three new data centres, given that they could set up in Victoria, for example, and not have those transmission costs? Have we given them a really sweet deal on power? Has there been any power agreement between Hydro and Firmus?

Mr DUIGAN - Again, as I'm informed, Firmus stage 1 has a short-term contract with Aurora for the power it needs for stage 1 in St Leonards and that's backed by a low [inaudible] contract by Hydro Tasmania. Longer-term, and certainly for stage 2 we would see the Firmus load as one aggregated load.

Ms O'CONNOR - So, that would be subsidised, effectively, by the state?

Mr DUIGAN - No, no, it wouldn't necessarily be subsidised. It would be at a commercial rate, but it would also trigger the need for Firmus to partner with new renewable energy for Firmus to augment the network as required.

Ms O'CONNOR - Okay, so you said earlier in one of your answers that the government would expect any network augmentation to be covered at Firmus's costs and if we go now to the North West Transmission line and the Hampshire to Burnie line, I understand the budget for that is around \$200 million or so. The state's offered to underwrite that to the tune of \$50 million. So, you haven't required that private developer to fully fund network augmentation, why not?

Mr DUIGAN - That, again, I'll ask Sean to talk to the detail of that particular piece, because that was - or that's considering that line as a private build.

Ms O'CONNOR - It is. That's right.

Mr DUIGAN - Well, that's how that would have been. That's why that underwrite is there.

Ms O'CONNOR - Why, sorry?

Mr DUIGAN - It would need to reach a certain threshold, in terms of private investment, for the government underwrite to be triggered.

Ms O'CONNOR - But why would the - sorry, I just don't - I'm just trying to understand and thank you, Mr Terry, but I'm trying to understand why the state would allocate \$50 million in public funding to a private renewable energy generator for a transmission line -

CHAIR - You're talking about the Hampshire to Burnie line?

Ms O'CONNOR - Yes, the Hampshire to Burnie line that only they want.

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Mr DUIGAN - That's not necessarily the case and it certainly forms part of the second loop of the North West Transmission Developments, so if there is a time that that is contemplated as required transmission, which I've seen a draft version of the ISP that potentially contemplates that -

Ms O'CONNOR - Is the substation part of the \$200 million cost - the substation that would have to go with it?

Mr TERRY - Yes.

Ms O'CONNOR - That's included in the \$200 million cost?

Mr DUIGAN - It's only a 30 km line so \$200 million seems like a lot, but yes.

Ms O'CONNOR - My final question, just back to the Firmus issue. Of the three sites, St Leonard's, Bell Bay and Wesley Vale, what is the total projected energy consumption of Firmus's three data centres once they're up and running?

Mr DUIGAN - Circa 400 megawatts.

Ms O'CONNOR - 400 megawatts, okay.

CHAIR - Minister, a lot of the budget repair recovery depends on Hydro Tasmania profits rising from \$35.7 million to \$515 million by 2029-30 and the footnote and the information that the Budget says that's driven by regulated Basslink and coal exiting the NEM. The output responsible for monitoring and facilitating this outcome has been cut, as we've discussed, so since this is critical to the Budget, is there adequate funding in the Budget to ensure that these matters can be overseen adequately? And monitored - you've got a whole bit here about NEM policy reforms and developments, but if we could get some more information on that.

Mr DUIGAN - Certainly, that would be my expectation. It's a pretty important function of the department. Noting, of course, that Hydro Tasmania has its own substantial resources to drive its business and it is a mature and large operation in the Tasmanian context.

CHAIR - I'm asking on what basis do you say it's going to be a massive turnaround in profits by 2029-30, which is, as I understand it, before Marinus Link comes online, so we're relying on Basslink. I just need you to explain to me how that's going to work.

Mr DUIGAN - That would be in line with the exit of the, I think, Loy Yang A, or something, coal-fired generator in Victoria.

CHAIR - What year are you expecting that?

Mr DUIGAN - I think it's 2028.

CHAIR - What if that was delayed?

Mr DUIGAN - That would be hypothetical but, at the moment, that's when it's scheduled to shut down. As we know, Hydro Tasmania's ability to generate profits and returns to the state

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are governed by rainfall and by the ability to trade. The last two years, obviously, as we all know, have been the driest two years on record we would hope and expect that those conditions don't continue.

CHAIR - Well, they haven't, the lakes are pretty full at the moment.

Ms O'CONNOR - Have you seen the El Nino prediction? I think we're in for dry times.

CHAIR - Not this year, but maybe next year.

Mr DUIGAN - We've had dry times.

Ms O'CONNOR - It's the biggest El Nino they've ever recorded.

Mr DUIGAN - I know that.

Ms O'CONNOR - The central Pacific is simmering.

Mr DUIGAN - In terms of ability to trade, as we're seeing through Hydro this year, as Basslink is being heavily curtailed by its operation as a merchant link that, thankfully, as of 1 July will change and open flows will be available to Hydro, and Hydro, interestingly, has quite a bit of gas in the tank as it were through its inability to trade, I would see a pretty good couple of years ahead for Hydro.

Ms O'CONNOR - Can I just check back in on that?

CHAIR - Yes.

Ms O'CONNOR - Just back to the issue of the forecast ahead -

Mr DUIGAN - Sorry, I will just correct the record. It's the retirement of Yallourn Power Station not Loy Yang.

Ms O'CONNOR - Hear, hear.

Just looking at established facts about the El Nino that's forming across about 15,000 km in the central Pacific. It is clearly going to influence weather patterns here in Tasmania and, historically, when there's a big El Niño, it dries out here. Has Hydro Tasmania grasped the reality of what's coming and done any modelling or taken any preparatory steps to buffer itself against what we know is coming?

Mr DUIGAN - Well, as I say, Hydro storages are in a very robust position through a range of reasons. We have very good storage levels.

Ms O'CONNOR - For now.

Mr DUIGAN - Hydro obviously has a very developed hydrological modelling team as part of its operations. That is a big function of what Hydro does - is watch and monitor the weather. Those questions -

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Ms O'CONNOR - Okay, back to the question, though, specifically.

Mr DUIGAN - Yes. That level of Hydro modelling is a question for Hydro.

Ms O'CONNOR - You are the minister with primary responsibility for Hydro and a shareholder minister for Hydro.

CHAIR - As you said at the outset.

Ms O'CONNOR - You would expect to see Hydro doing some quite detailed modelling and projections on what the World Meteorological Organization is now forecasting, which is a super El Niño that will influence our storages, will lead to drier conditions. You would expect to see that work being undertaken by Hydro to protect Tasmania's interests.

Mr DUIGAN - You would.

Ms O'CONNOR - Can you just answer that - you, I'm talking about you. I mean I expect that, so yes, I can agree with you there but, you, as minister, will you take a sort of direct interest in that when you're talking to Hydro?

Mr DUIGAN - I absolutely - I get monthly updates on our storage positions and where we see that going.

Ms O'CONNOR - Has there been any discussion between you and Hydro about that El Niño?

Mr DUIGAN - Yes, of course.

Ms O'CONNOR - What is Hydro saying?

Mr DUIGAN - As I say, Hydro's storages are in a very robust condition, particularly given we are coming out of two of the driest years on record and the curtailment of Basslink. So, Hydro is thinking about these things, as you would expect it to.

Ms O'CONNOR - You would expect because it's great to have the storages in good condition, but storages will run down and so -

Mr DUIGAN - Of course they do. But there are pretty robust methods around how Hydro manages that, and I would point to our two driest years on record and Hydro not entering into the prudent storage, or going below prudent storage levels through the course of those two very challenging years: proof of the fact that the framework works as intended. Vanessa, have you got anything that you'd like to say about what Hydro talks to the department about?

Ms PINTO - Yes. Certainly. Thank you, and through you, minister, we have regular engagement with Hydro, and the way they operate is - and particularly from an energy security perspective, it's important we maintain engagement with them. They provide us also with information about how they manage their operations, and I can advise of what the information they've provided our office is. They work very closely with the Bureau of Meteorology, CSIRO and University of Tasmania. They have been actively managing climate risk exposure for pretty

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much well over 100 years and, particularly in the last 20 years, have invested heavily in climate change research.

They obviously would have a lot more detail about this, but they've partnered with CSIRO and have done quite a bit of extensive research around sustainability yields and including undertaking that with University of Tasmania's Climate Futures for Tasmania project. Just from the information that I can share with the committee, from our understanding, Hydro invests very heavily in this area. The other observation I would make is that with further interconnection and further investment of on-island wind and solar, what you have then is an ability for - it's like a risk mitigant to the hydro system, it enables them to effectively manage their hydro assets, to utilise water in storage as appropriate and leverage it as appropriate to dispatch when water is available and when prices are favourable.

Ms O'CONNOR - Okay. Just to close out, and through you, minister, you're confident that Hydro is well aware of what's coming and the risk that that poses to our storages and to energy security?

Mr DUIGAN - Yes. I have great faith in the team at Hydro and the work that they do. I would offer a standing offer of a briefing for anyone who's interested to go and have a chat to Hydro and see what they do because it is - whenever I go there and get information from the horse's mouth, I'm always very impressed.

CHAIR - Minister, in your opinion piece in *The Mercury* on 29 April, you told Tasmanians that Marinus would let Hydro export to mainland when mainland prices are high and that claims of speculative revenue were demonstrably false, but in your formal answers to me that you provided last week in the Chamber, you confirmed that the whole-of-state business case modelled zero interregional revenue, the government had done no modelling at all of directional pools or residue allocation, Hydro receives no interregional residue unless it buys units at auction, and Tasmania receives only its minority share of the export pool, with the majority flowing to Victoria because that's the way the regulated model works.

That was your response to a question on notice. You also confirmed Hydro has no export-driven strategy, which directly contradicts the government's repeated claim that Marinus will deliver \$470 million in extra Hydro profits. Minister, on what modelling basis did the government claim Hydro would deliver an average of \$470 million extra into the state budget from Marinus?

Mr DUIGAN - There are a number of models that have been relied on in the whole-of-state business case, and elsewhere, Hydro's own modelling.

CHAIR - You point specifically to the modelling in the whole-of-state business case or elsewhere that quantified Hydro's export-driven revenue uplift, which is what we're talking about here, the \$470 million per annum?

Ms PINTO - Through you, minister, and thank you, Chair, for the question. The FID assessment is a document that's available online and has been provided through you, Chair of the joint select committee, also in an unredacted form. That document outlines the output of quite extensive modelling Hydro undertook in support of the FID assessment. Modelling had been undertaken, working closely, by Hydro, with Deloitte for the whole-of-state business case. That time stamp in terms of that modelling was towards the end of 2024. What was sought in

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2025 was additional modelling that was undertaken by Hydro, and as that FID assessment outlines, there were a number of scenarios considered.

There was a mid-range scenario considered, there was a low-case scenario considered, and there was a more optimistic case that was considered. That modelling that was undertaken - and as a part of the exercise through that FID assessment - the modelling that was undertaken was benchmarked against the original modelling to ensure that it was within appropriate degrees of variation, which was confirmed consistently, that the modelling that had been undertaken was consistent with prior modelling undertaken by Deloitte and I note also undertaken by other modelling of the National Electricity Market and how revenues occur. By FTI is another one that I can refer to. It all confirmed that that modelling is consistent, and the mid-case is the output that was - has resulted in the \$470 million, on average, in nominal dollars from 2031 to 2050.

CHAIR - Per annum?

Ms PINTO - Per annum incremental increase in nominal dollars of Hydro's returns.

CHAIR - Minister, this is the modelling you're relying on then, that -

Mr DUIGAN - Well, the modelling that informs all the documents that I rely on, yes.

CHAIR - that quantified Hydro's export-driven revenue uplift. Is that how it's -

Mr DUIGAN - No. I know you are interested in this idea of export driven. I think you need to look at this -

CHAIR - That is what was said by the government.

Mr DUIGAN - You need to look at this in a more holistic way. The opportunity for Tasmania to import low-cost energy at times - low cost is very important -

CHAIR - When we import the power, minister, what price do we pay?

Mr DUIGAN - We pay the Tasmanian spot price.

Ms PINTO - Correct.

CHAIR - It doesn't necessarily mean that- we're not buying cheap Victorian energy.

Mr DUIGAN - You need to look at it in reference to contracts that Hydro might have to deliver energy. When you're able to import below the contract price, you're in the money, when you're able to -

CHAIR - That assumes the Tasmanian price is lower, not the Victorian price.

Mr DUIGAN - What there is, and this is another really important point, is that over time the Victorian price and the Tasmanian price are broadly the same. There are fluctuations through the day, through every day where the opportunity arises for Hydro. If you cannot be generating and the price is low, but importing, holding generation back, holding water in

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storage and then be generating when the price is high, that is very good business. Now to do that you need more VRE. That's what we do require, because they, the VRE importantly doesn't decide when it's dispatched. It's if the wind is blowing or the sun is shining, it needs to dispatch. Hydro can sit there, price is low, we're not generating, price is high, away we go.

CHAIR - Minister, you confirmed in your answer last week that if the whole-of-state business case assumed zero interregional revenue, what you're talking about is the benefits of the arbitrage and the difference here.

Mr DUIGAN - No, not necessarily, and interregional revenues again, is one of the issues you spend a lot of time with, but as I understand it's not a particularly - what does it say here? SRA is interregional residues and are not a key determinant of Hydro Tasmania's earning and growth potential. It's a standard risk management tool and, importantly, only materialises when the interconnector is running at full noise, when it is tapped out, when there is no further ability to find the next -

CHAIR - When it is constrained?

Mr DUIGAN - Yes. That's a circumstance that is pretty live in the in the case of Basslink, but with Basslink and Marinus Link, it's very much less likely to be -

CHAIR - So there will be less volatility then?

Mr DUIGAN - No, the volatility exists through the day. When the price is low, Hydro doesn't generate. When the price is high, Hydro generates.

CHAIR - Isn't it a reality Victoria and Tasmanian prices will start to converge when -

Mr DUIGAN - They already are.

CHAIR - when you have a less constrained link. We know the Basslink is constrained.

Mr DUIGAN - Yes.

CHAIR - When you have Basslink, assuming it still keeps working, and Marinus Link, there will be very little constraint, so that separation of prices will be far less often. Is that a statement of fact?

Mr DUIGAN - Yes, but it doesn't matter, because the price in Tasmania, and the price in Victoria, through the course of the day, because Hydro has access to the spot price, so in the morning, from 7 o'clock to 9 o'clock, it's high, Hydro generates. Through the day, it's low, below the cost of energy contracts for Hydro. If Hydro has contracts at \$100 and the price of energy's \$20 in Victoria and Tasmania, Hydro is not generating, it's making money. When the price goes to \$300 at 5 p.m. at night, Hydro generates.

CHAIR - But what we've just confirmed is that the prices will converge when there's an unrestrained link.

Mr DUIGAN - And they already are.

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CHAIR - Basslink's constrained.

Mr DUIGAN - Well yes, but if you look at the Victorian energy price and the Tasmanian energy price over time, it tracks virtually exactly.

CHAIR - The business case modelling and the \$470 million extra money, extra, above the already stated dollars in here, like \$550 million profit in 2029-30, that extra \$470 million does not attribute anything to their money they may recoup or may get through the interregional revenue auctions?

Mr DUIGAN - No.

CHAIR - So, that's based at zero.

Mr DUIGAN - That's my understanding.

CHAIR - So all that it's going to do from trading into a market where the price is separate. That's what you're saying?

Mr DUIGAN - But they could participate in SRA.

CHAIR - Well, they're going to, they've already told us that. They're expecting a zero impact from that; that doesn't feed at all into \$470 million - they're going to make \$470 million extra per annum based purely on the price separation events.

Mr DUIGAN - No. Not based on price separation events. Based on the ability to generate when prices are high.

CHAIR - That's the same thing exactly; it's exactly the same thing. How am I wrong, minister?

Mr DUIGAN - No, it's not. It has no bearing it on the price in Victoria or the price in Tasmania. It's when the price is high, Hydro generates. When the price is low, Hydro doesn't generate.

CHAIR - Haven't we just agreed, though, that when Marinus is built, there's less constraint, even during the morning and the evening, there will be less constraint because wind doesn't necessarily stop -

Mr DUIGAN - But there will still be fluctuation in price.

CHAIR - But the peaks won't be necessarily as high and the lows won't necessarily be as low because it will start to converge. That's what the evidence shows.

Mr DUIGAN - No.

CHAIR - We've received all this false evidence in the energy committee then, goodness me.

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Mr DUIGAN - There is a greater convergence of the price in fact that they would track, but that's not where the money comes from.

CHAIR - Where does money come from?

Mr DUIGAN - The money comes from when the price is - again I will use my contract expression - if Hydro's got a contract for \$100, if it's not generating when the price is below \$100, then it's making money and if it's generating when the price is above 100 bucks, it's making money. That's where the money comes from.

CHAIR - A lot of the contracts that Hydro have will need to be renegotiated during this period.

Mr DUIGAN - Yes.

CHAIR - That will be okay. With the MIs and others, Aurora - not considered a major industrial, but still one of its big customers. Surely, that would be taken into consideration. One would expect Aurora as another business that you're responsible for will fight a pretty good fight.

Mr DUIGAN - In what regard?

CHAIR - In trying to get a decent price.

Mr DUIGAN - Oh, yes, of course. We all benefit from the Tasmanian regulated price, which is a mechanism that has worked pretty well since its inception. We continue to have the lowest power prices in the country. Power prices in Tasmania have in real terms, gone down over the last 10 years and there aren't too many sectors of the economy that you can say that about.

CHAIR - Minister, we're talking a bit about this: can you confirm that the interregional revenues are split into two directional pools?

Mr DUIGAN - Yes.

CHAIR - Can you confirm that under the regulated model, the importing region receives the majority share of each pool?

Mr DUIGAN - The net importing region, sorry the question again?

CHAIR - Under the regulated model, the importing region receives a majority share of each pool.

Mr DUIGAN - The residues follow the flow. If in the Tasmanian context, if it's flowing north in the case of constraint and price separation, yes, there is an interregional residue generated in the northward pool. If it's flowing the other way, it would be generated in the southern pool.

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CHAIR - The question was: can you confirm that under the model, the regular model 1 July, that the importing region receives the majority share of each pool? We've already established that there's two directions.

Mr DUIGAN - Yep, that's correct.

Mr TERRY - Are you talking about the auction proceeds or the residues?

CHAIR - Residues.

Mr TERRY - The SRA holder gets the rights to the residues once they bid. Whoever holds the SRA will have the rights to the residues and that, obviously, could be Hydro Tasmania.

CHAIR - What percentage of the Tasmania to Victoria, northward pool, is allocated to Victoria and what percentage is allocated to Tasmania?

Mr DUIGAN - My understanding and I'm not a subject matter expert would be 100 per cent of it allocated to Victoria in the case of exports to Victoria.

Mr TERRY - Once again we've just got to be careful we're talking about the residues or the auction proceeds. AEMO pools all the residues for a period. They basically look at duration, volume and price, so you will have a total pool, and come up with a cost per MW hour. Then people bid for those, the rights to those residues, so they might have a value of \$30 by AEMO and you could be a trader or retailer or generating and you will bid for the rights to those SRAs. If you win those, you know you pay \$10, the value of those is \$30, you get the \$20.

The actual auction proceeds go against the interconnector. If they're southern flows that will largely offset the cost of Tasmanian customers simply under the regulated model, I think that is if I understand what your question is.

CHAIR - That's right.

Mr TERRY - If southern flows, they will largely offset the cost to Tasmanian customers against the interconnector, the transmission costs.

CHAIR - Great, thank you for that, Sean.

Back to you, minister. If we're selling when the prices are higher, then the majority of the money available will go into the auctions, it will be more. It'll be a higher number because there's higher prices, okay? So, the benefit of that then, and the proceeds of the auction, go to who in that case?

Mr DUIGAN - Whoever buys them at the auction.

CHAIR - No, no, after the proceeds of the auction.

Mr TERRY - Sorry, I get your point, the auction proceeds go to the interconnector, so they can't recover -

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CHAIR - Which is?

Mr TERRY - Which is - well, in the case of Basslink it's APA. And they have to then offset that against their regulated revenue. So, TasNetworks has already made an estimate of the likely value of those auction proceeds in determining their forecast revenue for 2026-27. They'll run a whole series of auctions over the next year and those auction proceeds go to the interconnector and that gets offset against charges to customers.

CHAIR - So VicGrid doesn't get any?

Mr TERRY - It may do on northern flows, so, I suspect, yeah.

CHAIR - That's what I'm talking about, I'm talking about northern flows.

Mr TERRY - Yep, they would largely, I suspect, and I'll confirm that; they'll be offset to Victorian customers.

CHAIR - Through VicGrid, through their transmission network.

Mr TERRY - Yep.

CHAIR - So, you've got high prices with potentially more money in the pool, but the more residues in the pool that are sold and the proceeds from that go to VicGrid or Basslink, not to Tasmania. Then we're buying in the southern flows when the prices are low, so there'll be less money in the pool. Logic tells me that that means there's less money to our network provider, TasNetworks, to offset against the price of regulation of our grid here. Is that a fact?

Mr DUIGAN - Only in cases where the interconnector is constrained and there is price separation. As I keep pointing to, Hydro, which may participate in these auctions, or may not, you know -

CHAIR - It doesn't matter who participates in the auction, this is after the auction.

Mr DUIGAN - it's not the base case for -

CHAIR - No, no, I've moved on from there. What I'm talking about is you've confirmed for us that the northward residues offset the northern sales of the residues from the auctions -

Mr DUIGAN - Yep.

CHAIR - offset VicGrid, Basslink potentially. The southern flows, which will be at lower prices, so there's less revenue to auction off, okay, that amount, once that's been sold in the auctions will then offset TasNetworks. Are we clear on that?

Mr TERRY - As a general principle, yes. So, the auctions - they are volatile. TasNetworks makes an estimate of the likely SRA auction proceeds. Now, for this year we're confident that they will offset the costs of regulation from 1 July, but they are volatile. What happens in one year may not be the same in the next year.

CHAIR - And we're operating in a different year next year.

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Mr TERRY - That's right and there are provisions in the regulated model for over-recovery and under-recovery.

CHAIR - What do you mean by that, Sean? Let's be clear what we mean; who pays the over-recovery?

Mr TERRY - That's on, you know, TasNetworks will recover that through the regulated customer base, but that happens on a whole range of changes to their annual regulated revenue. So, there's a whole mechanism for truing up under- and over-recovery in a regulated, yep.

CHAIR - I understand that. The point I'm making here is that, as the minister's confirmed, we'll be buying energy when the prices are low, and when the southbound pool is auctioned - the residues that are auctioned - that means less proceeds from those auctions, obviously, because there's fewer of them, and less to be offset against TasNetworks' regulated asset base, which we pay; you, me, every MI in the state. Yeah?

Mr TERRY - That's a potential outcome, but it's subject to the flow, so we're going to have to, you know, see what happens, but for the next 12 months, we're confident that those auction proceeds, those SRAs will offset the cost of regulation to Tasmanian customers.

Ms O'CONNOR - Minister, can you confirm the current cost estimate for the Scotts Peak Dam strengthening works?

Mr DUIGAN - I think I probably can.

Ms O'CONNOR - What we know is that - I mean, information that's on the public record has ranged somewhere between \$50 million and \$100 million, but we don't have any more precise understanding.

Mr DUIGAN - Scotts Peak Dam is adjacent to the Lake Edgar fault line, and planning work is currently underway to upgrade and strengthen the dam. Once completed, the risk of dam failure will be significantly reduced. These upgrade works are complex and it is important they are staged appropriately. Further work on Scotts Peak will occur after the Edgar Dam upgrades are completed later this year. In the meantime, Hydro Tasmania is managing the risks at both dams appropriately.

Ms O'CONNOR - So, the question was, what's the budgeted allocation for the Scotts Peak Dam upgrade? I think Edgar's sitting at around \$35 million at the moment.

Mr DUIGAN - 35, yes.

Ms O'CONNOR - And these works are supposed to be completed sort of around the middle of this year?

Mr DUIGAN - Yes, I believe so.

Ms O'CONNOR - Okay, so there must be an understanding of what the Scotts Peak works will cost?

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Mr DUIGAN - We might be able to lean on our friends from Hydro to see if they can provide that number for us.

Ms O'CONNOR - Okay. Is that you saying you'll take that on notice?

Mr DUIGAN - We'll take it on notice. We'll bring it back before we end today.

Ms O'CONNOR - Thank you. What work is underway currently?

Mr DUIGAN - At Scotts Peak?

Ms O'CONNOR - Scotts Peak.

Mr DUIGAN - I think there's monitoring and risk assessment while the work's ongoing at Edgar.

Ms O'CONNOR - Do you know when construction will begin?

Mr DUIGAN - I think when the work finishes at Edgar.

Ms O'CONNOR - So, the work at Edgar finishes around the middle of this year and you would expect then the construction of the strengthening of Scotts Peak will begin?

Mr DUIGAN - Later this year.

Ms O'CONNOR - Soon after that? Okay.

If we could just go back to the cuts to the agency. Across the forward Estimates, State Growth is expected to find \$264 million in savings and, in an operational efficiencies frame of close to \$1.5 billion, that's a big ask out of State Growth. We've heard from Mr Gregory a short time ago that about 148 State Growth employees have expressed an interest in redundancy. I know the Chair tried to get some detail around this earlier and I didn't discern anything - from your answers, not from the questions.

There will have been work done in the agency - and I know you're not responsible for the whole agency, so I'm very happy for Mr Gregory to try to answer this, if that's okay with you - there will have been work done on headcount and what is the projected necessary, by government's lights, headcount reduction in State Growth - that work will have definitely been done because it will have been done in the preparation for this Budget. What is the projected headcount cut, if you like, across State Growth, noting that, for example, last week in Estimates, I asked the Minister for Education, Children and Young People about their headcount or FTE cuts in that agency. We heard it was 150. What's State Growth's projection of how many jobs will be shed?

Mr DUIGAN - My understanding, and I think it's been well canvassed, is 250 as a headline number.

Ms O'CONNOR - 250? Okay. What work has been undertaken on how many of those functions within those jobs could be undertaken by artificial intelligence?

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Mr DUIGAN - To that point, I will ask the acting secretary.

Mr GREGORY - Through you, minister, there's no specific work that I could point to right at the moment. There is a piece of work we have to do.

Ms O'CONNOR - Sorry, I must have misunderstood. Earlier, you said we were looking at technologies that would deliver some efficiencies. I thought that's what you said.

Mr GREGORY - Yes, I did say that there are technologies. There are existing technologies without branching into AI. The use of existing systems we can promulgate across the department more. One of the ones that springs to mind I mentioned earlier was the use of workflows within our document management system to make sure we're using that to its full potential. There are similarly things within the financial management systems that we can use better. It's existing technology that we just need to use better and be more efficient using that. That's not branching into AI, but I would anticipate that in terms of artificial intelligence, we could apply that to, for example, applications for permits to work in the state road reserve is an obvious one. We would be able to apply that technology to process those permits more efficiently as an example.

Ms O'CONNOR - Okay, so in the Council recently minister Vincent confirmed that the deputy secretary of DPAC, Mr Healey, had been meeting with agency heads to talk about the AI Accelerator Program. Are you able to provide some information on the substance of those meetings and the expectation of Premier and Cabinet or of the minister or Cabinet itself in terms of how artificial intelligence will be applied in Building Tasmania once the machinery-of-government changes come into effect. Apart from working with State Growth, the one example you cited earlier, what sort of functions does government expect AI to undertake?

Mr GREGORY - Through you minister, I wouldn't go to suggesting what expectations government has. I am familiar with, to extent with the work that Mr Healey is doing. His team essentially has some seed money to trial - to test and do some case studies with AI. I am aware he has a number of those underway. He's working through those. He has been talking to agencies and through the secretary's board on how that process is working.

We aren't running anything specifically at the moment, but the conversations have been around developing a guidance framework about how to apply AI, how it might be tested. My understanding is there are a number of pilot projects underway, unless I'm corrected by my staff behind me, I don't believe we have one at the moment in DSG.

Ms O'CONNOR - Okay. Well, it's our understanding that part of the government's thinking is that perhaps AI could undertake first level policy work, for example. Is that something that's been flagged with you, Mr Gregory?

Mr GREGORY - Sorry?

Ms O'CONNOR - It is our understanding AI is being tested on potentially undertaking policy work across agencies. Is that something that's been flagged with you?

Mr GREGORY - Going through the minister, it's something that has been discussed as a potential use of AI. From my perspective, the more promising opportunities with AI reflect on how AI is being used in some councils around that first cut assessment of planning

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applications. You are looking at lots of information and cross referencing it quickly. I think that's where we've been looking for the opportunities initially - say processing applications, testing them back against legislation and frameworks. That's where I would see the opportunities.

Mr DUIGAN - And if I may, and it is something of an excursion from this particular portfolio output, but in terms of the Land Titles Office, where there is a grind of people interacting with lots of document sets and time-consuming kinds of things and similarly in Crown Lands turn around and looking at those sorts of things where people are interfacing with lots of documents that potentially could be done more. That's certainly, again with not being a subject matter expert, where I see the first opportunities.

Ms O'CONNOR - The government that you're a part of promised an AI initiative register some 18 months ago. As I understand it, there's been no sign of it. A lot of this is sort of churning away in the background out of public view at the same time as Tasmanians are being told that the public service will be cut by 1700 to 1800 jobs. What sort of guardrails, minister, for example, would you like to make sure are in place to protect the public interest, to protect their data, to make sure that information that's being generated is of a quality and it's factual? We've had the Premier in his state of the state address say we are fully embracing the AI revolution, which raises a lot of questions in terms of jobs, data protection, and that sort of thing. What's your understanding and expectation of what the guard rails might be, for example, around Tasmanians' data?

Mr DUIGAN - Certainly, where the government holds significant levels of Tasmanian data, like the land register for example, is well protected behind high-level industry-backed - what would you call that, sort of data-protection protocols I guess - as you would expect.

Ms O'CONNOR - Well, as you'd hope.

Mr DUIGAN - As you would expect. We do talk about those things. I'm typically reassured that those levels of things, for example, in the energy business, they're not doing these things on the -

Ms O'CONNOR - Who reassures you of that? Is it Mr Healey giving you a reassurance?

Mr DUIGAN - No. I will point to the energy businesses, for example. Aurora would hold large volumes of personal information. It has high-level protections around that as you would expect and they are independently audited and all those kinds of things.

Ms O'CONNOR - I'm not sure you understand how AI requires access to large volumes of data and that the guardrails around that don't seem to have been fully developed anywhere.

Mr GREGORY - Minister, if I may, this is a very, very important issue.

Ms O'CONNOR - I know.

Mr GREGORY - The development of AI governance and policy is done through the secretaries' board and the data and digital subcommittee of the secretaries' board. This is particularly important and there is quite a distinction where AI is being used on case studies,

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developing case examples, at the moment through Mr Healey's work. We're not talking about throwing data open to ChatGPT.

CHAIR - That's good to hear.

Ms O'CONNOR - Well, how do you stop that?

Mr GREGORY - It's been set up in a structure where the data is quarantined, it's ring-fenced, it's not drawing on external data, it's drawing internally. They're the pilots I know Mr Healey is working on.

Ms O'CONNOR - There is a lot of private information held in internal data systems.

Mr GREGORY - There is a lot of private information. But what's important is that data is not being thrown open to the broader AI sphere, if you like. It's being done in a very controlled way:

- a) to protect the data and protect personal information; and
- b) also to make sure that the AI trials aren't just pulling in data from everywhere and potentially end up with erroneous outcomes.

It's being done in quite a controlled way and being overseen by the secretaries' board.

Ms O'CONNOR - To your knowledge, are any private companies advising government on this AI push?

Mr GREGORY - I understand that there are external advisers.

Ms O'CONNOR - External advisers to DPAC?

Mr GREGORY - That's my understanding. I wouldn't look to talk in more detail. I'm getting outside of my sphere of knowledge. Mr Healey is certainly the person to speak to.

Ms O'CONNOR - Thanks, Chair. That will do me for a sec. Mr Gregory, sorry, while we're signing it, are you on that secretaries' board that is examining the AI policy?

Mr GREGORY - Yes.

Ms O'CONNOR - Is an actual AI use policy for whole-of-government being developed?

Mr GREGORY - Yes.

Ms O'CONNOR - Right. Are you able to say when Tasmanians broadly, this place, would have an ability to see that policy?

Mr GREGORY - There is continuing work on the development of a policy and the guidelines. Digital Strategy and Services, which is part of DPAC, had developed a broad framework - that's continuing to be developed and on the back of the work that Mr Healey is doing.

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Ms O'CONNOR - On the back of the work Mr Healey is doing.

Mr GREGORY - There are two bits working in parallel, in essence. The working up of a tight framework, but there's some very controlled case study work being done by Mr Healey.

Ms O'CONNOR - Okay, and is any of that controlled case study work being done in State Growth, through you, minister?

Mr GREGORY - No, we're not doing any of the case studies.

Ms O'CONNOR - Okay, and I don't want get you in trouble by asking you to talk outside your agency, but is it your understanding, through that - the secretaries board, that the controlled case study work is happening in DPAC?

Mr GREGORY - It's occurring through Mr Healey's group. I'm not sure if there are other agencies involved at the moment. Bear in mind, I've been acting secretary for two months

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Ms O'CONNOR - Yes.

Mr GREGORY - and the other conversations that have occurred. So no, I wouldn't like to provide any answer. I don't believe I'd provide the correct information, accurate information.

Ms O'CONNOR - Okay. Thank you.

CHAIR - So, just going back to some of the comments you made just a little while ago. So, if you're saying that the \$470 million per annum increase in returns to government, above and beyond what Hydro is already projected to deliver, on average, is based on higher prices as opposed to the price separation events, doesn't that mean that, overall, Tasmanians will pay a higher price, because when new contracts are negotiated, they have to factor that in, surely?

Mr DUIGAN - It's about dispatching generation at the most advantageous time. So, in order to do that, you need the ability to get it away, through interconnection, and you need the ability to hold it back via other means of generation when prices are low, so VRE, and as we've said, for Marinus, for the full case benefits of Marinus to materialise, we need to see a substantial installation of new generation in the state, 800 meg by -

Ms PINTO - Mid-2030s.

Mr DUIGAN - Mid-2030s: we have placed an expectation of Hydro to partner with 500 meg in the coming years.

CHAIR - When you say 'partner with 500 meg', what do you mean?

Mr DUIGAN - You know, principally PPAs, power purchase agreements.

CHAIR - So, you've instructed Hydro to enter into 500 megawatts of power purchase agreements?

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Mr DUIGAN - Or to facilitate those, or, you know, be a partner, or to get them up. As I say -

CHAIR - How can they get them up if they're not participating?

Mr DUIGAN - Well, there might be an intermediary through a new load centre, or something of that nature.

CHAIR - But why wouldn't -

Mr DUIGAN - There are ways and means, but you know, we need it built, Hydro is our state-owned generator, and we see that as the appropriate method to make sure that those outcomes are achieved.

CHAIR - So, minister, as you've said, and this leads into the next couple of questions I've got on this, you said that, last week, that the whole-of-state business case model, Tasmania expanding generation beyond Tasmanian demand, because Marinus provides a path to market, and you've confirmed a figure of 800 megawatt-hours, broadly, or megawatts, sorry: 800 megawatts.

Mr DUIGAN - 800 megawatts of installed generation.

CHAIR - So, what evidence do you have that this expansion will occur, given that no large-scale project has managed to proceed without Hydro underwriting it through a PPA?

Mr DUIGAN - Look, I think while there was uncertainty around Marinus, that did have somewhat of a cooling effect, but it's not been necessarily confined to Tasmania, it would be fair to say. It's been, particularly for wind, it's been a pretty slow burn of recent times. What we are seeing now, though, is, I think, you know, a great deal more certainty. I would point to recent outcomes of Capacity Investment Scheme success from Tasmanian proponents. So, we've got now two wind projects that have CIS support from the federal government, one solar project that has -

CHAIR - Which ones are they?

Mr DUIGAN - So that is the Bell Bay wind farm, Cellars Hill wind farm and Weasel Solar Farm, so they are supported through the Capacity Investment Scheme, which is essentially a floor and a ceiling type mechanism, which takes -

CHAIR - Can you explain that more broadly?

Mr DUIGAN - Well, when the price is low, the Commonwealth tops them up, so they know what the bottom point of their generation will look like. When the price exceeds a certain level, they will need to pay that back to the Commonwealth. So, it's just essentially a risk mitigator that gives them some certainty. We've seen Hydro partner with the Northern Midlands Solar Farm with a PPA for that project, and other projects progressing through the approval stage. There will be further CIS auctions as well - CIS allocations. Again, Hydro's back in the market for more generation at the moment with another expressions of interest. So, there's a fair bit going on and, while all that's happening, to provide the certainty that generators need to get to market, they're all working their way through the approvals processes as well.

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I think there's four in the major approvals process and there's various projects that are making their way through LUPAA and various others. There is movement; it doesn't happen overnight, but it -

CHAIR - It certainly doesn't.

Mr DUIGAN - No.

CHAIR - Minister, if modelling assumes in a large degree of new generation, 800 megawatts, will be built, and I assume that means being built for export?

Mr DUIGAN - No, being built. It sort of depends. If Firmus stage 4 goes up - not that that's a thing and maybe I should use another name - but that's a pretty big load. That's a load the same - similar scale to Bell Bay Aluminium. If we're using that load on-island, then that wouldn't obviously be then available for export; but if it doesn't materialise, then there is the opportunity to get it to market in Melbourne.

CHAIR - As I understand, and correct me if I'm wrong, that one of the expectations from the Commonwealth, particularly under the Capacity Investment Scheme that you referred to, is that new load will bring new generation?

Mr DUIGAN - Yes.

CHAIR - Correct?

Mr DUIGAN - Yes.

CHAIR - So, if that's the intent, and I understand with some of the hydrogen projects that's the intent -

Mr DUIGAN - Yes.

CHAIR - then that energy will, by and large, not be available for export. If you're counting - is the 800 megawatts required to support the business case that says \$470 million additional per annum -

Mr DUIGAN - Yes.

CHAIR - returned to the government; does that assume an extra 800 megawatts for export?

Mr DUIGAN - No.

CHAIR - What does it assume, then?

Mr DUIGAN - I think what it would assume, and I would be happy for Sean to correct me if I go off the rails, but it assumes the ability of Hydro to throttle back. Tasmania is an interesting load case, because of our load profile of our MIs, we have a relatively flat load profile throughout the day. That's not the case in Victoria, and that's where our opportunity exists. The load profile in Victoria is very much that high in the morning, low through the day,

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high at night. Tasmania is much more flat. So, we need energy in the state to feed that flat demand curve through the course of the day. Ideally, we would like to see that either generated on-island or brought from the mainland.

CHAIR - That's current, without these new, big loads coming in? This is before -

Mr DUIGAN - Yes, again, they will be pretty flat. So, where was I going with this?

Mr TERRY - Yes - and I just want to make sure Ness can jump in - the Marinus business case assumed that we would basically contract existing MI load, would contract with Aurora going forward, and essentially, as I -

CHAIR - In a business-as-usual type of mode?

Mr TERRY - Business as usual: it was kind of modelled on that kind of business as usual, and, yes, to underpin that we would need to bring on 800 megawatts of new wind because that would help -

CHAIR - Or new variable renewable - might not be all wind.

Mr TERRY - New VRE, and that would help release some of Hydro's dispatchable capacity into the NEM. Now, if we get new load, well that kind of changes that business case -

CHAIR - Exactly. That's my point.

Mr TERRY - so you have to bring on new VRE and that would free up more - hopefully, potentially more capacity for Hydro to get in to dispatch that energy, consistent with its original business case.

CHAIR - But we saw - and I go back to Cassy's points about the climatic conditions that will see it dry out - we saw in those years the reason we didn't go below the prudent storage level was because we used a lot of gas and we imported a heck of a lot.

Mr DUIGAN - Yes. Well, certainly it helps, yes.

CHAIR - Well, that that's how we did it. You don't agree that that's how the prudent storage level was maintained, by using -

Mr DUIGAN - We ran the gas for a period of time.

CHAIR - And imported a lot.

Mr DUIGAN - Yes. That's the value; that's the energy security value.

CHAIR - Yes. I'm not disputing that. The point is if the CIS requires new load to bring on new renewable, that's going to be sort of a circular argument on the island; the new load predominantly provides the energy, sorry -

Ms O'CONNOR - The demand.

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CHAIR - the demand for the new renewable generation that comes on and that doesn't add to, what I understand the business case to be based on, the 800 megawatts of a new renewables that can be used to enable Hydro to save its water and just sell it at the times that the prices are better. Isn't that what the business case was premised on?

Mr TERRY - Yes. Through you, minister, the CIS is all about generation. So, it's only about generation and storage, so there's no link to load in that new VRE, so essentially, when you kind of bid into the CIS, you have to nominate a strike price - AEMO run a whole range of auctions, and to the minister's point, that strike price is what you're guaranteed over the duration of the CIS scheme, depending on - there's no link to load. It's purely generation and storage bidding into the CIS.

CHAIR - So where's that expectation come from that new load will bring new generation? Because you just did say that was true. Where's that? Where's that sit?

Mr DUIGAN - It is a -

Mr TERRY - Well, basically, it's essentially a principle we've been applying as we're dealing, trying to manage this kind of really big step changes in load and demand. Now, I can give you a concrete example recently - and you can talk to this minister - at DCMC, Energy ministers agreed to a number of principles around data centres particularly and the two kinds of key principles are, yes, they those data centres must bring new VRE.

CHAIR - So it's just really related to data centres not other new load, is that right?

Mr TERRY - No, no, no, we apply that principle to other loads.

CHAIR - Right.

Mr TERRY - You won't find a document with it all written up. These are essentially kind of the principles that we're applying when we're discussing new load coming to Tasmania, but that one is prescribed.

CHAIR - What you're saying to me, Sean, I think and correct me if I'm wrong here minister, is that the policy position of this government is that if we're to accept new load, like data centres, like hydrogen generation, whatever it is, that those new loads will bring with them, effectively, or make sure that they're using, new generation, not Hydro.

Mr DUIGAN - Yes.

Ms O'CONNOR - How does that work?

CHAIR - If I then go back to the point that, if that new renewable that the business case sat on at 800 megawatts, if it's all being used on-island by new load, then I can't see how the business case can support that \$470 million additional return from Hydro as a result of that, because there won't be that much more renewable to sell into the market when the prices are low.

Mr DUIGAN - But that is to ignore the fact that Marinus Link will be sitting there either as a generator or a load.

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CHAIR - It won't be a generator. Marinus Link is not a generator.

Mr DUIGAN - Well, it's a generator or a load. You know, it's either.

CHAIR - It's a transmission.

Ms O'CONNOR - How does it generate? It's a link.

Mr DUIGAN - Well, if you're sitting at the end of it and it's still delivering at 750 megawatts of power, it's.

CHAIR - It's not generating, it's delivering it.

Mr DUIGAN - It acts like a generator or a load. It's either a load or a generator.

CHAIR - It's either providing, it's providing energy one way or the other.

Mr DUIGAN - Well, it's the same, you know, a generator provides energy, load takes energy, and Marinus Link does the same.

CHAIR - No, it doesn't.

Mr DUIGAN - Yes, it does.

CHAIR - It just delivers it.

Mr DUIGAN - Well, you know, that's semantics but -

CHAIR - I'm not sure it's semantics.

Mr DUIGAN - But, that there, that sits there along with Basslink to provide 1250 megawatts of energy into the state so Hydro doesn't have to generate in those periods. If all the other VRE is taken up delivering energy to new load.

CHAIR - But that's new load. The whole-of-state business case assumed -

Mr DUIGAN - So the new load has its new energy deliverance.

CHAIR - And new demand.

Mr DUIGAN - Yes. Marinus and Basslink combined are able to supply the entirety of Tasmania's current load when the price isn't advantageous to Hydro. When it is, Hydro flips on.

Ms O'CONNOR - Can I just check something there Chair? So, the Boyer paper mill wanted to switch from coal to electricity and government said there weren't enough renewables there for Boyer to do that, as I understand it.

Mr DUIGAN - I don't know that government ever said anything of the sort.

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Ms O'CONNOR - Well it became - it seemed to have become impossible for them to do that when all they would have used was an extra 45 megawatts. So, there's been a promise by government - now we hear the total data centre consumption will be somewhere around 400 megawatts. Why was Firmus prioritised over Boyer, which is a longstanding major industrial and employer in Tasmania that really has, over the journey, very much tried to modernise, be a responsible corporate citizen? So we get a government that says 'no' to Boyer for 45 megawatts and 'yeah, yeah, yeah' to Firmus for a much larger consumption.

Mr DUIGAN - I absolutely reject the premise of the question. There is -

Ms O'CONNOR - Set me straight then.

Mr DUIGAN - available energy for Boyer.

Ms O'CONNOR - Right.

Mr DUIGAN - There absolutely is. Boyer and Hydro are in conversation. Have been in in conversation. There is a commercial imperative around securing new energy, additional energy.

Ms O'CONNOR - There's also a climate imperative because Boyer has been burning coal and they don't want to anymore.

Mr DUIGAN - Of course there is and all of those things are considered at a great level of detail by government, but there is no truth in the assertion that there is no energy for Boyer.

Shane, you sit across -

Ms O'CONNOR - What was the message that government gave to Boyer when they approached government or Hydro or whoever and said we want to make the shift?

Mr DUIGAN - Well, there are a number of approaches that have been made, Shane - and this is, you know, it's appropriate to Energy, but it does go across businesses and industry.

Ms O'CONNOR - I know

Mr DUIGAN - Shane sits across a number of those areas and perhaps could speak to this with some details.

Mr GREGORY - Through you, minister, and I will speak cautiously because there are commercial conversations happening through the TD board and Hydro and so on. The Boyer situation has a number of factors attached to it, not just power, that lead to its commerciality and where government might progress from here. So, there are a number of conversations happening with government around Boyer and what its future looks like. It's not just related to power but, as the minister said, Boyer has continued to talk to Hydro about power. It's not about the availability of power. It is a discussion around the pricing of power.

Ms O'CONNOR - The pricing of power?

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Mr GREGORY - Yes.

Ms O'CONNOR - Okay, alright.

Mr DUIGAN - I think we've been, as a government, very clear, in terms of our intention to prioritise power for our existing major industrials, given all the benefits they provide to the state.

Ms O'CONNOR - So can you confirm, just restate perhaps, since I'm really clear on it, what you said earlier about Firmus's power arrangements. It's the government's expectations that they'd pay a commercial rate for that power? Quite unusual really.

CHAIR - Can you say something out loud for the purpose of *Hansard*?

Mr DUIGAN - Certainly it is the government's expectation that new load and data centres are being included in that payer commercial rate.

Ms O'CONNOR - Are there other data centre operators that have approached the Tasmanian government about establishing in Tasmania?

Mr DUIGAN - Look, I mean, yes.

Ms O'CONNOR - There are? Beyond Firmus? What are you people going to do to this island over the journey? My goodness.

Mr DUIGAN - I believe, you know, it is - honestly. Honestly.

Ms O'CONNOR - Well, are you going to turn us into, sort of, an island covered in big boxy data centres that are churning out AI slop. I mean, what is going on here? Haven't we got a better vision for the future of Tasmania?

Ms THOMAS - The Treasurer didn't even mention it yesterday when I asked how you're going to bring new industries in.

Ms O'CONNOR - Yeah, no, that's right.

Ms THOMAS - He didn't reference it.

Ms O'CONNOR - No, well because perhaps government knows it's quite unpopular. I mean in the US, there are whole communities that are -

Mr DUIGAN - You need to, you know, rationalise why you would say it's unpopular.

Ms O'CONNOR - Well, it's about moderation in all things, I think, and it's quite unpopular because there's been a process of full steam ahead with AI integration into government and private systems, AI data centres consuming large amounts of power and water, and AI displacing graduates who are coming out of university with a whole range of skills. Of course, there's an issue in the public mind about this technology - and the evasiveness, or the lack of answers from government on it, doesn't provide much confidence. And now we know - we've just discovered - that's there's more AI data centres potentially coming.

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Mr DUIGAN - No. I never said that.

Ms O'CONNOR - You said you've been approached, and this is a government that pretty much says yes to everything.

Mr DUIGAN - I don't think we would be on our own. I think geopolitically stable areas are attractive for a number of reasons.

Ms O'CONNOR - Also areas where you've got governments that are a pushover for any sort of development.

CHAIR - Can I just go back to what I was pursuing around the expectation that Hydro Tasmania will enter into, I think you said, 500 megawatts of power purchase agreements to -

Mr DUIGAN - Help facilitate the, you know - yes.

CHAIR - The requirement that the business case, the whole-of-state business case that Marinus sits on. If modelling, as you've said, assumes a large degree of new generation will be built for export, and we've clarified that a lot of it won't be -

Mr DUIGAN - Well, this is, again, I think, to overemphasise this idea of export.

CHAIR - But how can you make money in a higher-priced market if you're not exporting it?

Mr DUIGAN - Well -

CHAIR - That's what you've said earlier, that that -

Mr DUIGAN - No. No, I haven't. If you're a generator in Tasmania, you get paid the Tasmanian spot price. So, you know, whether you sell it here or send it across the link, you get paid the Tasmanian spot price.

CHAIR - Yes. That's right. Did the government model the cost to Hydro, and therefore to Tasmanians, of underwriting the generation, the 500 megawatts at least, especially given Woolnorth and Granville are loss-making PPAs with Hydro?

Mr DUIGAN - Did we ask Hydro?

Ms PINTO - I will have to check with my colleague in terms of the assumptions relating to VRE coming online. The assumptions with regards to load were very clear, as the minister noted, in terms of existing load being in place, so major industrials, and the forward projection of those - of that modelling was on the basis of Hydro, as the minister has said, trading into a national market, and the returns it would receive, leveraging also its latent capacity. I'd have to check if there were any assumptions. I will check with my colleagues if there were any assumptions with regards to bringing on of new VRE, and any assumptions with regards to the cost of those PPAs.

Mr DUIGAN - What I can say in terms of the PPA that has been signed with Northern Midlands Solar Farm is - my understanding is that that is a commercial agreement.

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Ms PINTO - Through you, minister, my colleague has confirmed that the Northern Midlands Solar Farm, since at the time of the modelling, was - has progressed through a contracting process that was considered, but other than that, no further assumptions were made with regards to PPA.

CHAIR - We're saying that the one PPA that's been entered into since this with the Northern Midlands Solar Farm is not an onerous contract -

Mr DUIGAN - No.

CHAIR - that will be a profitable contract?

Mr DUIGAN - Yes.

CHAIR - You're absolutely certain of that?

Mr DUIGAN - Well, that's, you know, on the basis of which it was entered, yes.

CHAIR - What do you mean?

Mr DUIGAN - Well, it's a commercial contract. It's in the black, it's -

CHAIR - So is the one with Woolnorth and Granville Harbour -

Mr DUIGAN - Yes.

CHAIR - Or ones, there are two different ones there, both loss-making, Woolnorth particularly. I mean we know this because Woolnorth, because they're mostly owned by the Chinese now, we've only got a quarter share, publish all their financials on that thing called the internet. It's all there, even though Hydro won't give us the numbers that appear in that, they will -

Mr DUIGAN - Good.

CHAIR - because it's required. It's a loss-making PPA. You're saying that you're going to encourage Hydro to enter into 500 megawatts of power purchase agreements -

Mr DUIGAN - Yes.

CHAIR - And none of them will be loss-making?

Mr DUIGAN - Well, no. We are going to Hydro, as our state-owned generator, to facilitate the bringing to market of 500 megawatts of power, whether that's through PPA or other mechanisms, but yes.

Ms O'CONNOR - At a loss: will it be sold at a loss?

Mr DUIGAN - Well, what I'm saying is that the one that they have done is on commercial terms.

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CHAIR - And it won't be loss-making?

Mr DUIGAN - No. Well, you know, they have entered into it on commercial terms, that they are satisfied with not loss-making.

CHAIR - We will take a break. It's 11, and come back at a quarter past, perhaps continue with a couple of questions in this area.

The committee suspended from 11 a.m. to 11.17 a.m.

CHAIR - Thanks, minister. If we can pick up again on the matter we were talking about before the break in relation to the Power Purchase Agreement and the expectation that Hydro will facilitate, which may include entering into power purchase agreements. How can the whole-of-state business case assume Tasmania will build more generation than it needs for export when the government has done no modelling on who pays for the power purchase agreements required to make these projects viable.

Mr DUIGAN - Thanks, Chair, I appreciate the question. We will come back to that if you don't mind. I believe I can throw it to Shane, who has some information regarding SSMO reporting from earlier in the session.

Mr GREGORY - Thank you, minister and through you to the Chair. There was a question earlier on the reporting of operational efficiency progress to the State Service Management Office. The State Service Management Office has been providing routine disclosures regarding FTE headcount across agencies since February and that will continue. They've been collecting that information for a period of time before that, but since February it's been open disclosure so, you will be able to see what's happening.

CHAIR - In FTEs.

Mr GREGORY - In FTEs and so on. SSMO won't be involved in operational efficiency progress reporting. That will be a function - we understand the Treasurer indicated in committee yesterday - that would be done through budget committee. Agencies would be reporting back to budget committee, which is what I would expect that's where the process would be. Any other requirements that might occur would be a matter for the Treasurer and Treasury, but that's what we understand the reporting process will be.

CHAIR - Just on that, if we go back to this question I just put to you, minister. In order for the people of Tasmania and members of parliament to see how these savings are being met - rather than have to wait till an update in the Revised Estimates Report, which I understand will occur, then how are we to be aware that there is even a snowflake's chance of achieving the savings required in the Budget? When we look at the parameter changes - and I will come to that and I might pursue this line for a minute, minister - and the policy changes which are the operational efficiency requirements, how are we going to see how that's progressing? Or won't we? We will just have to wait till next year's Budget, when it might all be a bit too late.

Mr GREGORY - Through the minister, I don't know what the plan is beyond that, just the indication yesterday from the Treasurer that agencies will be required to report progress back to the budget committee. That's what I would expect to see.

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CHAIR - My question was, is there going to be any visibility of these savings? How you're progressing, how each agency is progressing. I know you have a bigger agency than just this line, against the expectations that are clearly stated in the policy and parameter statement?

Mr GREGORY - I'm not aware of what the Treasurer has in mind in that regard.

CHAIR - Pardon?

Mr GREGORY - I'm not aware of what the Treasurer might have in mind in terms of that broader report.

CHAIR - So, just to go, then, to the policy and parameter statement in 2026-27, you have \$80.7 million of administrative parameter adjustments. What do they relate to?

Mr GREGORY - I think we might have to take that on notice in terms of the exact detail of that.

CHAIR - These are cost escalations that are unavoidable. I will put it on notice to you, minister, what the \$80.7 million for 2026-27, the \$29.5 million in 2028 -

Mr DUIGAN - These are across State Growth, all of State Growth?

CHAIR - State Growth, because we don't have any breakdowns.

Mr DUIGAN - Are you content that you can get the -

CHAIR - This is the administrative parameter adjustments, the unavoidable cost increases that State Growth needs to bear. They've been acknowledged that these are costs you can't cut. Isn't that how - what it is?

Mr DUIGAN - If the acting secretary is comfortable to take that on notice and provide some detail.

Mr GREGORY - We're comfortable to provide some broad categories of those adjustments. I can take that on notice.

Mr DUIGAN - Good. Thank you.

CHAIR - When you look at 2026-27, this Budget we're looking at, \$80.7 million of parameter adjustments, and then we go to State Growth's operational efficiencies, there's \$16.4 million, so you may as well just take that straight off the top, but I'm just interested to know what sort of things are in the unavoidable category in the parameter adjustments; do you understand?

Mr GREGORY - I understand the question.

CHAIR - Yes. Back to the other question, minister.

Mr DUIGAN - Would you mind restating, please, Chair. Thank you.

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CHAIR - Minister, the whole-of-state business case assumes that Tasmania will build more generation, and more than it needs, to export. My first question is: what modelling has been done on who pays for the PPA and the impact that will have for these projects to be viable? Have you done modelling to see how much, potentially, Hydro could be up for to make these projects viable, based on the fact that we had a discussion earlier that Woolnorth and Granville, for example, are onerous contracts and loss-making PPAs?

Mr DUIGAN - I'm not sure that the whole-of-state business case in my memory contemplates who's paying for new VRE. Sean, is there anything that you're able to add there? I think, again, relying on my memory, the whole-of-state business case and the addition of VRE is required, obviously, to maximise the Hydro Tasmania position. As I said, I don't remember it contemplating who - or whether there were impacts to Hydro's bottom line from any PPAs involved there.

CHAIR - Wouldn't it be an important point to have modelled and looked at, minister, based on the fact that this presumes 800 megawatts of new renewable energy, 500 megawatts of which Hydro Tasmania needs to facilitate and possibly enter into power purchase agreements with, by your own admission?

Mr DUIGAN - I think you're asking it to assume that they would be onerous or otherwise. As I say, I don't know whether - I can't recall whether there is any detail in the whole-of-state business case around that particular issue.

Mr TERRY - All I can go to is the assumptions that were behind the whole-of-state business case, so that assumed the 500 megawatts would just turn up, so, you know, there would -

CHAIR - What, magic?

Mr TERRY - Well, not magic, but once they get access to market, that 500 megawatts through Marinus would allow - free up Hydro's dispatchable capacity, so - yes.

CHAIR - Let's assume it doesn't - there's no extra new load coming. We already know that Firmus has three big loads in the offing.

Ms O'CONNOR - 400 megawatts in total.

CHAIR - That's right, yes. So, that's soaked up most of that. There's the hydrogen, that's another big load.

Mr TERRY - None of that was built into the business case. The business case was built on a kind of, I suppose, a base case, which is -

CHAIR - Business as usual - no change.

Mr TERRY - Business as usual: that's right, exactly.

Ms PINTO - In the whole-of-state business case, I think there was also a scenario of some additional load being factored in, but as the - dependent upon the balance of supply and demand, what is expected is that the market will bring forward new renewables to market to

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respond to demand that's appearing into the market. So, in the integrated system plan, there are a number of scenarios that considers the incremental or organic growth in demand or load. It also considers a more step change in loads. So, these scenarios are considered and they were utilised as the basis for the whole-of-state business case - was calling upon what the Australian Energy Market Operator had modelled in the integrated system plan as its base scenarios. So, there was an expectation about, in the different scenarios, of certain amounts of load coming on into a market.

CHAIR - So it was modelled in, additional load -

Mr TERRY - Yes.

CHAIR - is that what you're saying? Just to be clear.

Mr TERRY - I just want to correct the record. Yes, I'm now getting advice, there was some load.

Ms PINTO - Yes, so, because the whole of state -

CHAIR - How many megawatts of load was modelled in?

Mr TERRY - We're just trying to confirm that at the moment. We will come back to you on that -

Ms PINTO - Yes. I can't recall the correct - I can't recall the exact figure off the top of my head.

Mr TERRY - but I'm getting some advice, there was some incremental load built into the base case, essentially, so -

Mr DUIGAN - There's incremental in the base case and then there's a step change as well.

Ms PINTO - Yes. There were - progressive change and step change are the scenarios.

Mr TERRY - Yes.

CHAIR - Over the last couple of years, Hydro has had declining generation; is that true?

Mr DUIGAN - I would need to check; I think - yes, in fact, the last two reported years, yes, that's correct.

CHAIR - Attributed partly to increased photovoltaic on people's roofs and behind-the-meter generation that's not counted in generation?

Mr DUIGAN - And you know, again, the two driest years on record.

CHAIR - Yes. But so, with the - Tasmania has - Cassy will probably know the answer to this more too, some of the lowest penetration of rooftop solar in the NEM by state. Obviously, that person, with the emergence and improvement of battery storage - and there has

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been federal government initiatives and funding support for people to install batteries, to support their rooftop solar; what modelling have you done to see how much that will impact on Hydro's generation, or the demand that comes to Hydro? There's going to be more and more taken out of that picture as more people put in batteries, when the thing, the subsidy, I think, changes on 1 July, so I imagine everyone's dashing in to get theirs done before then, but it doesn't go away -

Mr DUIGAN - No.

CHAIR - it just reduces.

Mr DUIGAN - Yes.

CHAIR - So, there is significant support federally for these sorts of measures to reduce the load from our generators. So, what does that mean for Hydro?

Mr DUIGAN - Well, it is one of the aspects of a changing energy landscape in Tasmania and across the country. The cheap home batteries program has been really successful; we have in Australia installed a lot of batteries. In a global sense, Australia is, I think, now the world leader in terms of home batteries; but I don't think - you know, I think it is one aspect, but it's not a major determinant of the demand for electricity, and the need to supply it in various quantities going forward. Vanessa, have you got anything you'd like to add?

Ms PINTO - Yes. Thank you, through you, minister, just some information for the committee on solar uptake, and then I will also refer to the Chair's reference to uptake of battery and implications for Hydro as a capacity in the market. So, Tasmania's rooftop solar installations and uptake is lower than other mainland jurisdictions, but the Tasmanian Economic Regulator in their Energy in Tasmania report has identified for 2023-24 to 2024-25: a 12 per cent increase across that period of time. So, what we've seen associated with that is a 30 per cent increase in the amount of solar generated that's also being exported into the grid. So, this is really positive. Tasmanians have been investing -

CHAIR - That doesn't count the behind-the-meter usage either?

Ms PINTO - That's correct. It can be used within the home, as you're referring to, as well as exported. So, currently the Clean Energy Regulator cites 62,000 Tasmanian households and small businesses with solar PV systems with an average capacity of 8 kilowatts. That's a little bit of statistics about Tasmania and our uptake of solar and, as the minister has mentioned, there's been a number of initiatives sort of supporting that, that have brought on people's ability to invest in those systems.

More broadly, in terms of what the National Electricity Market needs, particularly for a market - we're obviously in a very different position in Tasmania with our profile where we have been majority hydro and renewable for a very long period of time and our installed capacity has sufficient installed renewable capacity to offset our demand to be classed as 100 per cent renewable on the basis of installed capacity. The issue across the market is, as you see generation exiting the market, the minister referred to coal - coal is what is classed as a baseload form of generation, similar to hydro.

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The issue, and the most recent integrated system plan - I referred to, the Australian Energy Market Operator, that is the national body that undertakes long-term planning for the National Electricity Market - its most recent draft integrated system plan for 2026 does look at the uptick of solar and other forms of self-generating and batteries for both small business and residential. It notes, actually, that the case, for example, for Marinus Link stage 1 and stage 2 remains to be of a priority, remains actionable. The reason it's actionable across the optimum development path is because hydro and long-duration storage is essential; that is becoming more and more valuable. What you have with solar on a roof and a battery, is short-term coverage. What is needed, is long-term duration and that is what is being regarded more and more as a priority. What you're going to see is a mix that's needed. It's really positive that we're seeing across the national -

CHAIR - Well, the Victorians know this happening, too, I think, don't they?

Ms PINTO - Beg your pardon?

CHAIR - The Victorians know this happening, too, don't they?

Mr DUIGAN - It's a good question.

CHAIR - They're just as worried about the withdrawal of coal as anybody because the one that's being withdrawn is in Victoria first.

Mr DUIGAN - Yes, it is.

CHAIR - Yes. So, they sort of know that's happening, don't they?

Mr DUIGAN - Yes.

CHAIR - Do you talk to the Energy minister in Victoria.

Mr DUIGAN - Yes.

CHAIR - Did that person know it's happening?

Mr DUIGAN - Yes, and they're putting a lot of eggs in offshore wind and it will be interesting to see if they can make the timeframes line up.

CHAIR - So, they're planning for it? They're also doing batteries, like large - I know it's short-term, but they are getting longer, they're improving that technology all the time. I did hear a podcast the other day -

Mr DUIGAN - I'll give you my battery statistic, if you like. So, the largest battery in Australia is the Waratah Super Battery of 1600 kilowatt-hours - it might be megawatt-hours.

CHAIR - You're getting a nod from behind you to say it's megawatt-hours.

Mr DUIGAN - Megawatt-hours. The total storage capacity of Hydro Tasmania's current fleet is 14 terawatt-hours -

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CHAIR - Yes, I'm not disputing that.

Mr DUIGAN - Which is how many big batteries? About 900,000 of them - of the biggest batteries in the country. We are and have built over a century a massively valuable asset.

CHAIR - No one's disputing that.

Mr DUIGAN - No, but now is our opportunity -

Ms O'CONNOR - All of it counts on rainfall, though. All of it.

Mr DUIGAN - Now is our opportunity to derive a great return for the people of Tasmania, who own it.

CHAIR - Can I just confirm then, with the modelling that was done - so there was not modelling, correct me if I'm wrong, for directional pools in the whole-of-state business case or residue allocation or the importer-favoured rule before Marinus was approved? There's no modelling of those matters - you basically said earlier that there's no modelling of that. It was really -

Mr DUIGAN - Are we back on -

CHAIR - We're back on, well, it does relate to that.

Mr DUIGAN - Sorry, I missed your question.

CHAIR - Was there modelling provided into the whole-of-state business case on directional pools, residue allocation and/or the importer favoured rule where the majority of the benefit goes to the importing jurisdiction?

Mr DUIGAN - I don't think, and I stand to be corrected, that the whole-of-state business case considered that aspect. Sean, did it?

Mr TERRY - Look, just in general terms, I mean Hydro ran numbers of scenarios and modelling as part of the FID assessment. I would have to go back and have a look at each of those scenarios. The one that kind of delivers the 470s essentially, let's say the average of all those models or the base case, but we'll have to go back and check. I'd be racking to talk off the top of my head.

Mr DUIGAN - Yeah and I shouldn't either. But, noting, I guess, that for all of its life Hydro has had access to all of those interregional residues -

CHAIR - Back in the day, we paid a lot of money to be hooked on to Basslink and then we did get them.

Mr DUIGAN - Yes, and that's right.

CHAIR - But now this year we get nothing?

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Mr DUIGAN - To my point, you know, so Hydro has a deep level of knowledge about what that looks like and -

CHAIR - They don't know what it looks like under a regulated link.

Mr DUIGAN - ultimately, the value that is there.

CHAIR - They haven't operated with a regulated link yet. That will start 1 July.

Mr DUIGAN - That's right.

CHAIR - We've had two very different years of operation.

Mr DUIGAN - Yes.

CHAIR - One on the back of, since Basslink was in place where we paid lots of money to hook up and then we got the inter-regional revenue money from there. And this one, where it all goes to APA, all of it. Not that there's been that much because they've not used it a great deal. So, I'll put that question to you on notice, minister, and also ask that if there was modelling -

Mr DUIGAN - What exactly was the question?

CHAIR - The question is, was modelling done on the directional pools, residue allocation or the importer favoured rule, regarding Marinus? The second point I want to ask - it appears it probably needs to be taken on notice, too - is was there modelling done on the expected northward and southward pool values over the life of Marinus?

Mr TERRY - We'll have to go back and take it on notice and check. Off the top my head I just can't recall the assumptions that were built into range models.

CHAIR - That's fine, I am happy for you to take it on notice.

Ms O'CONNOR - Minister -

Mr DUIGAN - You seem upset.

Ms O'CONNOR - Well, I mean it's a 25-minute question session from one individual at the table and I, you know, I'm just not sure it's reasonable, but anyway, I'll move on.

What volume of energy, minister, does the government expect to allocate to AI data centres in Tasmania over the forward Estimates?

Mr DUIGAN - Well, as I understand, Aurora has a 104 megawatt contract with Firmus AI, and I don't believe we've received any further connection applications at this time. Noting that, and I think it's well canvassed in the public arena, that all three stages of Firmus are circa 400 megawatts and we would expect to see applications for that. So, I would expect in the realm of 400 megawatts.

Ms O'CONNOR - Over the forward Estimates.

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Mr DUIGAN - Yes.

Ms O'CONNOR - Okay, and so you confirmed earlier that other potential AI data centre operators or operator have approached government.

Mr DUIGAN - I should clarify that I think - I certainly haven't had an approach. No-one has approached me or my office. But I would have said, I think I have heard it said, so don't rely too heavily on that. That might have been me waxing a bit.

Ms O'CONNOR - Well, no, you said it at the Estimates table, so let us presume it is true.

Mr DUIGAN - So let me -

Ms O'CONNOR - For the purposes of the argument.

Mr DUIGAN - Anecdotally, I think I have heard that there may have been approaches made or words to that effect. Certainly, in other jurisdictions, you know, there is a high degree of interest in Australia, in the US, in Canada, in those very stable geopolitical areas.

Ms O'CONNOR - Do we think the US is stable geopolitically these days? I might ask you to tell the truth at this table, minister. I'm not sure it is. But anyway, so there's no further information you can provide to us about potential other data centre operations.

Mr DUIGAN - No, I'm certainly not aware of anything.

Ms O'CONNOR - Would that go through the Office of the Coordinator-General, do you think, or how would that work?

Mr DUIGAN - Quite possibly - that would be the logical conduit, I would have thought.

Ms O'CONNOR - Okay, alright. Have we established over the course of the Estimates, you may have been asked this question in the other place, what is the full extent of the borrowings to date for Marinus Link and the north-west transmission line, and is there a list with the breakdown of interest to be serviced on those borrowings?

Mr DUIGAN - In terms of Marinus Link, the Tasmanian government has kept its equity position at \$103.5 million, which is money expended while Project Marinus was a wholly owned project of TasNetworks. We have kept our equity exposure to Marinus Link. The government has made good to TasNetworks that level of spending to reflect our ownership in MLPL Company, the holding company for Marinus Link. In terms of North West Transmission, there is an expectation the Tasmanian government will provide 16 per cent of the equity, and there is an allocation in the Budget this year.

Ms O'CONNOR - Borrowing about \$1.2 billion?

Mr DUIGAN - Against financing from the Clean Energy Finance Corporation at deeply concessional rates, which is very important to recognise, and the benefit of that concessional financing is a flow through to customers. That's one of the ways that we're making this stack up particularly well for Tasmania.

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Ms O'CONNOR - Well, the federal government did chip in \$318 million to offset -

Mr DUIGAN - It was \$356 million.

Ms O'CONNOR - Okay, \$356 million to offset the increase in power prices that would be caused by Marinus. How long do you expect that subsidy to last?

Mr DUIGAN - Sorry, it's important to recognise that the concessional finance does the same thing. It needs to be considered in its totality, but I understand the grant, the \$356 million, represents about a \$15 million saving across the life of the project per annum to customers.

Ms O'CONNOR - Okay. Your initial promise was that Marinus would bring down power prices, which you can't possibly do without a subsidy.

Mr DUIGAN - We are happy to stand behind the fact that power prices in Tasmania are lower with Marinus than without Marinus.

Ms O'CONNOR - Thanks to the federal subsidy.

Mr DUIGAN - Thanks to the deal we have done. It would be a perverse outcome if we entered into this agreement that put Tasmania on a worse footing. That's not something we would seek to do as a government. Marinus has a number of benefits, own source revenue is one of those benefits, energy security, which tends to get underplayed in this conversation, is another one of those benefits. There are a number of benefits that Marinus brings.

Ms O'CONNOR - Do we have an assessment or an understanding of the -

Mr DUIGAN - Sorry, I will just correct the record: I said \$356 million. It's \$346 million.

Ms O'CONNOR - Thanks, minister. It's good to see you correct the record quickly, unlike your former ministerial colleague. Do we have a picture of how much federal funding in total from Australian Renewable Energy Agency, the Clean Energy Finance Corporation and any other federal programs there have been ploughed into Tasmania for Marinus Link, the North West Transmission line and Battery of the Nation since 2017?

Mr DUIGAN - I mean, we would.

Ms O'CONNOR - It's the totality of federal funding for those state projects.

Mr DUIGAN - And noting the concessional financing arrangements for the North West Transmission Developments are still not in the public realm. They are in the hands of the Joint Select Committee, but not in the public realm and we seek to keep that the case.

There has been significant federal investment into it and that's reasonable. As we were just talking about, Marinus Link does provide benefits to the National Energy Market, no question about that, but it also provides significant benefit to Tasmania.

Ms O'CONNOR - Can I ask, I mean, thanks for your sort of non-answer. You're happy to take that on notice because it's just a calculation, isn't it?

Mr DUIGAN - Yes.

Ms O'CONNOR - Thanks very much. Can I ask you about the orange-bellied parrot recovery program as it relates to Robbins Island. As you know, the funding for the program through NRE has been cut, but one of Murray Watt, the federal Environment Minister's, conditions for approval of Robbins Island is the developer ACEN has to provide funding for an orange-bellied parrot conservation program. Are you across what ACEN is doing to protect the orange-bellied parrot?

Mr DUIGAN - Sorry, I'm certainly aware of the program and ACEN and I'd need to seek some detail about it. ACEN's long been involved with work that was going on more broadly around orange-bellied parrot tracking. Vanessa, you might have some detail on what that program looks like.

Ms PINTO - Thank you and through you minister and note this is information that National Resources and Environment Tasmania has on their records - I'm referring to. This is advice I have received from that department in relation to orange-bellied parrot tracking data and assessments of Robbins Island. There's obviously been a lot of investment the government has made in cutting-edge tracking studies of OBPs if you don't mind me using that acronym because it's quite a long term.

Ms O'CONNOR - But that's ended, hasn't it?

Ms PINTO - Yes.

Ms O'CONNOR - The government's tracking.

Ms PINTO - Yes. Over the past three breeding periods, the OBP team has been looking at tracking of those birds and as part of this tracking program, there's a network of receiver stations established across key locations including the Bass Strait Islands and the Victorian coast. Together, the transmitters and receivers enabled detection of tagged birds.

A wind farm proponent, ACEN, has also installed receiver stations on Robbins Island, and data from these towers contributes to the data that NRE Tas is collecting as a part of that tracking project. I have here the program released its first annual tracking report at the end of 2024.

Ms O'CONNOR - How's that poor little critically endangered bird tracking?

Ms PINTO - Sorry, beg your pardon.

Ms O'CONNOR - How is it tracking?

Ms PINTO - I don't have that information available here. That's the extent of the information I have available in front of me.

Ms O'CONNOR - Is it possible to put that on notice? What are the results of the tracking?

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Mr DUIGAN - You will have environment this afternoon and they have that detail.

Ms O'CONNOR - Unfortunately, we don't have a minister for the environment because your colleague wasn't honest with this committee.

CHAIR - You will have; he's being sworn in today.

Ms O'CONNOR - Who is it?

CHAIR - Mr Abetz.

Ms O'CONNOR - Sorry, for environment.

CHAIR - Yes, only temporary for now. He will be the minister, though.

Mr DUIGAN - And the department will be here, and they will be able to furnish you with detail.

Ms O'CONNOR - I mean I guess as Energy minister, though, in a significant part responsible for the Robbins Island approval, do you believe it would be appropriate for NRE to continue to have a monitoring role?

Mr DUIGAN - I would just quickly need to push back on your assertion that I am responsible for the approval. I don't know that is borne out in any way, shape or form.

Ms O'CONNOR - You got your pom poms out and cheer-led for the project over a few years so -

Mr DUIGAN - As I do for renewal energy projects across the state.

Ms O'CONNOR - No matter what they are apparently.

Mr DUIGAN - What was my question?

Ms O'CONNOR - Well, the question was, I mean, what it seems like is happening here is that the Tasmanian government is taking its hands off completely the monitoring of this bird.

Mr DUIGAN - No.

Ms O'CONNOR - To a significant extent it is because the funding has been cut for the tracking program and it's now in the hands of a corporation that would arguably have a vested interest in minimising the impact on the species.

As energy minister, don't you think that the state government should play a role in making sure that the orange-bellied parrot isn't driven to extinction, in part by inappropriate development along its flyways?

Mr DUIGAN - As Energy minister, I rely heavily on the approvals pathway that these developments travel down, noting that it is pretty long, pretty robust. In fairness, it is a - this is

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not a rubber stamp by any stretch of the imagination, and this is a project that has been in contemplation for 20 years.

Ms O'CONNOR - Yes. Knocked back three times before it was finally approved because of its impact on migratory bird species.

Mr DUIGAN - Well, and all of that - but there are no rubber stamps being handed out.

Ms O'CONNOR - Should be a Ramsar: Murray Watt has a huge rubber stamp in his top desk.

Mr DUIGAN - No. I don't agree with that. Anyway, as Energy minister, I put a lot of faith in that long, robust process.

Ms O'CONNOR - Good for you. I have a constituent question for you and then I'm happy to go to others. Given that there has been a very significant rise in demand for the charging of electric vehicles, and of course we'd all want to see more EVs on the road, particularly in the context of the current fuel uncertainty, what resources are being provided in the Budget for the upgrading of local domestic networks to cope with this over and above the TasNetworks provisions? If there's any information that you can provide as Energy minister, because I'm sure you are championing the use of EVs? Solar on its own is insufficient in general terms, so there's a demand here that doesn't seem to be being quickly dealt with adequately enough; what are your thoughts on that? Charging infrastructure.

Mr DUIGAN - Yes, charging infrastructure, in all of the EV moving is probably an area of - I'm not typically a fan of subsidies and those sorts of things around vehicle purchase because I tend to think that they have perverse outcomes, but-

Ms O'CONNOR - All sorts of other subsidies you do support, though, clearly.

Mr DUIGAN - Yes, true enough.

Ms O'CONNOR - Corporate subsidies, not individual subsidies.

Mr DUIGAN - Yes, thank you. But in terms of charging infrastructure and rolling that out, yes, you've got some things to say. I think what we are seeing, in practice, though, is, you know, the hybrid segment being ultimately more favoured over the straight EV segment at the moment.

Ms O'CONNOR - That's a point in time, I think, though.

Ms PINTO - Thank you. Through you, minister, and to the honourable member, just some more information around what has been sought to be invested in Tasmania in relation to electric vehicles, so within the environment climate portfolio, there has been funding that's been made available from September 2024 for the transport emissions reduction and resilience plan, and that's got a number of transport-related programs to encourage a conversion across to electrification and other forms of low-emission transport. As a part of that, you specifically referred to charging stations, so there is an initiative that's been running for a number of years which is the ChargeSmart electric vehicle charging grants, the third round of that was made

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available in 2025, and 12 grants totalling over \$560,000 were awarded to - for 11 new sites, and prior to that there were already installed 33.

Ms LOVELL - Is that for public sites?

Ms PINTO - Yes, and the aim is to make them as dispersed around the state as we can to ensure that basically for a member of the public, if you invest at all for a small business, or commercial operator, if you have invested in electric vehicles, that you would have the opportunity to be using those accessible charging stations. There's quite a bit that's been invested already. Another area which I think has been really innovative is in the area of e-mobilities, so you see a lot of us nowadays in our fast lives that we live, rely upon food, you know, takeaway food as an option, and so there was also an e-mobility rebate program that was provided, \$200,000 was put towards that, and 501 rebates to individuals to purchase e-bikes, cargo e-bikes and e-scooters -

Ms O'CONNOR - But that's historical funding, isn't it? Is that - sorry to interrupt. Through you, minister, that's funding that's not there anymore?

Ms PINTO - That initiative was undertaken in 2023-24 -

Ms O'CONNOR - Okay.

Ms PINTO - but they're initiatives that have - bringing into our, because part of - with the latitude of the minister, just to give a bit more information to the committee, what you're seeking to do is to get cultural change, and to get confidence. So, as you run programs like that, what it will do then is it will have more and more businesses seek to invest in that as a form of transportation, alternative to other forms such as, for example, using liquid-fuel-powered vehicles. So, what you will get is then, as you run those types of programs, you will get cultural change occurring in a population.

Ms O'CONNOR - Okay, and to the question -

Mr DUIGAN - And I think Sean - sorry, Sean has got a meeting -

Ms O'CONNOR - To the question - funding?

Mr TERRY - Not to funding, but - so I've actually - just more of interest, I've actually got a meeting with the Tasmanian Automotive Chamber of Commerce tomorrow to discuss grid support around rapid fast chargers in the - and also with the director of the Climate Change Office -

Ms O'CONNOR - Good.

Mr TERRY - so we're both meeting with the TACC, and they've brought this issue to our attention.

Ms O'CONNOR - Yes.

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Mr TERRY - And then we will be following up with TasNetworks around grid support in CBDs to facilitate those rapid fast chargers. I haven't had the meeting yet, so I haven't got an answer for you, but yes, it's certainly on our agenda.

Ms O'CONNOR - Yes. That's really - thank you, that's very encouraging, and, through you, minister, is that something that would be funded through a government allocation, or through TasNetworks, or in a partnership with a private provider; what might that look like?

Mr TERRY - Look, first of all, I've got to understand the issues, but I think at the very least, my thinking, without having the meeting, is establishing some kind of loose partnership arrangement between government - I haven't had these discussions yet, but we're just kind of, you know, working through these issues. But yes, no, it's certainly - and I think it's good that the TACC are actively involved in this discussion.

Ms O'CONNOR - Is it something government recognises, well, it's got a renewed focus on, given the fuel supply uncertainty that doesn't look like it's going to be resolved anytime soon?

Mr TERRY - Yes. I think so. I mean, I did read one statistic a few weeks ago that the anticipated uptake of EVs by about 2030 could potentially substitute the lost supply out of the Strait of Hormuz, so it's a global discussion as well as a local discussion.

Ms LOVELL - If I can just clarify: the grants that you were talking about before for the new sites, is that grant program - like, are EV dealers eligible to apply for funding through that grant program? I understand that's been an issue for them, is the cost of installing fast chargers?

Ms PINTO - I'd have to - through you, minister, I'd have to check the guidelines. I just don't have those guidelines available, but we have, again, through you, minister, I note that the Environment minister is attending to the committee this evening.

Ms LOVELL - So they might have more?

Ms PINTO - Yes.

Ms LOVELL - Okay, great, thank you. I can ask that this afternoon.

Mr DUIGAN - The grant round sits under Environment, I think, does it?

Ms PINTO - That's correct.

Mr DUIGAN - Yes.

Ms LOVELL - Okay, thank you.

Ms THOMAS - Back in March this year, the parliament was asked, without much prior warning at all, to sit late to consider emergency fuel provisions bill, I forget the name of it now, sorry, but without notice and with very little opportunity to scrutinise the bill, very little evidence presented by the government, in my view, to justify the need for it, we were asked to consider and pass legislation under the assertion that it was urgent, that we must urgently sit late to do this. We couldn't recall parliament next week to give it more consideration; it was

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immediately urgent, that early morning, that we do that. So, minister, I'm wondering if you're aware, because the Deputy Premier at the time couldn't answer the question, before seeking the expanded powers allowed by the bill, how many times did the director use existing information-gathering powers under section 9 of the *Energy Co-ordination and Planning Act* to try to obtain information from fuel distributors?

Mr DUIGAN - Well, the director is here, and before I throw to him, I will make the broader point that the new powers have been very, very useful in having the fuel companies provide the visibility that we seek. We - Tasmania, it would be fair to say - have taken a national lead in the fuel security space and so the passing of that legislation was one part of that. I think I've heard the director say on some occasions that Tasmania has better visibility than is the case, perhaps, at a national level. So, it has been helpful to us, but in terms of the detail to your question, I'll pass to the director.

Mr TERRY - Yes, I've only had to write to the fuel companies once under the *Energy Co-ordination and Planning Act*, requesting the information. I can't remember the exact timing, but they've been providing that information for about seven weeks now. We ask for stock on hand, we ask for stock in transit, by fuel typing in megalitres and we've had no reason to follow up since that initial request. That's largely focused on the supply side. We've probably still got a bit of gap in our consumption data and understanding that, but we are working with the Commonwealth in the first instance to understand what they can extract using their information-gathering powers before we have to exercise any of our kind of state-based requirements. So, yes I've had to do it once to all the fuel companies operating in Tasmania.

Ms THOMAS - Since the new powers came into effect?

Mr TERRY - I'd have to go back and check the timing.

Ms THOMAS - So, my question was, before this bill came into effect, how many times did you request?

Mr TERRY - Well, I've only written once. I'd have to go back and check the timing.

Ms THOMAS - We were told, minister, that the reason that these powers were necessary was because the companies had been asked to provide the information and they weren't being forthcoming to provide that information. What I'm hearing now is that it appears that they hadn't actually been asked. It was assumed that they weren't going to provide that information.

Mr DUIGAN - No, I don't think that's correct. I believe the acting minister wrote and was not provided with an answer during his tenure. Certainly, when I wrote to Viva in the wake of the Geelong refinery fire, I was certainly provided with information and that was the difference. And, you know, I would point to the fact that we are getting excellent information from our fuel companies and that wasn't necessarily the case previously.

Ms THOMAS - So, my question hasn't been answered. Before these new powers that are now in effect were brought into effect, how many times did the directors use the existing information-gathering powers to actually seek that information?

Mr DUIGAN - The director is here.

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Mr TERRY - I've only written to them once but I'd have to go back and check the timing of when that letter was sent to the fuel company. So, whether it was done under the previous arrangements or whether it was done with the new information.

Ms THOMAS - Well, this is very concerning, minister. We were told that we must - it is urgent that we get these powers into law because the information wasn't being provided. And I asked the question, has it been asked for, what effort has the government gone to actually request this information, and silence. No-one could answer those questions, which is one of the reasons I wasn't prepared to support the bill. It's hard to understand now, how it was actually required if there had been no attempts.

Mr DUIGAN - What I would say in answer to your question, you know, as I understand, the acting minister wrote prior to the powers being enacted, was not provided with any information, when I came back into the role, when the legislation had been enacted, and wrote in regard to the Geelong refinery fire - and I think it's important that you remember the context of the time that these were potentially very serious things happening in the world with real-time ramifications for the state and our business and industry - and an answer was provided to me with all the information that I had asked for.

I would also point to the fact that the fuel companies since that time are providing us with very good visibility on Tasmania's fuel security position, which may not have been the case previously. And I think, you can't see too far into the distance, but we can see, I think, as far as anybody can and I think that's a reasonable position to be in.

Ms THOMAS - So, are you prepared, minister - I hear what you say and I do certainly remember, as you say, it's important what was happening at the time. I think it's important you remember we take our role very seriously as Legislative Councillors in scrutinising and have -

Mr DUIGAN - I don't think I have -

Ms THOMAS - any information available to us to make decisions and we simply didn't in that time.

Mr DUIGAN - I don't think I have -

CHAIR - Order.

Mr DUIGAN - I don't think I have undertaken anything to the contrary of that.

Ms THOMAS - Good. So, are you willing to provide a copy of the letter that the acting minister wrote to the fuel companies requesting that information?

Mr DUIGAN - No.

Ms THOMAS - No? Why won't you provide that letter to the committee?

Mr DUIGAN - I just don't know that it's relevant.

Ms THOMAS - Well, you expect us to believe it exists.

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Ms O'CONNOR - A letter like that should be on the public record.

CHAIR - Why wouldn't you? What's the problem with it?

Mr DUIGAN - I would need to speak to the deputy and see if he'd be happy to do it.

CHAIR - You're the minister. He was acting on your behalf.

Mr DUIGAN - You can certainly have a look at my letter. Again, I'm just not going to, at the table, without taking advice.

CHAIR - So, we'll write to you on that one?

Mr DUIGAN - Yes.

Ms O'CONNOR - I mean, you could make us extract it through RTI because you can't hide behind commercial in confidence with a letter like that.

Mr DUIGAN - I'm not seeking to do that. I'm not comfortable tabling somebody else's letter.

Ms O'CONNOR - Yes, I understand that.

Ms THOMAS - Since the new bill has come into effect, what costs have been incurred by the government in terms of managing this issue of fuel supply, do you know?

Mr DUIGAN - Again, as we sort of touched on earlier, I think we've drawn resources from within the department and elsewhere and I'm not aware of external resources or spending that have been incurred. Shane, do you have any thoughts on that matter?

Mr GREGORY - Through you, minister, we've had Nick Clark come across from SES, that's an additional position we've had for a couple of months, there is a bit of cost there, and I think we may have subscribed to some information services around shipping, but that would have been a small cost as well, so nothing substantial.

Ms THOMAS - Has the department engaged any consultants or legal advisers or fuel-market analysts or other external experts in relation to fuel security planning or the development or implementation of the legislation?

Mr DUIGAN - Not as far as I'm aware of.

Mr GREGORY - Through you, minister, no, not to my knowledge. I don't think we've engaged any consultants at all.

Ms O'CONNOR - I have one final question, thanks, Chair. It relates to Hydro Tasmania and works inside the Tasmanian Wilderness World Heritage Area. Apologies -

Mr DUIGAN - Just while you are looking, member for Hobart, if I may, around Scotts Peak Dam. Late last year, Hydro Tasmania engaged a team to complete the detailed design of the Scotts Peak Dam upgrade. The design phase is expected to be completed in financial year

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2028-29 and result in a preferred design solution and costing. Once the detailed design is complete, Hydro will have an updated figure for the capital investment required. I understand the latest estimate is around \$99 million, not \$100 million. However, the final cost will be determined when we have a final design. The latest estimate is \$99 million.

Ms O'CONNOR - Okay, thank you. Minister, has Hydro Tasmania received any fines, penalty notices, or enforceable undertakings as a consequence of environmental breaches at the Edgar Dam work site?

Mr DUIGAN - I don't think I have any information on that and it would be a question for Hydro.

Ms O'CONNOR - It might also be a question for the Minister for Parks because there's a question about enforcement action, given that -

CHAIR - We will see him a bit later.

Ms O'CONNOR - Yes, I'm looking forward to that.

Ms THOMAS - He is too.

Ms O'CONNOR - We've got an RTI ministerial briefing that confirms there were EPBC condition breaches, including truck movements in and out of the Tasmanian Wilderness World Heritage Area, beyond the permitted hours in place to protect wildlife. You might have some information on that when you're sitting down as Minister for Parks.

Mr DUIGAN - It's not beyond the realms.

Ms O'CONNOR - That's right. Fair warning. Thank you, Chair.

CHAIR - Do you have any other questions, Cassy?

Ms O'CONNOR - No, I'm sorted. Thank you.

CHAIR - Minister, can I just ask, there's reference to TasNetworks' Project Marinus relief for existing direct-connected customers in the budget paper. Can you tell us how much has been provided for this and who exactly will benefit?

Mr DUIGAN - I believe \$16.1 million across the forwards has been provided.

CHAIR - How do I find that in the budget papers?

Mr DUIGAN - Is it in Treasury, I believe?

CHAIR - Can you point me to it?

Mr DUIGAN - No, not off the top of my head, no. Page 297, budget paper 2. We are seeking that information, and as to whom would benefit from it -

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CHAIR - That's why I asked the question, because it's there on that page. I'm asking for the amount. Where would I find the \$16.9 million? Where's that?

Mr DUIGAN - Page 296.

CHAIR - Page 296. Right.

Mr DUIGAN - As we go up: TasNetworks' Project Marinus relief for existing direct customers 1.4, 3.7, 4.5, 6.5.

CHAIR - Yes, you're right. So, who will benefit?

Mr DUIGAN - Existing direct connected customers.

CHAIR - Who are they?

Mr DUIGAN - I believe there's 11 -

Ms PINTO - I think there's 12.

Mr DUIGAN - 12 direct transmission connected customers.

CHAIR - Do you want to tell us who they are?

Mr DUIGAN - Four major industrials, Grange -

CHAIR - Four MIs doesn't mean a lot to people at this table who may not know who they are.

Mr DUIGAN - Bell Bay Aluminum, Boyer, Nyrstar, Grange. There are a number -

Ms PINTO - I don't have the full list in front of me.

Mr DUIGAN - There are, in fact, 14 direct connected customers. And, as a policy position of the government, we have stated that direct connected customers won't be impacted by the transmission implications of Project Marinus, noting -

CHAIR - To the same extent. They will still be impacted.

Mr DUIGAN - The direct impacts of Project Marinus. That figure in the Budget offsets that cost.

CHAIR - Can you provide the list of the 14 MIs or directly connected customers to the committee?

Mr DUIGAN - Yes, I need to check with TasNetworks.

CHAIR - We will put it on notice for you, unless you can provide - we're just about to wrap up.

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Mr DUIGAN - Just noting if there's any commercial sort of agreement there that I'm not aware of.

CHAIR - I'm not asking agreements; I'm only asking for a list of who they are.

Mr DUIGAN - No, I know. Indeed, if that was in the public realm. But yes.

CHAIR - Does the \$16.1 million over the forward Estimates then cover the entire impact of Marinus Link that would see that component of the increased costs that's covering the entire uplift that will occur for them?

Mr DUIGAN - That's my understanding.

CHAIR - Some of them seem to think they've got bigger bills than that, anyway, or bigger impacts. You're confident that it will be no impact for Marinus Link on their regulatory cost?

Mr DUIGAN - That's my understanding.

CHAIR - We're out of time, minister. Is there anything you want to provide to the committee before we finish up?

Mr DUIGAN - Yes. Thank you, Chair. I table the following in response to the question on Project Marinus and Hydro Tasmania funding to date. The Project Marinus business case; the assessment report funded by \$10 million from the Australian Renewable Energy Agency and \$10 million from TasNetworks - this is publicly available. The prior project agreement for Marinus Link provided \$56 million in Commonwealth grant funding to progress Marinus to final investment decision. I have provided this document. The existing federal funding agreement schedule titled 'The support for Project Marinus and the delivery of Tarraleah Hydro Power Scheme Development' provides a range of Commonwealth and state funding for Project Marinus and for Hydro Tasmania's Tarraleah project. I have provided this document. I refer specifically to page 2 of that agreement setting out the final financial contributions of the parties' \$486 million in total plan.

CHAIR - You probably don't need to give me that top sheet, you just read that, but the rest of it.

Mr DUIGAN - Thank you.

CHAIR - The minister's tabling the project agreement for Marinus Link. Something else as well? The Support for Project Marinus and the delivery of Tarraleah Hydro Power Scheme Redevelopment.

Mr DUIGAN - Yes, there are two documents there. In addition, re Marinus whole of state business case - sorry, there are 12 direct connected transmission. What's this one? Additional information around customer price impacts Marinus whole-of-state business case. Key focus for the whole-of-state business case was to consider customer price impacts through transmission prices as well as wholesale price changes and other matters. As a conservative approach to examine costs and benefits, the analysis assumed all of the Tasmanian revenue requirement would be met through transmission costs, with no offset from interregional

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revenue. Noting also that at the time, Australian Energy Regulator's draft determination had not accepted APA's application to convert Basslink to a regulated interconnector. Accordingly, no modelling was undertaken on the potential value of interregional revenues for the whole-of-state business case.

CHAIR - That addresses that point. I would still write to the other points I raised. Thank you.

Mr DUIGAN - Thank you.

CHAIR - Thanks minister, we will write to you with those questions on notice and see you back at 1 p.m.

The committee suspended from 12.16 p.m. to 1.00 p.m.

Output Group 5 - Cultural and Tourism Development

5.6 Sport and Recreation

CHAIR - Well, thanks, minister. Welcome back to your portfolio area of Sport and Recreation, and there you go, 1 p.m. just like that. Minister, I'd like you to introduce the members of the team at the table - you've got at least one new person there - for the purpose of *Hansard*, and then invite you to make a brief opening statement.

Mr DUIGAN - Thanks, Chair. With me at the table we have Brett Stewart, deputy secretary of Creative Industries, Sport and Visitor Economy, and next to him is Shane Gregory, acting secretary, Department of State Growth, and Amanda Lovell, my chief of staff, and pleased to be with you all, as minister for Sport, and recognise the vital role sport and active recreation can play in improving physical and mental health, and building community connectedness and social skills. In this Budget there is some \$196 million being invested across our programs, with support for community clubs, capital works and Stadiums Tasmania. We are committed to ensuring more Tasmanians, regardless of age, background, or ability, have access to places where they can play sport and enjoy being active.

The Budget includes significant and important funding for sport and active recreation initiatives, helping to deliver safe, inclusive, and enjoyable support for all Tasmanians. Our investment supports Ticket to Play, and the next round of Ticket to Wellbeing for older eligible Tasmanians, and supports the Institute of Sport which provides elite and emerging athletes with high-performance support. In terms of community infrastructure, the Northern Suburbs Community Rec Hub in Mowbray is now open and operating successfully in partnerships with PCYC North and the Northern Tasmanian Netball Association. Construction is also underway in the new Glenorchy Sports Centre, with works expected to take around 14 months, and it will of course, deliver a significant boost to sport and recreational participation, inclusion and stronger communities in the northern suburbs of Hobart.

We've committed a further \$2.1 million, taking investment at Elphin Sports Centre to \$4.7 million, and we're continuing to support local clubs through the Active Infrastructure Grants program. Over the next three years, we're funding \$750,000 to support the Tasmanian Community Sports Facility Infrastructure Plan, and I look forward to continuing the work we're doing to ensure sport and active recreation organisations, as well as individual athletes, can

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thrive into the future. I look forward to some questions on sports, and subsequently Stadiums Tasmania.

Ms THOMAS - Thank you for your opening remarks, minister. Line item 5.6 provides the allocation or appropriation for Sport and Recreation; so, as noted in last year's scrutiny in November, it's difficult to scrutinise it when you don't know what specifically is included in that line item.

Mr DUIGAN - Yes.

Ms THOMAS - So, just wondering if you're able to articulate or table anything that can provide detail on what specifically is funded in that line?

Mr DUIGAN - I think we probably can. Yes, and just around - so, the 2026-27 Budget includes significant and important funding for sport and active recreation initiatives, which continue to deliver on the government's commitment to get more Tasmanians active. As I mentioned, \$196 million, and this includes \$154 million for sport and recreation, \$7.2 million for Stadiums Tas, and \$35 million in capital spending. In terms of things to table, I think I will probably just get straight into tabling these; are we happy to table this, which is the current specific-purpose funding to sporting organisation, which sets out all of the organisations and their funding allocations for the Budget, and also Active Tasmania grant programs, so that it provides a level of detail? Where do they go? To the chair?

CHAIR - Thank you.

Ms LOVELL - Thank you. Have we only got one copy?

CHAIR - Do you want to have one?

Ms THOMAS - Yes. Is that possible?

CHAIR - I will just get a copy for you, Bec.

Mr DUIGAN - Okay. So, this is a further breakdown of the line item 5.6, which goes into all of that allocation in pretty substantial details with a covering note that talks about the operational efficiencies and base funding reallocations.

Ms THOMAS - Okay. Thank you. While we wait for copies of those documents and I'll have no doubt some questions on what's specifically included, I'll move on to my next question, which is, the estimated outcome for 2025-26 for line item 5.6 is \$49.085 million, where the Budget amount for that year was \$84.16 million. So, just wondering, minister, there's a significant underspend there. If you can explain that underspend, please?

Mr DUIGAN - Thanks. I'll pass to the department to illuminate the underspend. Brett, probably one for you.

Mr STEWART - Thanks minister, and through you, there are a number of items that in both the program sense from Active Tasmania, but also from the infrastructure side which have been cash-flowed out, so that money is part of the inclusion in the following year, next year, which you can see the number's \$154,459,000. We do have a number of specific projects,

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including Dial Regional Sports Complex, AFL high-performance centre, Kingborough Sports Precinct, the Devonport and other projects in the north-west and a number of other programs including the active infrastructure grants program where we've had - for a number of different reasons, whether they're project-based or whether they're budget-based - either delays or changes in timeframes where those programs and projects have been moved forward and the money has been moved forward to match.

Ms THOMAS - Okay. So, that perhaps answers one of my other questions then. It sounds like some of the underspent money will be carried forward into the year, but then - and I asked this last year as well - you talked about some capital projects that are included in that line item, but then there's a separate line item for capital investment program, and then another one for grants and subsidies. So, why is capital investment included in that 5.6 line item when there's a separate line item for capital investment?

Mr GREGORY - Through the minister, that relates to how the money is invested in the infrastructure. So, I think in terms of how the Budget is structured and presented in the budget papers, there is investment in infrastructure and then there is specifically capital, which is the state investing in infrastructure that it will own and will become an asset of the state. There are a number of infrastructure projects where the asset doesn't become a state asset. They are effectively funded through funding agreements or grants to the asset owner. That's the difference.

Ms THOMAS - Okay. The capital investment program line only includes state-owned assets?

Mr GREGORY - Correct.

Ms THOMAS - Funding for state-owned assets.

Mr GREGORY - Correct.

Ms THOMAS - Yep. Okay. Do you have a breakdown of what is included specifically in the capital investment program line and what is included in the grants and subsidies line or is that information that was tabled include that?

Mr GREGORY - Correct.

Ms THOMAS - Okay. Thank you. Again, I'll wait to get a copy of those.

While we wait for that, on page 258 of budget paper 2 it talks about new southern Tasmanian sporting facilities and I note, minister, in your opening, you referred to the Glenorchy Sports Centre, you also talked about a number of facilities in the north. Can you just - the descriptor on page 258 says that funding has been provided for the development and delivery of the new Glenorchy Sports Centre in Claremont, the Tasmania JackJumpers and Tasmania Jewels High Performance Training Centre in Kingston and the development of new gymnastic facilities in the Brighton municipality. I'm just wondering if you can outline how much is provided for each of those facilities.

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Mr DUIGAN - Certainly can. I think the JackJumpers is \$20 million. I haven't got the list in front of me, I should. JackJumpers, \$20 million, Brighton gymnastics - I think there's \$2 million, but I won't guess. I will ask the department. Have you got that in front of you there?

What were some of the others? Glenorchy \$28 million. What was the other one?

Ms THOMAS - Gymnastics. Yep, they were the three that are mentioned in the descriptor. So, I just wanted to be clear that is all that's included there.

Mr DUIGAN - That's relying on my memory, but I think that's pretty close. Does that add up?

Mr STEWART - Yes, sorry. So, through you, minister, I've just had a bit of information passed to me, so Glenorchy is 20 -

Ms THOMAS - 20

Mr DUIGAN - Glenorchy is 20?

Mr STEWART - Sorry, JackJumpers is 20, I need new glasses, obviously.

Ms THOMAS - Should have gone to Specsavers.

Mr DUIGAN - Glenorchy is 28 and Brighton is 2.

Ms THOMAS - Okay, and where is that allocation reflected? Is that in the - well, part of it would be in the capital investment program and part of it perhaps in the 5.6 line?

Mr STEWART - Correct.

Ms THOMAS - Are all those amounts in the 2026-27 Budget year?

Mr STEWART - So that's all in the CIP part of the Budget, in the capital part of the Budget.

Ms THOMAS - Right, okay.

Mr STEWART - And it's over 2026-27 and 2027-28.

Ms THOMAS - Okay. Thank you. So, in terms of the JackJumpers' high-performance training centre, my understanding was - and correct me if I'm wrong, I'm sure you will - the government commitment to that was initially \$15 million. So what's happened there?

Mr DUIGAN - So there it was originally 15 and then there was a further five allocated to it, I think probably at least a year ago, it was, I think, in my time has been a \$20 million bill.

Ms THOMAS - Okay. Can you recall if that was disclosed at last year's Estimates, that was \$20 million?

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Mr DUIGAN - I think so, yes. It certainly would have been in November, so it was included in the 2024-25 RER, so bringing the total project allocation to \$20 million. I was there, not yesterday but the day before, and it is functionally complete all bar the line marking where the paint required to mark the lines is caught up in the Strait of Hormuz.

Ms THOMAS - Oh dear.

Mr DUIGAN - But, apparently, is imminently to arrive. So good facility. Absolutely split 50-50 for the men and women's program and I am advised it is the leading basketball facility in the country.

Ms THOMAS - Did we get copies of that?

And was the total cost then of that facility, \$20 million?

Mr DUIGAN - I believe it's ahead of schedule and within the budget.

Ms THOMAS - So did the JackJumpers contribute any funding towards the construction of the facility?

Mr DUIGAN - I believe the state contributed \$20 million to the facility.

CHAIR - That's not the question.

Ms THOMAS - So the total cost was \$20 million, and that's what the state contributed, so the JackJumpers didn't contribute anything to the facility?

Mr DUIGAN - Not that I'm aware of. I don't think so.

Ms THOMAS - And what's the structure for ownership and lease arrangements of the facility going forward?

Mr DUIGAN - So I think it's a long-term lease from Kingborough Council, would be my - we might bring Alex in because it's worth getting the detail of this right.

Thanks Alex Barber, from Infrastructure Tas. Alex, if you would mind providing the detail around lease and ownership arrangements.

Mr BARBER - Through you, minister, there's a long-term lease arrangement with the JackJumpers being put in place that's also backed off a deal with the Kingborough Council and the land tenure 99-year lease from the Kingborough Council for the site. As part of that there are 10-year rolling agreements with the JackJumpers in place for that facility and with rates set as part of that process as well.

Ms THOMAS - So the JackJumpers lease the asset from the state government on a long-term lease.

Mr BARBER - On a long-term lease from the government and then under that the Kingborough Council provides a longer-term lease to the state government.

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Ms THOMAS - Okay, for the land. Minister, are you able to tell the committee what the cost of the lease is to the JackJumpers?

Mr DUIGAN - The cost of the lease, I would need to -

Ms THOMAS - How much do they pay annually to the government?

Mr BARBER - Through you, minister, given that the lease is not technically signed as of yet, we are unable to disclose what that amount is publicly and given that it is commercial in confidence with the JackJumpers at this stage as well.

Ms THOMAS - Okay, is that something you'd be willing to take on notice, minister, and consider providing to the committee?

Mr DUIGAN - Well, I think given it's not signed, it's probably unlikely that I'd be able to provide it.

CHAIR - When do you expect it to be signed?

Mr BARBER - Imminently.

CHAIR - So if it's signed like within the next week or two before we do the budget wrap-up, would you be able to provide it then?

Mr DUIGAN - Look, I think there would be some concerns around that. I would imagine it would be a commercial-in-confidence agreement. But you know, happy to take advice.

CHAIR - Do you want to take that on notice so you can get advice?

Mr DUIGAN - Yes, I think I would need to take advice when that lease is executed and then we can have a discussion about whether it's provided publicly or not going forward.

Ms THOMAS - We might write to the minister about that Chair. Is that correct?

CHAIR - Are you happy to take that on notice, you know to get the advice as to whether it's been signed or not and if you're able to provide it or not.

Mr DUIGAN - I am concerned about closing out this committee and I worry that might take us some way down the road. I make an undertaking. I'm happy to take questions in other forums about the ability to make that lease public, but at the moment it's not an executed lease.

CHAIR - Are you happy with that?

Ms THOMAS - Okay, happy to. I'm happy to ask at other forums Chair, again.

In terms of the key deliverable statement on pages 237 and 238 of the Budget, are all of the initiatives listed in this statement reflected in the grants and subsidies and capital investment lines rather than in Item 5.6, again, not having had time to have a look at the document provided.

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Mr DUIGAN - Yes and I will pass to the department to find the details.

Mr GREGORY - Through you minister, a lot of the items there that relate to support will be within 5.6 - operational experience.

Ms THOMAS - Because of the nature of how they're invested. Yes, okay.

The grants and subsidies budget increases slightly over the forward Estimates from well, it is only slightly, but does that just reflect the timing of payments on those key deliverables? Or how do you explain that slight increase? Or is that a reflection of more indexation of grant programs and things like that?

Mr STEWART - Through you minister. The grants and subsidies line consists solely of payments to Stadiums Tasmania, so the payments to Stadiums Tasmania are reflected in those cashflows over the forwards.

Ms THOMAS - Right. Okay, so there's nothing else in that grants and subsidies line apart from payments to Stadiums Tas?

Mr STEWART - Correct

CHAIR - Did you want to follow up on one of those?

Ms LOVELL - It's a separate matter, but I will go if you like. Thank you. Minister. I'm just looking at these documents that you've tabled and in the one that's headed 'operational efficiencies and other notes' - bearing in mind of course that we've just received this and haven't had a chance to read through it all - I just note that in that first section it says strategies to achieve operational efficiencies in the 2026-27 Budget year include measures such as:

- lease rationalisation
- reductions in supplies and consumables
- automation of selected functions and
- the centralisation of services.

Also, bearing in mind that the operational efficiencies for this coming year is \$251,000 but adding up to over the four years to \$5 million. Can you just elaborate on that a little bit? Are there other measures? It says it includes these measures. Are there other measures that are being included? Staffing, salaries, will that come into it? Will there be any reduction in grant funding or funding to organisations? And then beyond this first year, what that might look like because there's a lot more in savings that will need to be found in the forwards \$1.6 million, 1.5, 1.6. Can you give us a bit more information about what's in the pipeline for that?

Mr DUIGAN - I probably can and, as minister, I would again reiterate my commitment to the efficiency program and ensuring that our public funding, our spending is well allocated and targeted and working as hard as it can for us. I note the uptick there, Shane, and support this one area across the department that you will be looking at and you might have some further information.

Mr GREGORY - Yes. Through you minister, as we've said in previous committees, we're looking at the things you've mentioned as being included. In the out-years a lot of the

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operational efficiencies need to reflect what happens with the machinery-of-government changes over the next six to 12 months. We are looking at a few other things in terms of some expenses we currently incur around, as we've mentioned there, lease footprint, car parking, just a range of general issues like that; but the bulk of our operational efficiencies we need to work through with the machinery-of-government change. There will be some efficiencies through the centralisation of corporate functions and removal of duplication and they will reflect through. So, they're generally the things we will be looking at. There obviously will be some reductions in FTE, that's been announced by government already, so that will contribute to the operational efficiencies as well.

Ms LOVELL - Do you have any idea of the kind of number of reduction in FTE for your department or for Sport, in particular - Sport and rec, or Sport and Events?

Mr GREGORY - Through you, minister, it's been the very public statement through the state of the state address from the Premier that there are \$250 million worth of efficiencies and 250 FTE reduction, and we will work through where the reductions occur and how they occur over the next sort of six months.

Ms LOVELL - So, nothing specific yet?

Mr GREGORY - Nothing specific.

Ms THOMAS - Minister, there is listed in the documents provided and also on page 238, \$13.67 million in major sporting partnerships. I'm just wondering if you can break down what's included in that \$13.67 million: who is that funding going to and how much to each recipient?

Mr DUIGAN - Yes, we've got that. So, it's Hawthorn -

Mr STEWART - Through you, minister, for both this financial year and the years reflected in the Budget, the three recipients of the major sporting partnership money are the JackJumpers, Hawthorn Football Club and Cricket Tasmania. Some of those recipients will also receive funding to meet their contract amounts from our Events budget. So, the contracts we have with the JackJumpers, Hawthorn and Cricket Tas are partially funded through the Events budget, which is a historic sort of legacy item. The major sporting partnerships line in the Sport budget contributes to those contract payments as well.

For the JackJumpers for this financial year from major sporting partnerships: it's \$4 million, it's 4.1 next year. For Hawthorn: it's 4.6 this year and 3.99 next year - that's reflected in a reduction in the agreement that we have with Hawthorn as we move to the end of that agreement, with things like having the Tasmanian brand on the jumper, et cetera. For Cricket Tas: it's \$1.5 million for this year and for next financial year. As I said, Events Tasmania provides existing funding to contribute to those contracts as well.

CHAIR - In addition to the 1.5 or as part of, just to be clear?

Mr STEWART - Yes. The 1.5 for cricket is, effectively, a top-up. The total payment to cricket - I'd have to look at it - but it's 4.25 this year and then it goes up by 500,000 over the next couple of years.

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Ms THOMAS - Well, that was my question because, in this document for 2026-27, there's actually no allocation in the major sporting partnerships line. Is that because -

Mr STEWART - Well, the document I have, the 2026-27 Budget initiatives, has major sporting partnerships. There isn't an allocation for this year, but that's because there was an allocation in the previous Budget. So, effectively, this financial year's Budget, there was an allocation, so we didn't need to have an additional allocation for this financial year in this Budget, because it's already provided for in the current Budget.

Ms THOMAS - I'm talking about, though, for the financial year of 2026-27.

Mr STEWART - Yes.

Ms THOMAS - So, from 1 July, in the budget papers, on page 238, it's just dot, dot, dot, dot for major sporting partnerships.

Mr STEWART - That's because it was provided for in the last Budget, in the forwards.

CHAIR - Surely it should appear again if it's still there? Like if it's been given to them this financial year we're entering into, that the Budget relates to, how could it not be in there?

Ms THOMAS - Has it already been paid in advance?

Mr STEWART - No, it hasn't been paid in advance but, through you, minister, the reconciliation shows the split from budgets. So, the funding for 2026-27 shows in the 2025-26 Budget as one of the forwards, so it's not provided for in this reconciliation, otherwise we'd be doubling it up.

Ms THOMAS - But there's no estimated outcome in that key deliverable statement for 2025-26, so there's no transparency around what was provided in that year.

Mr GREGORY - Through you, minister, the key deliverables statement reflects new commitments, new deliverables.

Mr STEWART - If I can just add, sorry, where it actually shows up is in the 2025-26 Budget initiatives, part of that reconciliation that's been tabled. That's the next category down, next grouping down. Major sporting partnerships also shows up there with 6.49 against 2026-27. That's what I mean by if we showed that on both, it would double up.

Ms THOMAS - Sorry, can you point me to where that is on that?

Mr STEWART - About halfway down the page it says 2025-26 Budget initiatives, and about halfway through that, major sporting partnerships.

Ms THOMAS - 6.49.

Mr STEWART - 6.49. What that does, that reflects what's in the 2025-26 budget paper, and then what's reflected in the 2026-27 budget paper sits above it, and the reason that we have a dotted line there is because otherwise we would be double counting.

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CHAIR - It is showing up in table 11.2, page 263 in the budget line item.

Mr STEWART - Yes, and that's how it's broken down in the reconciliation. Sorry if it's a bit confusing.

Ms THOMAS - Yes. It's very difficult to get a good, clear snapshot of what's been provided across sports at different levels.

CHAIR - With one line item.

Ms THOMAS - It's not the first time I've said this, yes, in the Budget.

CHAIR - We do appreciate you providing this, though.

Ms THOMAS - Very much appreciate the detail that you've come prepared with, but still difficult to get your head around, so -

Mr DUIGAN - Can I ask if you are content with the explanation; you feel like you can navigate it?

Ms THOMAS - I can now, but I'm sure I will have more questions as I further analyse it, minister. There's a line also for the Tasmanian AFL team package that shows there the funding allocated in 2025-26 was 5.85 million, but the estimated outcome is 4.65 million; what's the reason for the difference there in the allocation to Tasmania's AFL team? Budget rollover -

CHAIR - Yes.

Ms THOMAS - Looks like it will be rolled over.

CHAIR - Here to help.

Ms THOMAS - That answers my next question too, then. So, to other AFL clubs, Hawthorn is being provided with 4.6 million and then 3.99 million, and then what about Richmond, is that funded through events?

Mr DUIGAN - Yes, it is.

Ms THOMAS - How much is that?

Mr DUIGAN - I believe it's \$1 million per year.

Mr STEWART - Yes.

Ms THOMAS - \$1 million per annum for two years.

Mr DUIGAN - Yes.

Ms THOMAS - I'm happy for you guys to go while I get my questions.

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Ms GLADE-WRIGHT - I've got some questions about the community infrastructure for the Kingborough Sports Precinct, and maybe what you were explaining on this chart answers my questions, but can you just explain what that's for and what has previously been funded?

Mr DUIGAN - Yes. So, you know, as part of locating the high-performance centre at the Twin Ovals, essentially the Twin Ovals become the quad ovals and, you know, it will be without any shadow of a doubt the largest, most important sporting precinct in the state of Tasmania. We've always known and understood that would require some spending on the community infrastructure there. There is funding allocation to deliver oval 3, which will be the new home for the Kingborough Tigers, and then subsequent funding in this Budget, \$25 million to deliver further community sporting infrastructure around oval 4, and a pavilion -

Ms GLADE-WRIGHT - So club rooms, yes.

Mr DUIGAN - Club rooms at oval 3, redoing the mountain bike tracks, I think the sealing of Gormley Drive, and things that I haven't -

CHAIR - Grandstands?

Mr DUIGAN - They're included - the grandstands for oval 3.

Ms GLADE-WRIGHT - Everything you just mentioned, what's the total of that?

Mr DUIGAN - \$50 million.

Ms GLADE-WRIGHT - And that stacks up across this one and this one?

Mr DUIGAN - Yes.

Mr STEWART - Yes.

Ms GLADE-WRIGHT - Okay. And so what about the Spring Farm connector road?

Mr DUIGAN - As I understand, Spring Farm connector road would be considered through state roads.

Mr GREGORY - Through you, minister, the Spring Farm connector is a Transport-Infrastructure project. We're continuing to work with council about what that looks like.

Ms GLADE-WRIGHT - I note that it is a DA condition, so you'd want to make sure that it's going to be able to proceed. Where are you up to with that then?

Mr GREGORY - Council's team is working through the technical aspects of that. It is particularly challenging and one of the questions for council's team will be what the maintenance issues may be for council into the future, putting that road through a very challenging route.

Ms GLADE-WRIGHT - Can you tell me a bit more?

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Mr GREGORY - The area downhill of oval 3 is an active slip zone. There are EPBC issues and there are also Aboriginal heritage issues. There is pretty much -

CHAIR - And threatened species.

Mr GREGORY - It's pretty much winning the grand prize of issues to deal with to run that road through. It's something we have been talking to council about and council is -

CHAIR - Is it better to ask Mr Vincent further about these.

Ms GLADE-WRIGHT - Well no, I want to because this is a DA condition of the Devils' high-performance centre. The Minister for Sport wants to make sure he's across this one. I understand it's an infrastructure project but it's going to impact your sporting project, so is there risks that you're going to push back on that DA condition or -

Mr GREGORY - Through you, minister, I'm not aware that the construction of Spring Farm Road is a condition of the high-performance centre.

CHAIR - Is it minister?

Ms GLADE-WRIGHT - Isn't it open.

Mr DUIGAN - I'm not aware that Spring Farm Road is open.

Ms O'CONNOR - Is anyone aware?

CHAIR - A little echo - echo.

Ms THOMAS - Minister on that, was it the government that submitted the DA or was it the Devils? Because my understanding is the Devils are being or have been granted \$105 million to construct.

Mr DUIGAN - The Devils will be doing the high-performance centre build.

CHAIR - But not the others to this.

Mr DUIGAN - Not necessarily the community sporting infrastructure, no. So, there is a bit of a crossover, the Devils are doing, I think, on behalf of council, the oval 3 build, as part of the early works, and obviously the delivery of the high-performance centre and Spring Farm Road - state roads.

Ms GLADE-WRIGHT - Okay. How do we quickly resolve if it's a DA condition or not?

Ms THOMAS - Well, do you want to take that on notice, minister, if you don't know or are you are confident it's not?

Mr DUIGAN - I'm pretty sure. Shane is the receptacle of all knowledge.

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Mr GREGORY - I'm pretty confident.

CHAIR - If you haven't got an answer, we will put that on notice.

Mr DUIGAN - We will get you that information.

Ms THOMAS - That'd be great. Can I continue on that project then, you just said that the Devils are responsible for oval 3 and I also heard you say that there's \$50 million the state government's contributing to the Kingborough Sporting precinct. In the Budget papers in the key deliverable statement, there's \$25 million allocated, \$18 million in 2026-27 and \$7 million in 2027-28, so where's the other \$25 million reflected in the Budget?

Mr DUIGAN - In the interim, the previous Budget had \$25 million in that as well.

CHAIR - The 2025-26 Budget.

Mr DUIGAN - Yes.

Ms THOMAS - Right, so \$50 million the state government is contributing to the Kingborough Sporting Precinct. Was that known in November? My understanding was in November the total amount to be contributed by the state was \$25 million.

Mr DUIGAN - No, we were still working through those community supporting infrastructure requirements. There is still work ongoing. We knew the 25 would be required for the delivery of oval 3, which is, in terms of the sequencing of the site, important, as I understand it, for cut and fill for the high-performance centre and those sorts of things. We knew we needed to do oval 3 to get the high-performance centre up and going and then there was scoping work around what was left to be done in the community space with oval 4 and the pavilion as well.

Ms THOMAS - Is that \$25 million going to be allocated to the Devils as a separate grant or will it be part of the grant with \$105 million?

Mr DUIGAN - No. How is that being shared, Shane.

Mr GREGORY - Through you, minister, the only money being granted to the Devils is the \$105 million, that's already in the Budget and then there's \$10 million from the AFL. The other funding goes to council.

Ms THOMAS - Okay. I thought you just said the Devils will deliver that oval 3 project.

Mr DUIGAN - I think on behalf of council, because there are some synergies given the high-performance centre build and the workforce that will be on site, I think it was felt that was reasonable.

Mr GREGORY - Yes. Through you, minister, the construction of the High Performance Centre requires a significant excavation. That material is moved up to build all the embankment to support oval 3. We've reached an agreement with council that, because of the synergies of those earthworks and rather than cutting the material out and moving and paying to move it

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and stockpile it somewhere and then paying to move it again to build oval 3, that the Devils will deliver all of that work as an agent for council.

Ms THOMAS - Okay, so that means that, in order to construct this High Performance Training Centre, the government is effectively contributing - well, the tax payer is effectively putting in \$155 million.

Mr DUIGAN - Well and, you know, significant community sporting infrastructure at Kingborough as well.

Ms THOMAS - Replacing infrastructure that's already there, isn't it, minister?

Mr DUIGAN - No, adding to.

Ms THOMAS - Adding to it?

CHAIR - What's being added?

Ms THOMAS - Repurposing it.

Mr DUIGAN - Another, there'll be four ovals.

CHAIR - That's part of the High Performance Centre.

Ms GLADE-WRIGHT - That's just relocating it.

Mr DUIGAN - No, there'll be oval 4 which is a new cricket oval, there'll be another pavilion at oval 3, so it's a substantial build.

Ms O'CONNOR - Do you know what's happening with the dog park?

Mr GREGORY - Through you minister, council was working through the relocation of the dog park.

Ms O'CONNOR - A relocation?

Mr GREGORY - Yes.

Ms O'CONNOR - Will that be funded by rate payers? Presumably.

Mr GREGORY - No. All the works required to do the precinct works are funded through the grants, the funding provision.

Ms O'CONNOR - Oh, so that would be a contribution towards the relocation of the dog park?

Mr GREGORY - Yeah.

Ms O'CONNOR - Thank you.

PUBLIC

Ms THOMAS - How much funding has the government invested in the Tasmania Devils Football Club to date?

Mr DUIGAN - I would need to check that.

Ms THOMAS - And how much funding will it invest over the forward Estimates? And just confirming, I think that is appropriated in the 5.6 line.

Mr DUIGAN - Yes, it would be there.

Mr GREGORY - Through you minister, the commitment under the club funding development agreement is \$20 million of establishment funding over 4 years, \$15 million has been paid to date. The last \$5 million of the establishment funding gets paid, I think, in November of this year. Then from 2028 when the team starts playing, when the Devils start playing in the AFL, there is operational funding of \$12 million per annum for 12 years.

Ms THOMAS - Okay, so do you know, minister, of that 5.6 line item where that money to the Devil's Football Club is appropriated, what proportion that makes up? The funding to the Devils, what proportion of that entire funding bucket across the forward Estimates does that constitute?

Mr DUIGAN - Someone's going to have to do some maths.

Mr GREGORY - We are going to quickly do some maths.

Mr STEWART - We might have to take that on notice.

Ms THOMAS - I mean, I'll be able to calculate it too.

CHAIR - If someone behind you can get their calculator out.

Mr DUIGAN - It's there, you know, it's substantial.

Ms THOMAS - Yes, it is substantial and my concern is, you know, minister has always been the impact on community sport. I do note across the forward Estimates the appropriation for 2029-30 drops down to \$37,000,972, of which \$12 million will be going to the Devils, so it leaves 25-odd million for the rest of sport.

Ms O'CONNOR - We're only half way through it.

Ms THOMAS - We heard earlier that there are a number of sponsorship arrangements, if you like, to professional commercial sport that are effectively run as business for sport and for entertainment, included in that bucket and it's very difficult until we get this breakdown to actually analyse what that looks like.

So minister, what are you doing to satisfy yourself that the spend on sport is distributed equitably across community sport and professional sport - effectively run as a business for profit - going forward? If the government's priority and aim still is to increase participation in grassroots sport, what are you doing to satisfy yourself the balance is right in the distribution of that sport funding?

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Mr DUIGAN - In terms of participation, we are having a really good period of time in our state's history, you know, participation rates for all types of sports, pretty much across all demographics, is going up. It's a very pleasing trend that we're seeing more kids playing sport, more older people being involved in active recreational pursuits. This government, I think, has demonstrated in absolute spades the value it sees in all tiers of sport.

The questioning that comes around elite sport, I think, needs to be put in the context of where we are at this point in time. We've got our elite basketball team making its way in the league, and soon-to-be women's team making its way in the national league, and we are supporting that team and that aspiration through spending on an elite T&A facility for that club. Similarly, we're about to have a Tasmanian AFL team; a long-held aspiration of our state. We are leaning in and we are backing that because we don't want to do it in such a way to set it up for failure. We want that team to be launched with the greatest opportunity for success that is possible and that is, as we all know, an expensive endeavour.

But again, across the state, there has been really significant investment by this government over time in the improvement and construction of new community facilities. That is ongoing - there's a lot to do in sport. We have been very active in the space and I think we are reaping the benefits and the rewards of leaning into sport.

Ms THOMAS - Yes, I totally agree, minister, and I understand the rationale behind the government investing in the professional sport, but as you know, it cannot be at the expense of community sport and there is a desperate shortage of indoor courts across Greater Hobart. Even with the four courts under construction at Claremont, which was a 2018 election commitment finally being delivered, some eight years later, we'll still be 12 courts short to meet current participation demand. Kids are playing basketball across Greater Hobart at 11 p.m., or not playing because of the shortage. We've got families travelling from Sandford to New Norfolk to play on school nights.

I note and I'm grateful that the funding for the indoor courts at New Town Bay is in the budget, of \$12.5 million, as per the government's commitment, but I note it's not funded until 2028-29. I'm just wondering why that decision was made, rather than it being in the 2026-27 Budget?

Mr DUIGAN - I think, as you are only too well aware, we have said that we would like to see a federal Commonwealth partnering in delivering that facility. We've put \$12.5 million on the table to help facilitate that and we await reciprocation from the federal government. If that were to come sooner then I think there would be opportunity to move that funding allocation to the appropriate year to deliver that outcome.

Ms THOMAS - I know that was the original message from the government, but certainly in the election commitment made in July last year and then again, in the letter that I received from the Premier and Treasurer in December last year, the commitment was made to \$12.5 million and there was no mention of it being conditional on Commonwealth support being received. I know federal funding was not forthcoming in the Budget, but given the critical shortage, if there was a plan B, could this investment by the government be brought forward?

Mr DUIGAN - I think there have been - it's not something that I have, I don't think, said - but I believe there have been discussions around that. I would need to consider it.

PUBLIC

Ms THOMAS - If the City of Hobart was to find some funding and/or if the project was to be staged, for example, and they wanted to take the \$12 million and deliver a solution?

Mr DUIGAN - Happy to look at all of the options.

CHAIR - On that, if the feds don't come to the party, will this not go ahead at all or will you find a way to deliver it?

Mr DUIGAN - I think, as we do in every budget year, there will be budget priorities that come to the fore and things can be considered as you go forward.

CHAIR - So, would this be considered a priority, noting -

Mr DUIGAN - Well, it's in there. I think that's really important and would note the work of the member for Elwick to have it there. So, it's there, it's a real thing, you know, obviously -

CHAIR - So, it won't disappear if you don't get the federal funding; is that what you're saying? I'm just wanting to be clear about it.

Mr DUIGAN - Our preference is that we would see some support from the Commonwealth government as well to deliver the outcome -

CHAIR - But if that's not forthcoming?

Mr DUIGAN - If that's not forthcoming, then as I say, you know, budget priorities are looked at.

CHAIR - So, it may disappear out of the budget if federal funding is not forthcoming?

Mr DUIGAN - Well, I think commitments have been made to the member for Elwick around priorities that she has outlined, and I would fully expect that those would be honoured.

Ms O'CONNOR - I think Mr Harriss probably fully expected the promises made to him to be honoured, but they haven't been.

Mr DUIGAN - Well, that depends how you slice it, I think.

CHAIR - No, no. You might not have watched the Audit Office yesterday, but that was a clear breach of that commitment.

Ms THOMAS - Minister, in the meantime, what, if anything, are you doing about the fact that kids are missing out on the opportunity to play indoor court sports in the south due to a lack of facilities, while the government in the meantime can find an extra \$5 million for the JackJumpers High Performance Training Centre when that was needed to complete that. We've seen the contribution to the AFL High Performance Centre go from \$60 million to \$105 million. So what will you do in the meantime, including looking at school facilities, looking at other options, knowing that it's going to be some time before these additional courts are delivered to meet the shortfall we will have of 12 courts, until new courts are built?

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Mr DUIGAN - You know, the first thing I would point to is Claremont and the Glenorchy Sports Centre -

Ms THOMAS - Yes. There will still be a shortage of 12.

Mr DUIGAN - I accept that. I think it is important to recognise that, as a government, we are leaning in and building these facilities up north, you know, the Northern Suburbs Rec Hub, which is just a magnificent -

Ms THOMAS - Don't rub it in, minister.

CHAIR - That might not be a good way to go.

Mr DUIGAN - No. I know, but they can't all be built -

Ms THOMAS - There's 18 courts in one spot.

Mr DUIGAN - They can't all be built in Glenorchy. But we are -

Ms THOMAS - They can't all be built in Mowbray, either.

Mr DUIGAN - No, true.

Ms THOMAS - It's a long way for kids from Sandford to go.

Mr DUIGAN - You mentioned the schools piece. I think there is work that is happening there and I believe that is yielding results. I probably have something in my notes that I could put on the record about where that's going. There are challenges, no doubt, but they're good challenges to have and we're leaning in and delivering where we can. Let me see. It talks about Launceston schools: that's not going to help. There is the community liaison sports team, which is in DECYP and it has undertaken a statewide audit of school sports facilities. I understand that findings from this audit indicate that all schools with suitable indoor and outdoor sports facilities have made them accessible for community use outside hours.

As far as data regarding sports, the following data regarding sports facility usage was obtained in February 2025, covering 184 school sites. Of those, 130 school sites were found to be accessed by the community, with 90 having potential capacity for some additional usage, while 40 are utilised at full capacity. I'm advised the remaining sites are not being accessed as they are unsuitable or already being used for before-and-after-school care. The other thing I think I would point to is a piece of work that I think you've had something to do with as well, and that's the infrastructure facilities strategy, which kind of takes a more holistic look at where we're building sports facilities and where the needs are and the gaps are, and all those sorts of things. It is probably somewhat overdue, but potentially something that you might be able to comment on, Brett, about where we're up to there.

Ms THOMAS - I do have a question about that, if you want me to go to that, minister.

Mr DUIGAN - Sure.

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Ms THOMAS - I was pleased to see funding for the regional sport and recreation infrastructure plan included from 2026-27 in the Budget, as per the commitment that was made to me in December last year, and I understand the City of Hobart has just completed some work on a sports infrastructure strategy for greater Hobart, working in collaboration with the greater Hobart councils. In terms of how this will be delivered going forward, with the funding that's been allocated - which I think was \$250,000 a year for three years -

Mr DUIGAN - Yes.

Ms THOMAS - which is a fairly significant amount of money for community sports infrastructure plans; have you had any discussions with the City of Hobart about the work that they've done? If not, could you have discussions with them as to whether what they have done - the funding in the Budget could be allocated to the City of Hobart to further the work they've done through actual action plans, rather than trying to reinvent the wheel and replicate or duplicate the work that they've done. Could it be used to go to that next level and actually deliver action plans, looking at where there is land available or opportunity to develop new or redevelop existing facilities to provide for the participation demand that we're seeing?

Mr DUIGAN - Thank you, and I take your point about Hobart City Council. I think that's true of a number of councils around the state that have done sporting infrastructure plans to one level or another. I think probably what the missing piece has been is the thing that would seek to stitch them all together in more of a holistic, statewide needs-based sort of analysis. Brett, you are probably best placed to talk about that; but as you say, there is \$750,000 allocated in the Budget to help us deliver that plan.

Mr STEWART - Thanks minister, and through you, we have had some discussions with greater Hobart. It's not so much just Hobart City Council developing that plan; it's all six greater Hobart municipalities. We've had good engagement with them. That plan hasn't quite been completed yet, it's nearing completion, so we have very good line of sight and have definitely been part of that process with those six councils. We're doing a scoping exercise at the moment to engage with the minister about what the infrastructure plan strategy would look like. We're obviously doing a jurisdictional scan as part of that and I think we're pretty close to determining what the strategy will look like.

We will take a principles-based approach and we will ensure that both gaps in terms of specific codes and types of facilities, but also in particular areas, are identified or are able to be identified through that strategy. Approaches that the government gets from municipalities or sports or clubs, those approaches can be tested against the principles in the strategy. We're confident that the fact that this has been funded, we're very grateful for that because we can get on with this work. It will be really important to inform future decision-making.

Ms THOMAS - Can you confirm, though, that the strategy, whatever's developed, will be further than just principles, it will be actually some tangible outcomes that could be delivered to increase the number and availability of facilities?

Mr STEWART - Through you minister, I think at the moment, we're working through that as a scoping exercise as to how granular we go. It's probably my view, I guess, that we probably don't need to be identifying specific facilities in specific spaces because those things change along the way. We need an overarching strategy, and as certain sports or facilities or municipalities make approaches or we work with them, as we do daily on these matters, that

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we can test those things against the strategy. We also have our facilities portal, which is a really important linked tool to this, that actually is a pretty comprehensive spatial tool that can be used to identify by municipality, by area, by code, by facility type - what we've actually got out there and what conditions those facilities are in. We'd be looking to continue to develop that portal as well.

Ms THOMAS - Okay. My concern is it's like saying you're going to build more homes but not identifying any land or existing homes.

CHAIR - Available builders.

Ms THOMAS - Yes, that's right: to actually do it. It would be terrible to see \$750,000 invested in a document that comes back with a whole range of principles and strategies and criteria, and doesn't actually look at -

CHAIR - How.

Ms THOMAS - how and actually where the land exists or where existing facilities could be developed, because that's the gap at the moment. That's what's missing at the moment, but anyway, clearly there's more work to be done on that.

Mr DUIGAN - I have some further information for the member for Huon.

Mr BARBER - In relation to the DA question: no, that's not a part of the planning condition for Spring Farm Road –

Ms GLADE-WRIGHT - I got that too, thank you.

Mr BARBER - for either the AFL High Performance Centre or oval 3.

Ms GLADE-WRIGHT - But it was a part of the original agreement, so somewhere along the way it's dropped out, right?

Mr GREGORY - Through you minister, no. We're still continuing to work with council on what Spring Farm Road would look like. The key bit of work at the moment is actually a feasibility study to determine whether it can actually be done for all the other reasons. The design of oval 3 has been done in a way that it leaves the space for the Spring Farm Road at the top of the hill, at not inconsiderable expense I might add, about \$1,500 million of extra cost for retaining walls. There's quite a bit of work that's being led by council's infrastructure team around how to solve the issues essentially from about halfway down the hill. That's where all the issues begin.

CHAIR - Have you another question, Clare?

Ms GLADE-WRIGHT - It was just why these numbers aren't the same, but it's okay.

Mr DUIGAN - What numbers are they?

CHAIR - In the key deliverable statement the numbers differ from that.

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Ms GLADE-WRIGHT - Just slightly, it's alright.

Ms THOMAS - Some of it is down below as well.

Ms GLADE-WRIGHT - I'm still learning how to read budget papers.

Mr GREGORY - If you want to see those numbers line up, it's on the first page of the table towards the top there's a Kingborough Sports Precinct which shows 18 and 7, which matches up with the key deliverables table.

Ms GLADE-WRIGHT - I was trying to find the second \$25 million.

Ms THOMAS - It was in the last year's budget allocation, they explained.

Mr GREGORY - That's a little bit further down that same page under the 2025-26 budget initiatives.

Ms THOMAS - Minister, I want to go to the funding that's in the budget of significant increases to funding for Cricket Tasmania. The budget provides \$2.25 million to Cricket Tasmania for a business case for the planning and transition to a new centre of excellence and community centre at Seven Mile Beach. What's the rationale for the government paying for this and not Cricket Tasmania itself? Cricket Tasmania is getting a stadium built and contributing nothing. Isn't this enough without contributing assent to that, let alone a business case for a new Centre of Excellence at Seven Mile Beach?

Mr DUIGAN - We have new heads of agreement with Cricket Tasmania and obviously, the government has had their strong support for cricket over many years and we're seeing again very encouraging growth in the sport of cricket sports. In terms of, as I said-

CHAIR - I think the question was why are we putting more money in?

Ms THOMAS - Yes, that's right.

Mr DUIGAN - Committing to the transition of an elite level cricket from Ninja Stadium to the new Macquarie Point Multipurpose Stadium, and the agreement looks in support of Seven Mile Beach-

Ms THOMAS - I think you've answered that; there's a head of agreement. Can I also ask then, out of the blue: there appears to be a \$12.88 million investment in Cricket Tasmania over the forward Estimates to support Cricket Tasmania's grassroots and community pathways elite participation programs and to deliver high level cricket content. Guess where? In Northern Tasmania. This averages out to \$3.125 million per year over 4 years. Is this in addition to the \$3.5 million per annum that's been allocated to cricket in previous years?

Mr STEWART - I can see how that might be read that way, but effectively the Northern Tasmania element only is referring to one Hurricanes game and maybe a Sheffield Shield game in the north.

CHAIR - We are done over in the north.

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Mr DUIGAN - We are.

Mr STEWART - That is the total investment. It's not over and above anything else, it's the total investment in Cricket Tasmania by government and it supports the complete cricket delivery, so grassroots and community pathways, elite development and the professional content. It also supports the additional costs associated with having a game in the north.

Ms THOMAS - So, \$12.88 million is the total investment over the forward Estimates in cricket plus \$2.25 million for the business case. How much of the \$12.88 million is for community participation? How much for elite pathways and how much for professional through the Hurricanes, do you know?

Mr STEWART - I don't have that breakdown, but I'd have to take that on notice. We do have key performance indicators in the agreement we have with cricket, and it is broken down into those categories, but in order to apportion the amount per annum to those different parameters. I'd have to provide that breakdown.

Ms THOMAS - Are you happy to take that on notice, minister?

Mr DUIGAN - Yes.

Ms THOMAS - Last week, it was reported that Cricket Australia is on the verge of green lighting the sale of Big Bash League teams to private ownership, including the Tasmania Hurricanes, where there's interest from US billionaire Sanjay Govil in purchasing a 49 percent stake in the team. What do you know about this minister, and are you concerned that this would mean the government is once again subsidising the business interests of a private billionaire?

Ms O'CONNOR - Again.

Mr DUIGAN - Certainly, I'm aware of the reporting, and had some high-level initial briefings from Cricket Tas, and understand it remains an ongoing matter. I will continue to receive updates as information comes to hand. I understand there is some divergence of opinion around the country on this, in terms of the various teams involved. Certainly it's a developing space.

Ms THOMAS - Minister, you mentioned before there's growth in cricket, as there is in a number of sports. Do you know how many Tasmanians participate in cricket, and what the spend per-participant is of the government, over the forward Estimates?

Mr DUIGAN - Brett probably would have that kind of detail.

Mr STEWART - Thanks and through your minister, we've just recently received some updated information from Cricket Tasmania with their 2025 numbers. The total number of participants for 2025, that would be the calendar year, as far as I'm aware, is 18,084. Unfortunately, they weren't able to provide us with a gender breakdown. We would have to again, do some quick division as to the proportion of the spend per-person, we can provide that to you. That number of 18,084 represents 15 percent increase in participants over the last five years.

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Ms THOMAS - Okay, well that's interesting because according to 2025 AusPlay data, 11,259 Tasmanians participated in some form of cricket in 2025, with 6,923 of those participating through an organisation. That's completely different numbers. Do you require uniform reporting of participation numbers across sports? If you're asking cricket to report their participation, do you know they're using exactly the same methodology as other sports?

Mr STEWART - I can have a go at answering that one, through you minister. The problem we have with the way that individual sports measure their participation is that it's not consistent -

CHAIR - You don't even know how many women are playing as opposed to men, are playing.

Ms THOMAS - Yes.

CHAIR - So it's not real reliable.

Mr STEWART - For example, many sports do report and provide gender breakup in terms of participants: AFL, for example, basketball, bowls, et cetera. It's not really possible for governments to mandate how they report, it's a matter for them and some -

Ms THOMAS - Well, it is if government's funding them.

Mr STEWART - And some cases, the way that they report is a national or an international determination by that code. It does mean though, that recognising that comparing apples with apples is a little difficult, for example, we know that with football - soccer, if you play for your school, a club, and Futsal, then they count you three times. Cricket though, we do know they have a much more robust way of reporting, they have effectively a membership number, and if you play in three different ways, you're only counted once. Those numbers we have from cricket we think are pretty reliable.

Ms THOMAS - Given the sports' self-interest in reporting high participation numbers, has the government considered using AusPlay data as a more reliable and consistent source of information when it comes to counting participants, because when you look at AusPlay data, it does survey Australians, using a consistent and robust methodology that's been developed over a number of years through Sports Australia, formerly the Australian Sports Commission. Is that something that you look at going forward?

Mr STEWART - Through you minister, we certainly do use AusPlay data. Part of the problem though is we know, and the crickets are very good example, that the AusPlay data doesn't necessarily capture everybody, because we know that the cricket methodology is very robust. Where we do use AusPlay data is where we are perhaps a little bit more sceptical about certain sports and codes with their numbers.

CHAIR - And double counting.

Ms THOMAS - Yes.

Mr STEWART - The answer is a bit of both. The AusPlay data is important in smaller, and more niche sports, but also less formal sports, like the activity of walking, running or

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jogging. We capture a lot of data on those sports and activities, recreation activity, which is important for our investment decisions. The answer is we use both.

Ms LOVELL - Is there not a way, minister, given where there are funding agreements in place with the state government funding, is there not a way for the government to require particular reporting? I mean, I would have thought, given everything we know about women's sport and commitments that have been made by the government around participation of women and girls in sport, that gender breakdown would be something the government would want to know and receive data about. Is there not a way that you can require that from organisations?

Mr DUIGAN - Well, and I would take cricket as a bit of an outlier in this space in terms of gender reporting, I think we do get gender reporting in every other sport –

Ms LOVELL – There's a lot of money going into cricket though, as an outlier.

Mr DUIGAN - I take your point. Brett, to that question?

Mr STEWART - Through you minister, it's a very good point and it's something we're working on with each of those codes both as we renegotiate our partnerships with them, but also on an ongoing basis. Cricket are working hard to bridge that gap because, obviously, women's participation - women and girl's participation in cricket - has shot through the roof, so they want to be able to reflect those numbers.

Ms LOVELL - You'd think it would be something they'd want to be celebrating and reporting to.

Mr STEWART - Correct. So, I guess the answer is we aren't mandating it, but we are trying to make sure that, through our negotiations with them, we are getting that data in and in most cases, with the major sports, we are.

Ms LOVELL - Okay.

CHAIR - I'll just go to Cassy.

Ms O'CONNOR - Thank you, Chair.

CHAIR - And we need to wrap up because we've got the stadium and we're running out of time.

Ms O'CONNOR - That's right. Just briefly, minister, you will recall that some years ago, 2018-19, there was an issue with smaller football clubs, a particular smaller football club and James Griffin, a notorious paedophile, and that related to the capacity of those smaller clubs to make sure that they have protective processes and structures in place and I've had a number of exchanges over the years with your predecessors in the portfolio. Are you able to outline to the committee how your agency is working with those smaller organisations to make sure that they're compliant with the Child Safe Organisations Framework and the Reportable Conduct Scheme; that everyone who volunteers and works for a small sporting organisation has a registration to Work with Vulnerable People card and that there has been change in small community sporting organisations, where we know children may be placed in vulnerable positions?

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Mr DUIGAN - Thank you and I appreciate the question and I'll make a few overarching statements before handing over.

The state government is committed to providing safe, fair, inclusive environments for all children and young people participating in sport and active recreation, and we recognise that since the introduction of the Child and Youth Safe Organisations Framework, legislated in July 2024, there have been increased obligations and responsibilities for active recreation organisations, including clubs, organisations or cadets within Tasmania.

I understand that many clubs and sporting organisations already have practises that meet the requirements of being Child and Youth Safe Organisations, however, it is critical that clubs carry out this important work and feel supported to do so and I'm advised that the Department of State Growth is working closely with the Office of the Independent Regulator to promote and support sport and active recreation organisations embedding the framework specifically to your point around small clubs and the challenge of them meeting these requirements -

Ms O'CONNOR - And how the agency, or the division within the agency, interacts with those smaller organisations to assist them in being compliant and protective of children and young people.

Mr DUIGAN - Thank you and we'll pass to Jamie, and for Hansard, Jamie Synnott, Director, Active Tasmania is the correct title.

Mr SYNNOTT - Through you, minister, yeah, we're working in a number of ways across the sports sector in this important area and it's certainly one that's gathered a lot of interest in recent times, which is a good thing for the safety of our children and young people. As the minister's talked about, our connection with the Office of the Independent Regulator's been really important in the formative stages of the standards. Pleasingly for sport, the principles adopted to meet the framework requirements are the same as what's contained in the National Integrity Framework. A lot of our state sporting organisations are familiar with those principles, so that's a really solid place to start.

We've engaged with the sector in a variety of areas, including at our sort of regular industry engagement sessions with peak organisations around what's required and we've had the Independent Regulator come and present to our people or to the peak organisations. We've partnered with the OIR in terms of their workshops throughout Tasmania as they seek to roll out.

We're also managing the Member Protection Information Officers and we've got a reference group there. Those are voluntary roles that can happen in clubs. So, if we specifically focus on clubs, we've got a number of those, there's over 200 registered on the Play By The Rules database in Tasmania and the vast majority of those are at club level working to support the issues around child safeguarding. We're also, at a national level, we work really closely with Sport Integrity Australia, so they've got the Play By The Rules framework, the National Integrity Framework there, too. And, as recently as last year - and we're going to run this program again this year - we've actually worked with state sporting organisations around a safety program, too. So we've got a number of state sporting organisations connecting at that level, too. So, there's a multitude of areas and we regularly share information with our sector through our bulletin, too, on relevant information around child safeguarding.

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We also acknowledge that there's always more work to be done in this space and that volunteers and the challenges for volunteers in small clubs is a real one and getting the balance right in terms of what's realistic and manageable at that level to satisfy the framework and continue to play, provide safe environments for children and young people to participate in sport and active recreation is important. On the main, clubs do a really fantastic job at meeting those needs.

Ms O'CONNOR - Just finally, are you confident that through that engagement process and expectations, which are clearly being relayed to organisations, that the division has sufficient contact and overview of the whole landscape here to be reassured that everything that can be done is being done.

Mr SYNNOTT - Through you minister, we believe that we're doing everything that's reasonably practicable in terms of supporting our sector in meeting their requirements. The other thing that I neglected to mention was that any request for funding has to come with the assurance that they are meeting the requirements of the framework as part of that and that they've got the appropriate requirements in place. If I go a step further, with our peak organisations - because they really are, they own this issue. This is a shared responsibility, we're certainly not abrogating ours from an Active Tasmania and government perspective, but they have to actually show us their safeguarding policy and various requirements around that too, to give us a level of reassurance that they are taking the issue seriously. I just want to reassure you that our belief is they do take this issue seriously and there's nothing more important than providing safe environments for children and young people in the sport and active recreation sector.

Ms O'CONNOR - Thank you.

CHAIR - We're onto Stadiums Tasmania, do you need to get James to the table?

Mr DUIGAN - Yes, indeed. Thank you. Introduce Mr James Avery, CEO of Stadiums Tasmania. Thanks. You're more than welcome to stay, James.

Ms O'CONNOR - Thank you very much. If we go to budget paper 4, page 23, Stadiums Tasmania, you'll see that there's an allocation there for operating expenses for Stadiums Tasmania, which is not huge - \$4 million per annum. There has been some talk from within government, minister, that following the construction of the stadium, the debt that would be carried by MPDC may be transferred to Stadiums Tasmania along with the asset. I'm interested to understand how government expects Stadiums Tasmania - which can't generate much income - would repay that debt?

Mr DUIGAN - Thank you, appreciate the question and understand the reason for its asking. I think the transfer of the asset and the debt to Stadiums Tasmania is one of the things government would contemplate. I don't think a firm position has been settled at this stage. You know, it's something, James, that you spent time thinking about and providing information on. You might have some further information for the member for Hobart around that issue and where the current level of thinking is.

Mr AVERY - Through you, minister, we haven't heard anything other than the asset will transfer to Stadiums Tasmania. In terms of the treatment of the financing and a potential debt

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position, we've just started that conversation with Treasury at the moment. I think their priority has been to finalise a position with MPDC, obviously, particularly with a tender process underway. Our position will be clarified, I understand, throughout the course of this calendar year. So we haven't got to a position as to what happens with that debt yet, but that pathway is going to be mapped out for us shortly, is our understanding.

Ms THOMAS - Okay. Thank you, James.

CHAIR - Can I just add something to that, Cassy.

Ms O'CONNOR - Yes.

CHAIR - The Treasurer was a little bit less definitive yesterday. He said it may not come to Stadiums Tasmania, it might stay with some other organisation or something else.

Mr AVERY - The asset?

Ms THOMAS - No. The debt. He was talking about the debt.

Ms O'CONNOR - No. The debt, the liability.

Mr AVERY - Sorry, gotcha.

CHAIR - Was he, the debt? Right. I misunderstood him.

Mr DUIGAN - I think we're pretty set on the –

CHAIR - They might keep all the debt on the general government sector, then keep it off your books.

Mr AVERY - I don't know. All I know is that we're earmarked for the asset which is clearly what, sort of, our immediate focus is in terms of the design work and so on, but yes, we're yet to find out in terms of the treatment of debt.

Ms O'CONNOR - Thank you, James. Minister, what are the revenue-generating options for Stadiums Tasmania?

Mr DUIGAN - So the - you know, the revenue-generating options for Stadiums Tasmania live in the assets that Stadiums Tasmania hold, and the operational flair that James and his team bring to operating those assets, you know, I think.

CHAIR - How's it going to make money? That's the question.

Mr DUIGAN - And that's an important point, and that's something that James spends a lot of time thinking about. You know, certainly we've asked stadiums in the past to consider a content strategy and that's work that they have done, but ultimately it's about leveraging those assets to deliver the best result possible for Stadiums Tasmania and then, by association, all of us who own those assets.

Ms O'CONNOR - So, page 23 -

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CHAIR - Can we get James to explain how he intends to raise revenue, because as I understand it, from some of the events that are on, the money goes back to say, the Devils, or somewhere else, it's not necessarily coming in to stay in Tasmanian coffers. I think it's a very fair question the member for Hobart tried to get an answer to: how are you going to make money?

Mr AVERY - Sure. So through you minister, we have to operate in a highly commercial manner, obviously. Now, when we talk about hirers hiring our venues, we negotiate what's known as a venue hire agreement, or a ground occupancy agreement, and that essentially sets out the commercial terms, who gets what, who gets what in terms of the revenue and who has to pay for what in terms of using the venue and the costs. So, we have negotiated these venues in the past. We do them for one-off events like, for example, the Foo Fighters event. We do them for - we're in the middle of a negotiation with the AFL on behalf of the Devils in relation to a ground occupancy agreement for the Macquarie Point project. We've been renegotiating the agreement with Hawthorn in terms of how they use the venue. So yes, some of the ticketing revenue goes to the club or the hirer, some of the merch revenue, some of the food and beverage revenue, but various splits are retained by the venue as well, and that's where we look to raise revenue.

CHAIR - Will the agreement with the Devils, in relation to how Stadiums Tasmania will operate the stadium, be public, so we know how you're going to make money? Not you particularly, but Stadiums Tasmania.

Mr AVERY - Yes. Well, I mean, it's a commercial agreement. I don't know if the AFL make too many of those ground user agreements available, but -

CHAIR - We're required to make a few things available when we're putting in a lot of money in ourselves.

Ms THOMAS - That's right.

Mr AVERY - No. All I'm saying is I can't speak on behalf of the AFL and I can't determine what government will do in that respect.

Ms THOMAS - If they want an agreement -

Mr AVERY - But that agreement, from our - we don't have anything to hide in terms of that agreement, that's for sure. We want to make sure that there is as much revenue coming back to the state as possible. That's been our posture in negotiations. That will continue to be our posture in negotiations. There's also some assets that the venues themselves own, the venue owners and operators, such as stadium naming rights and other commercial assets like that. That's obviously a significant avenue for raising revenue for us as an organisation.

Ms O'CONNOR - So, when you look at the sort of statements of comprehensive income across the forward Estimates, minister, Stadiums Tasmania is operating each year at about a \$2 million loss. As an entity - this is no slur on you, James - but as an entity, it's a loss-making entity. There doesn't seem to be any path out of that, does there? Can you see a path out of it being a perpetually loss-making entity?

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Mr DUIGAN - Thank you. I think it's really important to track the journey of Stadiums Tasmania as it is still very young. At the moment, Stadiums Tasmania is the owner-operator of the Silverdome and UTAS Stadium in Launceston. Both of those venues are currently undergoing very substantial redevelopment projects. Stadiums Tas has been delivering those projects as well.

Ms O'CONNOR - Dial Park as well?

Mr DUIGAN - No, not Dial Park. Dial Park will remain a community asset. The venues which are slated for -

CHAIR - I did look at that, but [inaudible] went against it, you're right.

Ms O'CONNOR - Yes, I thought so. Okay.

Mr DUIGAN - At the moment, it's the Silverdome and UTAS Stadium. As I say, there are substantial redevelopments happening at both of those venues which impacts their ability to be leveraged to their full potential. As we go forward and we see MyState Bank Arena transferred to Stadiums Tas, and ultimately Ninja into Stadiums Tas, and subsequently then Macquarie Point, that's a much broader offering and a much more - an asset base that allows the organisation to drive a greater level of income generation, would be my assessment.

Ms O'CONNOR - Sure. Potentially, don't you agree it also, potentially, adds to Stadiums Tasmania's liabilities, or costs, because there will be a whole lot of costs associated with those extra assets, upkeep, maintenance, and so on, depreciation. How will you balance that out?

Mr DUIGAN - Look, that's true. Well, ultimately these have often been run by council here or run by council there, whatever, and used as football grounds with the odd thing happening here or there. The value of Stadiums Tasmania is to bring those assets together and to bring the expertise that James and his team, and the board that we've assembled, together, to better utilise those assets for the state, but I will let James speak to that because he's much more eloquent on it than I.

Mr AVERY - Through you minister, clearly for these large-scale community assets, it is a real challenge for them to wash their face. There is no getting away from that.

Ms O'CONNOR - The numbers tell that story.

Mr AVERY - That's right, and so we need to look at ways - our responsibility is to try and reduce the cost to the taxpayer to have these large-scale community assets, and that's what they are, because let's not forget in terms of raising revenue, we have a number of community users who run through our venues and use our venues, and we give them community pricing -

Ms O'CONNOR - Good.

Mr AVERY - which effectively means the ability to raise revenue is extremely challenged, but that's okay, because that's doing the right thing by the community. These are community assets. It is a challenge to get them to break even on - most of the time. That's when you have to look at, obviously, the economic and social benefits and a range of other things; but what I would say is the Macquarie Point Stadium will represent a greater opportunity for

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us to drive greater revenues and go closer to breaking even, particularly around that venue. Yes, it will come with costs and liabilities, and there are asset management regimes and costs associated with those things, but -

CHAIR - Given the demands of Cricket Tasmania.

Mr AVERY - Well, the demands of all sports, to be honest. There is a lot that goes into setting up these elite teams, but as we've heard, they're funding more than elite teams. We are certainly running venues that operate outside of just having elite teams play there. That comes at a cost, but also, our job is to make sure that the maintenance of these facilities is done in a sophisticated way so we're not having to overinvest in them in large chunks every 10 to 20 years, and we've got a consistency to how we're approaching these projects. There is no getting away from the fact that it is challenging for these venues to break even. That is the case the world over, which is why, as you've rightly pointed out, there is a profile in terms of the financials.

Ms O'CONNOR - Which is why, of course, there is a significant risk attached to building the Macquarie Point Stadium.

Mr AVERY - What I would say on that one is the Macquarie Point Stadium gives us a unique opportunity to have far more events in there, and I'm not just talking about cricket and football, I'm talking about business events, a whole range of other things as well, given the location, design, scale, all those sorts of things. That is it can almost be treated a little bit different to these other venues in that respect. Nevertheless, it's a challenge.

Ms THOMAS - On that, who's leading the - sorry Cassy - who's leading the negotiations on the head tenant agreements with the, well I expect with the Tasmania Devils Football Club and with Cricket Tasmania. Who's leading those negotiations, and at what stage are they at?

Mr AVERY - Through you minister, so that Stadiums Tasmania is leading the negotiations with the AFL, and the AFL acting on behalf of the Devils.

Ms THOMAS - Yes.

Mr AVERY - They own the Devils.

Ms THOMAS - Bring in the big guns.

Mr AVERY - That negotiation's been on foot for a couple of years and was essentially put on ice last year while there was planning processes, and various other things going on. We have re-engaged the AFL on that this year. That is continuing to be underway, and we've had initial preliminary discussions with Cricket Tasmania about a ground occupancy agreement for them as well.

Ms THOMAS - Who then signs off on those head tenant agreements?

Mr AVERY - That will be the Tasmanian government and the AFL.

Ms THOMAS - It's not the Stadiums Tasmania board, it's the -

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Mr AVERY - No, we're negotiating on behalf of the Tasmanian Government.

Ms THOMAS - It's the minister who signs the head tenant lease agreements, or?

Mr AVERY - Couldn't recall exactly which member of government it is?

Ms O'CONNOR - It could be the Treasurer.

Mr DUIGAN - It's probably the Treasurer, given he's also the minister for the stadium.

Ms O'CONNOR - Can I just check on potential naming rights for this massive, publicly funded, totally unaffordable, and rather unpopular stadium? What guidelines are in place for naming rights, and what sort of metric would government be applying there to who might be able to buy the rights to have their name plastered on that unaffordable, unpopular, stadium?

Mr DUIGAN - The O'Connor arena? James, thank you.

Mr AVERY - Through you minister. We have an intent that whenever we get to the point of having someone, or an organisation we think is a serious prospect, in relation to taking out naming rights, we intend to communicate that to government, because we understand there will be significant public interest and a public obligation. For example, when we had this, I think we discussed this openly late last year, and a request, the question was posed not dissimilar to the way you have, but specifically around a wagering company, for example. We have not been approached by anyone of that nature to take naming rights position, but we understand there would be a public obligation, in relation to something as visible as the naming rights. We intend to make it very clear to government who is talking to us, and how close they are, and whether we think that would be controversial or something in the public interest.

Ms O'CONNOR - Or appropriate. The appropriateness of a potential neighbour.

Ms THOMAS - Or legal, the federal government's going to ban that anyway, aren't they?

Ms O'CONNOR - What?

Ms THOMAS - Aren't they, banning sponsorship -

Ms O'CONNOR - Gambling, maybe.

Ms THOMAS - Yes, they were going -

Mr AVERY - Potentially.

CHAIR - I will go to Rebecca.

Ms THOMAS - So, my understanding is there's an intention for Stadiums Tasmania to take over management of the MyState Bank Arena?

Mr AVERY - Correct.

Ms THOMAS - What stage is that at?

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Mr AVERY - Through you, minister. Our immediate step here is to work on transferring ownership of the asset to Stadiums Tasmania, from the Department of State Growth. As you'd be aware, the LK Group currently have operating rights and lease the venue. Once we have cleared the hurdle of transferring ownership, our intent is to then open up engagement discussions, in relation to taking on operational rights.

Ms THOMAS - Okay.

Mr AVERY - There is a lease in place, so we would need to work through that. That would require a negotiation.

Ms THOMAS - So minister, are you aware of some of the provisions of that lease, in terms of the requirement for the lease amount to be paid by LK Group, and some of the forego rent provisions associated with community use of that venue?

Mr DUIGAN - I have had a briefing on the contents of some of the provisions contained within that list.

Ms THOMAS - The lease provides the LK Group pay the state government \$200,000 a year, for the right to operate that venue, and clause 1.3 E of the lease provides for a government contribution of \$175,000 per-annum, to support non-commercial hiring arrangements, which means LK Group effectively, if that provision of the lease is executed, pay the government just \$25,000 a year to lease that venue. Do you know minister, how much has been paid to date by the government, and on what evidence of compliance was each payment approved?

Mr DUIGAN - Shane, do you have detail on that?

Mr GREGORY - Through you, minister, I don't have the details to hand. We're actually doing a review of all of that at the moment.

Mr DUIGAN - Are we?

CHAIR - News to you, minister.

Ms THOMAS - That's pleasing to hear.

Mr DUIGAN - Yes.

Mr GREGORY - Well, just business as usual.

Mr DUIGAN - In terms of where payments are.

Mr GREGORY - Yes, just in terms of where payments are - just business as usual.

Ms THOMAS - Right. Is that's you'd take on notice, minister, to provide a response to in terms of how much has been paid to date and what evidence of compliance was each payment approved of that \$175,000 contribution?

Mr DUIGAN - Yes.

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Ms THOMAS - Thank you. Is it your intention then that, if the asset is transferred to Stadiums Tasmania, there's any sort of renegotiation of that lease? Is that possible, noting the significance of that provision?

Mr DUIGAN - As James mentioned, taking on the operation of the venue is part of what would be envisaged. There are obviously conversations that would need to be had because there is a lease in place. James, anything further you'd like to say there?

Mr AVERY - Through you, minister, only that we haven't commenced a discussion with the current leaseholder in relation to taking over operations. But clearly, that would need to be something that would be undertaken by a number of parties once the ownership consideration has been resolved.

CHAIR - I'm conscious of the time. Was there anything you wanted to add before we close off this session, minister?

Mr DUIGAN - I don't believe so. Thank you, Chair.

CHAIR - That's alright. We will write to you with the things that are outstanding. Thanks for your time as Minister for Sport and Recreation. We'll have a 15-minute break and be back for Parks.

Mr DUIGAN - Super. Thank you.

The witnesses withdrew.

The committee suspended from 2.31 p.m. to 2.45 p.m.

Parks

CHAIR - Thank you, minister. We're now into your portfolio of Parks so I'll get you to identify the members of your team at the table.

Mr DUIGAN - Thanks Chair. To my right, Louise Wilson, deputy secretary, Environment, Heritage and Land; and to her right is Stuart Fletcher, who is the general manager of Land Tasmania. To my left, my chief of staff, Amanda Lovell, who won't be taking questions.

CHAIR - Just in case she thought she might.

Mr DUIGAN - Well, she's very knowledgeable. By way of opening remarks, if I may?

CHAIR - Yes.

Mr DUIGAN - Tasmania's parks, reserves and Crown land cover about half the state and are deeply valued by Tasmanians and visitors alike. That's why we continue to invest strongly in our natural assets, making them accessible and able to be enjoyed for generations to come. We have provided an additional \$12 million in funding over three years to maintain and upgrade visitor experiences and infrastructure across our parks and reserves.

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The Budget continues our investment in key sites across the state, enhancing access and safety in alpine areas at Ben Lomond and Mt Field, as well as at iconic coastal destinations including Tasman Arch, Devil's Kitchen and Cockle Creek. We are continuing to invest in bushfire winch capability with funding of \$2.8 million over four years to protect our natural assets.

In addition to our rangers and visitor services staff, this year our parks' seasonal engagement officers spent 132 days directly engaging with visitors and delivering safety and Leave No Trace messaging. We thank them for their commitment and for the vital role they play in monitoring visitor safety and protecting our natural environment, ensuring it can be enjoyed for generations to come.

I note the first output is in relation to Lands Tas and we're continuing to modernise the system through the redevelopment of LISTmap and Common Operating Platform to deliver a more integrated, contemporary and user-focused digital platform. Another reform is building on the implementation of national electronic conveyancing and the removal of paper certificates of title from 1 September this year. We're taking things a step further with \$2.2 million over two years for the implementation of electronic survey data lodgement and this will replace the current manual paper-based process, and will improve turnaround times, consistency and accuracy, making it easier for industry professionals to do business in Tasmania.

Significant processes progress has also been achieved in delivering the \$7.6 million visitor experience capital project at the Royal Tasmanian Botanical Gardens, another area of this portfolio and an area much loved by many Tasmanians and I welcome the committee's questions on those issues and others.

Output Group 1 - Land Tasmania

1.1 Land Titles, Survey and Mapping Services

CHAIR - Thanks, minister. This is going to go to a similar line of questioning we did for you in State Growth area, but this is a different portfolio area. So, just in terms of the headline figures, if you look at the cost Output Group 1, which is land titles, which has valuation services and survey mapping services as well, have you got any idea at this point of how many FTEs you're going to need to lose from those areas to meet your operational efficiencies as demanded by the government - by the Treasurer?

Mr DUIGAN - Thank you. Noting that I don't have the secretary of NRE Tas here with me at the table, he's in a -

CHAIR - He's preferring to stay in the other place, is he?

Mr DUIGAN - I believe he is in the other place at the moment. But in terms of those broad and overarching, in the interests of time, I won't go into my little narrative, but I will allow Louise, if you've got anything you'd like to say there in terms of how we would seek to achieve those efficiencies in this department.

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Ms WILSON - Through you, minister, we don't have a number of FTEs that we've calculated. That will depend on what our budget sustainability plan is that we are developing for 2026-27 and beyond. We'll be looking at a number of different measures. Obviously, we'll be looking at staff reductions, but we are - where we can through different - we've got processes in place to support that - but we are also looking at other expenditure that we have a lot of control over and more discretionary expenditure, which, to date, we have made some good savings in this area and we have to continue to do so and find more as well. Some of these things include: printing, travel, fleet, communications, use of consultants, those sorts of things.

When we have that full plan for the agency, that's when we'll have a better idea of what the FTE numbers look like. Obviously, there will need to be a significant reduction, but we've done some really good work to date and we'll just have to keep looking at, I guess, working smarter and using technologies and improving systems and just doing things differently to achieve those reductions.

CHAIR - Thanks, that's helpful. It's good to hear that you've got a thing - a budget sustainability plan. That's the first we've heard that someone's actually got a plan, which is great.

No, I know it's not fully populated, but at least it's got a name, which is a step forward. It is a step forward because, to date, we've had not even that. So, that's very good on that regard.

I just want to drill down into some of these matters that you've raised. You've also said that you've made some significant changes already. I assume that was only recent - I don't remember what they were called in the last budget - efficiency dividends I think it was.

Ms THOMAS - Budget efficient dividends - BEDs.

CHAIR - Yes. So, I assume that relates to them, not the savings you've made. Can you outline, minister, the savings that have been made already - the amount of savings that's been made? I think Louise actually referred to some of the areas, but I would like to drill down into that bit further about how the savings is being made and how much.

Mr DUIGAN - Thanks. I'll just sort of clarify that Louise, in her role as dep sec for Environment, Heritage and Lands, and we do later on the session have Sophie Moore, who is with Parks and obviously that's the larger, perhaps, employment sector, obviously.

CHAIR - She might be ready when she comes to the table then I reckon.

Mr DUIGAN - I'm sure she will be, but Louise, in terms of the detail of that question could we?

Ms WILSON - Thank you. Through you, minister, look, in terms of - I can tell you a figure I've got for - let me just see, just trying to find where we have got the savings. If you just give me a few minutes and I might come back to it at the agency level. We've got some FTE numbers -

Mr DUIGAN - While you're going there, Louise, I will read in some of the things that I've got. Just in terms of department wide, I'm informed that the department is on track to meet its savings targets of \$3.61 million for 2025-26 and I'm advised that targets have been allocated

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primarily on an output basis and the department will be developing a budget plan, as we have heard, in 2026-27 to deliver these efficiencies. It's incumbent upon all agencies to find efficiency at all times, but never more so than at this time when we are focused on delivering the most we can for Tasmania and making sure that every dollar works harder.

CHAIR - So, \$3.61 million saved?

Mr DUIGAN - Yes.

CHAIR - Is Lousie able to -

Mr DUIGAN - For 2025-26.

CHAIR - Yes, that's what I'm focusing on just now. How has that been achieved?

Ms WILSON - Right. Through you, minister, I can talk through that. In the previous savings we focused very hard on printing. We made some really good savings on printing, which also has really good sustainability outcomes.

Back to our budget savings sustainability plan, while we haven't completely finished this project, we're developing a 'One Fleet' project and we're going to improve efficiencies in how we use our government fleet. We're going to centralise our government vehicle pool, excluding special vehicles of course.

CHAIR - Does that mean that some staff may no longer have a vehicle who have had a vehicle in the past? Is that what you're saying?

Ms WILSON - It's usually, rather than for particular staff, it will be for particular business areas. We're pooling those. We have a small car pool at the moment - I think it's seven vehicles. We will increase that to over 100 and that means there will be more vehicles available.

Mr DUIGAN - Increase the vehicles?

Ms WILSON - No, sorry, we're consolidating them. No, we're not buying more vehicles. Beg your pardon.

CHAIR - Because that's a lot more cars.

Mr DUIGAN - It was running counterintuitive.

CHAIR - Doesn't sound like a saving, minister. Sorry, you might just want to correct how you said that, Louise, because it came across contrary.

Ms WILSON - Sorry, I do apologise. By doing that we make more effective use of our vehicles. We will aim to improve the utilisation of each single vehicle instead of having them sitting in business units. That will achieve some savings.

We are also focusing on travel, use of consultants and publications and things like that. That's one sort of category of areas we have made some good savings in. But we've also introduced since March 2025 a centralised vacancy recruitment monitoring and control

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process. We have an executive committee that looks at all vacancies coming through and assess the need for the position. If it's a new position, then we have a process where we would look at business cases and whether we can do things differently. Also, with backfills and business case new positions we look at, are there staff elsewhere who could be redeployed, could we achieve savings, for example, through reclassification, do we actually need that position? We do that on a case-by-case basis.

CHAIR - How much have you cut consultants, for example? Do you have that level of breakdown?

Mr DUIGAN - And if I may, Chair, just while you are looking for that, Louise, the statement made by the secretary yesterday in the other place, in terms of the non-essential recruitment freeze announced in March 2025, I can say that NRE has reduced its workforce by 56 FTEs since those measures were introduced last year. That's across NRE. When we were looking more specifically at Parks, it's a much lower number. I think most of the jobs that have come up in Parks have been recruited too, but I'm happy for Louise to provide them.

CHAIR - Just on the consulting, then I will come to the reason I'm asking this, do you know how much you've saved on consulting?

Ms WILSON - Through you, minister. I don't think I have that figure specifically at hand.

CHAIR - Where do you normally use consultants? Why would you need to bring them in?

Ms WILSON - Okay. Through you, minister, we use consultants and contractors when we don't have the skills and expertise in-house. Wherever possible we are trying to look for that and do things in different ways. There are some areas in the agency where we have probably tended to use more consultancies. For example, in the waste and resource recovery area, where it's a growth area and a lot of technical expertise that we are building in a new emerging sector. But elsewhere in the agency we are pulling back from that. Other consultants or services we might use that we've pulled back on is for recruitment, for scribes and support with that. That's one area I can think of off the top of my head where we've reduced.

CHAIR - By the sound of it, you've worked really hard to achieve the savings that were expected of you, \$3.61 million. One would think there's not a whole heap more fat left. You have a savings requirement that's clearly outlined in budget papers. I wouldn't have thought there was much fat left so how are you going to achieve the savings now required to fix the Budget - not you personally fix the Budget. It's a much bigger job than your portfolio, minister.

Mr DUIGAN - That's very true, Chair, and the work that has gone on in all of our departments and as you see we have lost some positions in the agency over time, over the last 15 months.

CHAIR - What are you going to do now? What's left?

Mr DUIGAN - What it ultimately comes down to is government priorities and having our priorities in the right spaces and being somewhat more targeted than we have been in the past.

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CHAIR - From your perspective then, minister, what priorities do you think should no longer perhaps be funded to meet that? Because most people would think most things the government does should be the priorities of the people of Tasmania in electing the government.

Mr DUIGAN - Particularly in Land Tasmania there are some real opportunities for the streamlining of our processes. I spoke in my introduction on electronic conveyancing, which is important. The removal of paper titles, which is important. All these things have a streamlining impact. Stuart, you're probably best placed to talk about those processes and the opportunities they present to make this a leaner operation.

Mr FLETCHER - Through you, minister, electronic conveyancing and removal of paper Certificates of Title, I could touch on. The Recorder of Titles has made a decision now to basically remove paper Certificates of Title from the conveyancing market.

CHAIR - Big step.

Mr FLETCHER - It's an excellent step. But that also removes a fairly large administrative overhead from us and a cost as well. I think our postage bill for dispatching titles is about \$80,000 a year alone.

CHAIR - Australia Post keeps putting their prices up.

Mr FLETCHER - The other side to that as well is people have lost their Certificates of Title. If someone loses their title ahead of settlement -

CHAIR - We didn't lose it, Australia Post lost it. They found it down the back of a van somewhere.

Mr FLETCHER - then they've basically got to apply to the Recorder for a lost Certificate of Title and a new one created. That's advertised in the three newspapers. There is a whole process around that. A lot of those things will be streamlined.

Further down the track, electronic conveyancing will present us an opportunity. We won't be dealing with paper like we are now. Dealings coming into the Titles Office basically arrive in paper, they're examined. That examination process would continue; it's a fairly fundamental part of the conveyancing environment because we need to check things like people's names, is the correct title, is the correct evidence provided with the dealing. However, when we move into an electronic conveyancing world, a lot of that information is verified, so we actually don't need - they can't get the title reference wrong. And quite often we get dealings with the incorrect title reference, or the incorrect vendors details which ultimately have to be requisitioned, we write back to the lawyers and conveyancers who lodged it with us -

CHAIR - Charged another fee.

Mr FLETCHER - and that generates a whole process. Those sorts of things we could certainly streamline.

Better use of technology in the spatial space as well will present opportunities for us as well. There are certainly opportunities for automated extraction of information from aerial photography and LiDAR (Light Detection and Ranging) information. That is a very fast-

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moving world with things like AI and machine learning. It's not just AI, it's machine learning, and a lot of this has evolved over a number of years, but that is certainly an area where there are opportunities.

Ms LOVELL - Back to staffing, minister, do you still have any staff on 50- or 100-hour-a-year contracts?

CHAIR - I think that would be Parks, wouldn't it?

Mr DUIGAN - Yes, I think that's probably in Parks, isn't it?

Mr FLETCHER - Not in Output 1.

Mr DUIGAN - Not in Lands.

CHAIR - Just save that for when we get to Parks.

Mr DUIGAN - We will come back to that. Thank you.

CHAIR - To move then perhaps more to the deliverables under this line item: we did speak with him yesterday. Cassy asked a question about the valuation of the Treasury building that's been undertaken by the Valuer-General; is there any intention to make that public or share it with anybody, including potential purchasers, or those entering into a lease or anything like that?

Mr DUIGAN - Stuart? Thank you.

Mr FLETCHER - Through you, minister, so Treasury has requested an updated valuation for the Treasury building. Obviously, that's in a process at the moment.

CHAIR - It hasn't been done yet?

Mr FLETCHER - No. They've requested a valuation. We do provide valuations to Treasury for asset valuations.

CHAIR - Yes. Right. Yes. I understand.

Ms O'CONNOR - Weren't we told this had been done?

CHAIR - That's what I thought. Let's let Stuart respond here, yes.

Mr FLETCHER - I understand - I was watching the hearing yesterday, that it's been requested from the Valuer-General. I think we did provide one last year, we've had an updated valuation requested this year for the Treasury building. Obviously, it wouldn't be appropriate to go into the instructions for that. It's a market valuation. That is subject to a process, and we wouldn't be advising that that valuation report was provided to someone who was purchasing -

CHAIR - You would just provide it to Treasury.

Mr FLETCHER - Yes. So -

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CHAIR - That's the only place you will ever provide it, is to Treasury?

Mr FLETCHER - Yes, absolutely.

Ms THOMAS - No, like Wilkinsons Point.

CHAIR - Well, it wasn't - I don't think it was these guys who released it, to be fair.

Ms THOMAS - No, it wasn't. No, I know: the government.

Mr FLETCHER - Under section 8 of the *Valuation of Land Act*, there are secrecy provisions that put obligations on the Valuer-General in relation to valuation information reports and information that comes into his knowledge. So, yes, we would be providing it to Treasury. That informs the reserve price that's set under the *Crown Lands Act* as well.

CHAIR - Just going back, then, to Land Titles, Survey and Mapping, you have said there's a lot more use of AI, and in particular in lifting aerial photos and that sort of stuff; is there any intention to add more layers to the LISTmap, and what will they be if you do?

Mr DUIGAN - There are lots more layers of the LISTmap and, you know, the common operating platform, but Stuart, obviously, is a subject matter expert, and you know, LISTmap, great, again I would put out the standing offer of coming to speak to the people who really know how to drive it, because, you know -

CHAIR - Because it is a bit tricky.

Mr DUIGAN - Well, it's getting better. The new operating system means it works beautifully on your phone and all those sorts of things, but to see someone who knows how to use it well, compared to how I do it -

CHAIR - Because we have a new member of the committee who may not have access - yes, may not even have access.

Mr DUIGAN - Anyone who would like access to it - I think all parliamentarians have access to the LIST.

CHAIR - I'm not sure, but you probably haven't checked, Clare.

Ms THOMAS - I do.

CHAIR - Maybe we need to check if everyone has access.

Mr DUIGAN - In terms of new datasets and operability: Stuart.

Mr FLETCHER - Through you, minister, so one of the - and the minister mentioned in his opening remarks the All Hazards project, which is basically a redevelopment of LISTmap in the current common operating platform. That was developed in 2014. Technology has obviously moved significantly in that period. The new platform is currently under active development, with a beta due to be delivered in July this year, and a final version released in

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November. We're still working through what that November release looks like, whether it's a parallel public release, or whether we just switch over the old system to the new system. That would largely be informed by things like, well, if we've got an early fire season, well, we may not necessarily be cutting the fire service and the Parks firefighters over to a new system in that sort of environment. In terms of new datasets - and I don't have any list in my folder at the moment in terms of new datasets that we would have put up on the LIST - but certainly every year there are new datasets. A lot of them relate to emergency management, but I think this year - I just might have a look at my briefs.

Mr DUIGAN - There's something like 3500 datasets in the LIST, and I think, you know -

Mr FLETCHER -Yes.

CHAIR - There are a lot.

Mr DUIGAN - my memory from last time I think I interacted with this, there are hundreds more that have been added through the course of this year.

CHAIR - What's the budget allocation to deliver this work?

Mr DUIGAN - It was some time ago, but it was in the order of \$2.5 million, Stuart, I think, was it not?

Mr FLETCHER - For the All Hazards project?

Mr DUIGAN - Yes.

Mr FLETCHER - And some of those budget reductions you will notice in the Budget is that project coming off the books as well, and there was some funds cash-flowed from last year into this financial year.

CHAIR - Just while you're looking for that, another question that obviously flows is: is it on budget?

Mr DUIGAN - I believe it is, yes. I think it has -

Mr FLETCHER - \$2.9 million.

CHAIR - 2.9 million, over -

Mr FLETCHER - Over - so this was the contract with Geometry -

Mr DUIGAN - Yes. So -

Mr FLETCHER - who were the contractor - was \$2.9 million, but there was additional -

Mr DUIGAN - The Tasmanian government committed \$2.75 million to this important project that will modernise and uplift the capabilities of the Land Information System Tasmania (LIST), to deliver spatial infrastructure and services to government, emergency services

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organisations, industry and the Tasmanian community. A local Tasmanian company, Geometry Pty Ltd, was awarded the project.

Inaudible – I think we know that bit.

CHAIR - You said 2.7; Stuart thought it was 2.9, or 2.75

Mr DUIGAN - 2.75 million is the commitment from government:

The Common Operating Platform is a critical operational infrastructure used by emergency service organisations in the prevention and preparedness, response and recovery of emergency incidents, such as bushfire, flood help, biosecurity, and environmental incidents.

As Stuart mentioned, we will have a beta version, in July. So, it provides over 3200 spatial datasets over Tasmania, and there are over 1950 datasets specifically used in the management of emergencies and incidents, ranging from power, water, sewerage utility data, sensitive flora and fauna, and heritage sites, to flood and fire history. Again, if you're interested in learning, to go into one of the fire incident management areas, and see LISTmap as it applies to an emergency, is pretty extraordinary as well.

CHAIR - Can we just go back to the Budget, if we could: you said it was 2.75, but Stuart did say 2.9.

Mr DUIGAN - He did.

CHAIR - I'm just trying to clarify -

Mr FLETCHER - Yes. I can certainly clarify that.

CHAIR - There may be an explanation.

Mr FLETCHER - So, the original allocation for this funding was through the royal commission into natural disasters, and the government allocated \$4.965 million. So, that sat in -

CHAIR - The state government?

Mr FLETCHER - The state government: that sat in the DPAC budget, up until last year, I think, and then when they transferred some of it over to us - but in terms of the funding that was provided to us, it was 2.725. Now, the contract for services that we've got with the developer who's developing an application also includes hosting arrangements through to 2030. So, we're funding some of those costs -

CHAIR - That takes it up to the 2.9; is that right?

Mr FLETCHER - Yes, that's the contract -

CHAIR - So it is coming in on budget, because it sounds like there's been a shift from DPAC to here.

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Mr FLETCHER - This is certainly on budget; we've got no concerns about budget at all.

CHAIR - Unlike some other sort of similar things, like HRIS, digital things. Bec, do you have questions on valuations, or that's - unless there's other questions on 1.1 Land Titles, Survey and Mapping, anyone else have any questions there?

Ms O'CONNOR - No.

Ms THOMAS - No, I think you've sort of covered it, but are there any other property valuations that the office is expecting to seek in 2026-27?

Mr FLETCHER - In terms of?

Ms THOMAS - Government properties?

Ms O'CONNOR - Crown assets.

Mr FLETCHER - Absolutely. So, we regularly do valuations for other government agencies. So, it could be rental reviews, could be properties that are for sale, it could be asset valuations for government departments over their whole property asset portfolio. So, the Office of Valuer-General, under Section 51 of the *Valuation of Land Act*, regularly does valuations for other agencies?

Ms THOMAS - So, there are any ones of particular note on the books at the moment, minister, that you're aware of?

Mr DUIGAN - I don't think so. No.

Mr FLETCHER - Obviously, the Treasury building, but we've talked about that.

Ms THOMAS - The Treasury building. Are you aware as -

Mr DUIGAN - Parliament House.

Ms O'CONNOR - What?

Ms THOMAS - I wasn't listening then, was I?

CHAIR - Do you want to correct the record on that, minister, because it might be on front of *The Mercury* otherwise?

Mr DUIGAN - Not Parliament House; Treasury building, indeed.

Ms THOMAS - Might be able to get some ergonomic environments set up if we get a new Parliament House. Are you aware as to whether there's been any recent requests for a valuation on Wilkinsons Point land?

Mr DUIGAN - No, I'm not.

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Ms THOMAS - Not aware?

Mr DUIGAN - No.

Ms O'CONNOR - Is the department?

Mr DUIGAN - Is the department?

Mr FLETCHER - No requests since the last.

CHAIR - When was the last one?

Mr FLETCHER - I think it was 2024 from memory.

CHAIR - Do you want to confirm that to be sure? We can give that to you on notice if you need, if you haven't got it with you right now.

Mr DUIGAN - My memory would be 2024.

Mr FLETCHER- The reserve price was set on 19 February 2025.

Ms THOMAS - When you say the reserve price was set -

Mr FLETCHER - That would have been after -

Additional advice has been requested by the Department of State Growth for an updated valuation for alternative subdivisions related to scenarios oversight. This advice was provided in late May 2025 was the last advice that we provided in relation to Wilkinsons Point.

CHAIR - In relation to the valuation of Wilkinsons Point?

Mr FLETCHER - Yes.

Ms THOMAS - In May 2025?

Mr FLETCHER - Yes.

Ms THOMAS - Minister, have you been made aware, or are you aware of any concerns about proper record-keeping in the Office of the Valuer-General? I know it's an independent statutory position authority.

Mr DUIGAN - I don't believe so, no.

Ms THOMAS - Do you know if the department has heard of any concerns on this? We heard in our inquiry into the proposed sale of Wilkinsons Point that there appeared to be no record of a valuation that was supposedly requested by the government in 2018. Have you heard anything along those lines?

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Mr DUIGAN - No, I don't believe I have. I'm certainly happy for the department to have an answer.

Mr FLETCHER - In terms of 2018.

Ms THOMAS - Yes.

CHAIR - If the committee asked for a valuation, it would be understood for it to have been done in 2018, and we were informed it couldn't be found.

Mr FLETCHER - In relation to -

Ms THOMAS - The land at Wilkinsons Point.

Mr FLETCHER - the Larry Kestelman deal? There was a valuation provided prior to this for, I think the Hobart Huskies had approached the government in relation to the purchase. There was a valuation report provided for that to government, but we've got no record of a valuation - I'd have to confirm that, but we've got no record of a valuation provided by the office, a formal valuation for Wilkinsons Point in relation to Larry Kestelman's agreement.

CHAIR - Nothing in 2018?

Mr FLETCHER - I'd have to confirm, just in terms of the timelines for the negotiations on this.

Ms THOMAS - I guess to answer my question, you're not concerned, you haven't been made aware or you don't have any concerns about record keeping at the office?

Mr DUIGAN - No, certainly it's not been an issue raised with me generally or in specific reference to it.

Ms THOMAS - Or by the department.

Mr DUIGAN - No.

Mr FLETCHER - To be clear, I did go looking for this as well, so just to satisfy myself, but I certainly wasn't able to find it. It's not in our records management system and it's not in our valuation system.

Ms THOMAS - You are referring to a specific valuation that has been referred to being done in or around 2018?

Mr FLETCHER - I'm just unclear of the timelines for the original valuation in relation to the Larry Kestelman arrangements. The valuation we did find was in relation to the Hobart Huskies arrangements.

Ms THOMAS - What date was that?

Mr FLETCHER - I'd have to confirm that.

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CHAIR - Okay. Would you be able to put it on notice?

Mr FLETCHER - We can probably confirm.

Mr DUIGAN - Right now?

Mr FLETCHER - Well, as soon as possible.

Ms THOMAS - Thank you. Just to be clear then, you mentioned before that - I'm just unclear on the facts here - additional advice was requested by the Department of State Growth on the valuation of Wilkinsons Point and that was provided in May 2025.

Mr FLETCHER - Yes.

Ms THOMAS - When you referred to before that, you went looking for the original valuation provided to LK group, what was it specifically you were looking for there?

Mr FLETCHER - I would have gone looking for a formal valuation report, so that would have been provided to the Department of State Growth. So the Valuer-General hasn't been able to find it. I haven't been able to find it.

Ms THOMAS - Right, okay. So the only valuation information that you have been able to locate, as requested by the Department of State Growth, is the information that was provided in May 2025?

Mr FLETCHER - That was an updated valuation. I think there was a valuation provided, there were some changes to the scenarios and then there was an updated - and I think all of this is certainly covered in the Auditor-General's report. So, there have been those valuations, but I understand the Valuer-General, the approach that was taken in relation to this valuation was to basically look at it based on the sales evidence at the time and treat it as a new valuation.

Ms THOMAS - Okay, clear as mud.

CHAIR - We have other ways of asking questions.

Ms THOMAS - I know - get myself tied up in knots here.

CHAIR - Minister, I think that's it for this area. We'll move to Parks, if you need to change the people at the table.

Mr DUIGAN - Yes, we'll have a change-out. Thanks Stuart.

Mr FLETCHER - Thanks minister.

Output Group 4 - Parks

4.1 - Parks

Mr DUIGAN - Do we only need one person at the table. I'd like to welcome to the table Sophie Muller, Deputy Secretary, Parks and Wildlife Service.

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Ms O'CONNOR - Minister, as you know, the *Wellington Park Act* is administered by NRE via the Parks portfolio. Budget papers show that funding for the trust has been maintained at \$393,000 with a paltry \$3000 increase across the forward Estimates each year, which is explained as the Wellington Park contribution. There's no other funding for Wellington Park either in management, infrastructure or implementation of the strategic review.

As you're aware, given the 1967 bushfires, the Tasmanian government's own climate risk assessment evidence presented by, for example, Prof David Bowman. There are very serious fire risks associated with Wellington Park and the city of Nipaluna/Hobart. So, we understand that fire planning and management is carried out across agencies and responsible entities and landowners and, respectfully, it feels to us a little bit like there's a fair bit of buck passing going on here. The Crown owns a significant portion of Wellington Park managed by Parks. We regularly hear concerns about the costs of upkeep of the fire trails on the Parks and Wildlife Service managed areas and how prepared Parks is for a major fire event in the reserve. We're not confident that Parks is prepared or the city is prepared. How much money would be spent from this Budget's allocation to Parks and Wildlife Service for its land and fire management within Wellington Park?

Mr DUIGAN - Good question and I think we sat at this table probably not that long ago and discussed the challenge that is Wellington Park and Hobart more broadly in terms of bushfire preparedness and it is a very, very challenging and, at times, worrying circumstance -

Ms O'CONNOR - It's also urgent.

Mr DUIGAN - and I would take this opportunity to urge everybody who lives close to or in the surrounds of Hobart and Mount Wellington to be in as good a position as they can be in terms of their property and in terms of their plans for a day -

Ms O'CONNOR - Can I just suggest to you: don't put this back on individual responsibility when the management of fire risk in the park, right, is not an individual Hobart resident's responsibility, of course -

Mr DUIGAN - No, indeed, it's not and I'm getting to that point.

Ms O'CONNOR - Good.

Mr DUIGAN - I'm getting to that point, but, when the day comes -

Ms O'CONNOR - Okay, when the day comes, as minister, you will want to be sure that you have done everything within your power to make sure that those areas that you have responsibility for were exercised fully to protect this city and its people.

Mr DUIGAN - Yes.

Ms O'CONNOR - So, how much money would be spent from this budget allocation for Parks on its land and fire management?

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Mr DUIGAN - Thank you. To the specifics of that, and noting the boundaries that Parks has with Wellington Park, the work that our people do in those areas. Sophie, you might have some more detail. I doubt that you're able to put an exact number on it -

Ms O'CONNOR - As I suspected.

Mr DUIGAN - but I think you could speak to the -

Ms O'CONNOR - Is there an allocation?

Mr DUIGAN - There is more than one area that we look across the state.

Ms MULLER - Through you, minister, I spoke last year to the strategic bushfire management plans that are under development for Wellington Park and that work's being led by TFS.

Ms O'CONNOR - Yes, I'm getting to that.

Ms MULLER - Parks is involved in that work that continues. Those plans are sort of coming close to being finalised. We take a coordinated approach to the management of bushfire across the state with really sophisticated arrangements in place between the three major land managers - Tasmanian Fire Service, Parks and Sustainable Timber Tasmania. Certainly, the management of fire risk within the Wellington Park precinct area is managed jointly across those three agencies.

We are involved in fuel reduction burns that are undertaken over the years in and around Kunanyi. I understand recently there was a reasonably large, planned burn that was planned to be undertaken a couple of weeks ago, but the weather window for fuel reduction burning obviously has been not great with the rain that we've had.

Ms O'CONNOR - And it's ever shrinking.

Ms MULLER - Yes. Then we continue to work on the management of fire trails throughout the park. Our Derwent Field Centre is a field centre that has responsibility for the management of those fire trails. But as to a specific figure, I don't have those figures with me and it would vary from year to year.

Ms O'CONNOR - Well, I was going to ask, how would the funding allocated towards fire management in the park compare this year to last year and the year before? Is that something that could be found and made available if we put it on notice?

Mr DUIGAN - Is that something that could be found? I imagine particularly on burning, you have plans to burn and you might get a window to burn, or you may not get a window to burn, so you burn elsewhere. I'm not sure that would be achievable. But we do not have any allocation, only expenditure would come through fuel reduction funding that is funded through TFS. That points to that piece of work.

Ms O'CONNOR - That's not encouraging. The 2006 Fire Management Strategy for Wellington Park is being replaced by the three strategic bushfire management plans, which

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your dep sec mentioned earlier. Have they been finalised and signed off, and, if not, how far off are they?

Ms MULLER - Through you, minister. They're close to final, as I understand it, looking towards those plans being finalised in the next couple of months.

Ms O'CONNOR - Thank you. My understanding is that the Hobart-Glenorchy one may have been signed off.

Ms MULLER - As I understand it, there are three plans and one has been finalised and the two additional plans that remain outstanding are currently under review - so, close to final.

Ms O'CONNOR - When you say 'under review' - and I'm asking this question of the minister, because I don't think it's fair to put your dep sec in this position - but our understanding is that Parks is resisting signing up to the Wellington Range North and Wellington Range South strategic bushfire management plans because of the responsibilities and the costs that it would put on Parks.

Mr DUIGAN - Well, typically Parks, noting those two interfaces that you talk about are probably more of the peri-urban interfaces and Parks' primary expertise is in bushfire, those more populated centres are typically the remit of TFS. In terms of having the right people doing the right work, there may be something to that. But again, I guess we would want to see a good outcome across all the land tenure and that's one of the challenges.

Ms O'CONNOR - So, you're confirming that Parks is pushing back?

Mr DUIGAN - No, I'm certainly not.

Ms O'CONNOR - Well, it is our clear understanding that Parks is pushing back because of the -

Mr DUIGAN - Who's we?

Ms O'CONNOR - We, the Greens. It is our understanding. I don't speak for anyone else, obviously, and that Parks is pushing back on signing up to the Wellington Range North and South management plans because it doesn't want to take responsibility or pay for implementation. You seem to have confirmed that.

Mr DUIGAN - No. Certainly, as minister, I am not pushing back.

Ms O'CONNOR - No, but -

Mr DUIGAN - Well, you did direct the question to me specifically.

Ms O'CONNOR - But you are not Parks, you are the minister for Parks. As an agency you administer -

Mr DUIGAN - Well, you can't now have it both ways.

Ms O'CONNOR - Well, no, I'm not trying to have it both ways. Hang on a minute. There's an agency here for which you're responsible -

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Mr DUIGAN - I'm not pushing back.

Ms O'CONNOR - which will be providing you with information on these management plans -

Mr DUIGAN - Yep.

Ms O'CONNOR - and you seem to have confirmed that there is some resistance to signing on to the North and South park management plans.

Mr DUIGAN - I would only make the point that Parks' capacity is more in the wilderness bushfire space, typically the western side of Mount Wellington. TFS is much more often - in fact most often - involved in those areas that are more heavily populated.

Ms O'CONNOR - Okay, well given the manifest risk to this city, given what we're seeing happen in the Pacific and knowing that weather patterns are changing and the rate of change is increasing, as the member for Hobart I am concerned to know that there's bureaucratic kind of bickering over management plans that might be delaying their implementation and funding and therefore, putting the community I represent in this great city at risk.

Mr DUIGAN - And I'm not aware of any bureaucratic bickering.

Ms O'CONNOR - Well, can I encourage you to treat this as the urgent issue that it is before this coming summer and make sure that those management plans are agreed? Hansard can't hear you vaguely nod.

Mr DUIGAN - Yes, thank you. I look forward to getting that advice.

Ms O'CONNOR - Well, that wasn't the question.

Mr DUIGAN - As I say, I am aware of the issue that exists.

Ms O'CONNOR - Well, you understand also that it's an urgent imperative to get fire and land management within Wellington Park. To get the governance right and have agencies which should have responsibility taking responsibility, and having government fund those works, whether it's through TFS, or Parks, or assisting the trust.

Mr DUIGAN - And I would point to the review that's currently underway through Mr Ellis.

Ms O'CONNOR - Aah, this is the review of our mountain's future?

Mr DUIGAN - Yes. In terms of contemplating those kinds of things and how we can perhaps better address them.

Ms O'CONNOR - Well, hang on a minute. So, there's a review underway that's been underway for some time. It's a different minister's responsibility. We know your government wants to facilitate a cable car up Kunanyi. That is a different question from taking responsibility

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for fire management in a park that overlooks our capital city, and a densely populated one within its space that it is. Why are you buck-passing this now to Mr Ellis?

Mr DUIGAN - I'm certainly not doing that.

Ms O'CONNOR - It sounds like it.

Mr DUIGAN - No, but he's got carriage of the review at the moment and then I think it comes to me.

Ms O'CONNOR - Well, I'd like to understand it. Thanks for your indulgence here, Chair. I'd like to understand what the interplay is between work that's happening over there in State Growth, which has no responsibility for fire or land management, which is actually about developing on the mountain.

What is the role of that review, what is the connection with that review to these strategic bushfire management plans which surely are mostly operational?

Mr DUIGAN - Broadly, it probably looks at land tenure.

Ms O'CONNOR - Land tenure? Interesting. Okay. Oh, so is there some talk that the tenure of the park will change?

Mr DUIGAN - I'm not foreshadowing anything that might or might not be in the review. But that would be one of the things or one of the challenges that does exist presently in its current state.

Ms O'CONNOR - Are you telling us that we should expect to wait for the review to be complete before Parks signs onto these bushfire management plans?

Mr DUIGAN - No.

Ms O'CONNOR - Well, why did you raise that as a connection?

Mr DUIGAN - All I'm doing is saying there is work underway that may in fact be considering some of the issues of which you're speaking.

Ms O'CONNOR - Yesterday in Estimates I thought you said - correct me if I'm wrong - that there wasn't a connection between the review that's being undertaken and fire management on the mountain.

Mr DUIGAN - I don't think I said anything about the review going on.

Ms O'CONNOR - Okay, all right, that's fine. Is there any budget allocation for, you know, fire management from Parks following the agreement on the strategic management plans. Does Parks recognise that more resourcing may be required?

Mr DUIGAN - I will hand that one to you, Sophie.

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Ms MULLER - Through you, minister. At this stage we haven't considered any cost implications of those strategic plans. They really are about shaping future strategic direction and guiding future actions. We will consider those once they've been signed off. At this stage, there's no additional funding that's been put aside to implement those plans.

Ms O'CONNOR - Just one more question, if I could, Chair?

We know from Right to Information, information that we have the Our Mountain's Future review contemplated taking over Wellington Park as a state reserve. Presumably to give management plan development to the state government so that, as it was with the Tasmanian Wilderness World Heritage Area when the government before you arrived, rewrote the World Heritage Area Management Plan to enable development like the Lake Malbena development. So that it could change long standing management plans. For Kunanyi, it would clearly be to deliver the approval pathway the Premier promised in his 2023 state of the state address, for a cable car up the mountain. There appears to be no funding in the budget for the transfer and ownership of the Wellington Park to the state. Is the takeover of the park still being contemplated by government?

Mr DUIGAN - Not at this point in time, no.

Ms O'CONNOR - Okay, so if you're not going to take control of Kunanyi as the mechanism to pave the way for approval of a cable car, what are you going to do? Will you rule out special cable car enabling legislation?

Mr DUIGAN - Look, I don't know that I will be doing any of those things here today.

Ms O'CONNOR - You're not going to rule out introducing a special cable car facilitation bill?

Mr DUIGAN - I'm not going to rule in, I am not going to table cable car legislation or rule it in or -

Ms O'CONNOR - No, I'm not asking you to table anything, but -

Mr DUIGAN - I'm certainly not going to do that.

Ms O'CONNOR - Thanks, Chair. If no one else has questions for Parks, I do, but -

Ms LOVELL - I have one.

Ms O'CONNOR - Sarah has one.

Ms LOVELL - Just back to that question, Minister, that I asked earlier about the number of staff on 50 or 100 hour a year contracts.

Mr DUIGAN - Yes, Sophie if you have that detail there?

Ms MULLER - Through you, minister. We did start the phase out of those contracts in 2024. The remaining staff that we have on those contracts include eight on 50-hour contracts and five on 100-hour contracts.

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Ms LOVELL - And there's no move to go back to any of those sorts of employment arrangements with the new savings efficiencies.

Ms MULLER - No.

Ms LOVELL - Yeah, great. Thank you. That's good.

Ms O'CONNOR - Minister has the Department of Natural Resources and Environment directed Lake Malbena proponent - or Halls Island proponent - Daniel Hackett, to report back to them on activists and MPs. Largely and almost obsessively with my dedicated colleague Ms Tabatha Badger, because we agree with Daniel Hackett when he said to Park staff - and this is in Right to Information correspondence - that this was a waste of the department's time. Has he been requested to do so by NRE or is he voluntarily choosing to waste your time instead of fixing Halls Hut?

Mr DUIGAN - Sorry, what have I done?

Ms O'CONNOR - We have a Right to Information document that suggests that NRE suggested Daniel Hackett report back to them on activists and MPs who are advocating that the lease he has basically been given be cancelled and that Halls Island and Lake Malbena be left alone.

Mr DUIGAN - I hear lots of things about Halls Island and Lake Malbena, I don't think I've ever heard that.

Ms O'CONNOR - Has there been any comment - Mr Hackett seems to think that he's been asked to keep an eye on activists and MPs.

Ms MULLER - Through you, minister. The only thing I can think of is the conversation last year in relation to visits and the discussion on whether or not there have been requests and refusals around visits. Potentially, a conversation around that.

Ms O'CONNOR - Yes, so we have to, you know, everyday Tasmanians have to ask Mr Hackett for access to the island, don't they? For which he pays about \$0.02 a year for a lease that your government refuses to cancel, even though he hasn't progressed the development and, as we understand it, hasn't done the works on the hut that he's required to do.

Mr DUIGAN - I do note that the acting minister in my absence, did approve an extension to one of the milestones to be met. I think what the acting minister relied on, and what I rely on whenever I do that, is that the deed of variation is clear that while an active assessment process continues, the Minister for Parks should not unreasonably withhold an extension, which I feel is pretty clear while the Lake Malbena development is currently being looked at by EPBC, there is an active assessment process continuing, so that seems entirely reasonable to me.

Ms O'CONNOR - He's also in breach of his agreement with NRE because - wasn't the deadline for doing the sort of heritage works on the hut yesterday, and they haven't been done?

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Mr DUIGAN - I am aware that Heritage, I think, has asked Mr Hackett to provide them with some -

Ms O'CONNOR - Evidence of works, and he hasn't been able to do so?

Mr DUIGAN - Well again, that's a matter for Heritage, to be fair, who will come and tell me if that has or has not been done.

Ms O'CONNOR - I think Ms Thomas has some questions for you on the same subject.

Ms THOMAS - My questions are along the same lines. So, do we wait until Heritage is here then, minister, would you prefer to answer those questions -

Mr DUIGAN - Well, given that's within their remit, they are the ones who have asked that the work be done or be looked at, it's probably appropriate. If Mr Hackett is then subsequently found not to be satisfying the conditions of his lease with Parks, then it would be brought to my attention.

Ms O'CONNOR - Oh, and then you'll probably let him off the hook again.

Mr DUIGAN - Do you reckon?

Ms O'CONNOR - Well, you have every time so far. Well, but you have. How much does he pay for that lease each year again?

Mr DUIGAN - Probably publicly available, I imagine.

Ms O'CONNOR - Is it \$80 a year or something?

Mr DUIGAN - I think I can tell you.

Ms O'CONNOR - Could you please check? Yeah, thank you. Check.

Mr DUIGAN - It is on the internet.

Ms THOMAS - Yeah, no, that's fine.

Ms O'CONNOR - \$0.20.

Mr DUIGAN - No. Halls Island lease, \$1211 quarterly. Five grand.

Ms O'CONNOR - About five grand a year, so about, what is that, \$100 a week to have total control and exclusive use of an island inside the World Heritage area, what a bargain.

Mr DUIGAN - Have at it, yep.

CHAIR - Just on this, minister, what will you need to satisfy yourself that he's meeting the conditions of the lease, to renew it?

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Mr DUIGAN - Well, let's be clear, the lease runs until 2038, so all we're doing is extending the deed of variation milestone while he's current, you know, in front or in an active -

CHAIR - If he was shown to be in breach of it, what action would you take, if he was clearly shown to be in breach because there's a requirement he maintains -

Ms O'CONNOR - And what's the threshold?

Mr DUIGAN - That is something of a hypothetical at this stage because he hasn't been shown to breach, as far as I'm aware.

Ms O'CONNOR - Have you checked?

Mr DUIGAN - Well I haven't been provided with that information. If that changes I'm sure you'll be the first to know.

CHAIR - Is that because it's sitting somewhere and you haven't been shown it? Because it seems pretty clear from many reports from people who visit this area that it hasn't been done. I've seen photographs of the hut.

Ms O'CONNOR - That's right.

CHAIR - It clearly shows that it hasn't been maintained.

Mr DUIGAN - I think there was a Heritage review of it that said it was fine, so there has been, and there hasn't been -

CHAIR - When was that?

Mr DUIGAN - Oh, not that long ago, 2024 I would say.

CHAIR - But these places deteriorate quite rapidly.

Mr DUIGAN - Yeah, noting it's been there for quite some time as well.

CHAIR - Yeah, yeah, yeah, but you don't want it to fall over.

Mr DUIGAN - No.

CHAIR - No.

Ms O'CONNOR - Can I just check, is Mr Hackett up to date with his lease payments? Because we understand he's quite behind on them.

Mr DUIGAN - I believe he's up to date.

Ms O'CONNOR - Up to date? No unpaid invoices from Mr Hackett?

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CHAIR - Can you answer the question rather than shake your head because Hansard can't record that, sorry.

Ms MULLER – Sorry. Mr Hackett is up to date with all payments.

CHAIR - Thank you.

Ms THOMAS - So are you aware, minister, when Mr Hackett last inspected the condition of the hut?

Mr DUIGAN - No.

Ms O'CONNOR - Is the department?

Ms MULLER - Through you, minister, as I understand it, Heritage Tas have written to him and asked him to provide a condition report.

CHAIR - With photos?

Ms MULLER - I'm assuming a condition report will include images, yes.

Ms THOMAS - Minister, are you aware if any public funds or departmental resources were used to retrieve the boat from Halls Island?

Mr DUIGAN - Oh, the Halls Island boat? No, they were not.

Ms THOMAS - Why is that funny?

Mr DUIGAN - Because it came up yesterday and everyone was surprised to hear about the boat.

Ms THOMAS - Including you?

CHAIR - What, you? Which side of the table?

Mr DUIGAN - Well, yes, I didn't know about the boat. Anyway, no, Parks - no government funds were expended in the retrieval of the boat or the whatever of the boat.

Ms THOMAS - Was the retrieval requested by the Halls Island development proponent or was Parks and Wildlife Service acting on its own volition?

Mr DUIGAN - I don't know if Parks and Wildlife retrieved the boat, did they?

Ms MULLER - Through you, minister, Parks has had no involvement in any boat retrievals or requests.

Ms THOMAS - Right. Okay.

CHAIR - Do you actually - or maybe it's Heritage Tasmania's responsibility to actually see evidence of maintenance to comply?

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Mr DUIGAN - Yes. It's Heritage's request and Heritage will be provided with the report and, subsequently, Parks will be either satisfied or unsatisfied.

If I may just put on the - provide some information around valuations at Wilkinsons Point. The market valuation by the Hobart Huskies to purchase the Derwent Entertainment Centre was provided by the Office of the Valuer-General, following a request from the Glenorchy City Council to the Tasmanian government. This was provided on ... [14 September 2018]. If that's helpful.

Ms THOMAS - Thank you. I have a question, I know we're out of time, but I have a question - I think we're out of time?

Mr DUIGAN - We're out of time.

Ms THOMAS - Why, you're so disappointed? 4.2 Crown Land Services - in November last year, minister, you advised the committee that the Crown land at Wilkinsons Point had not yet been declared as surplus land because the responsible minister, Mr Ellis, had not progressed it through to seeking that declaration by you, as the minister for Crown land. In February this year, the Premier once again announced that the government had agreed to sell the land at Wilkinsons Point, despite the fact that no sale agreement had actually been finalised. At that point, in February this year, when the Premier made that announcement, had you declared the land as surplus land?

Mr DUIGAN - No, this matter has not as yet come to me for approval. I'm aware no finalised land sale or development agreement has been reached with the LK Group. So, no.

Ms THOMAS - It's not even been declared surplus land and the Premier's declaring that the agreement to sell it has been reached. So, just to be clear, you haven't, at this point, now declared the land as surplus?

Mr DUIGAN - No.

Ms THOMAS - Has Mr Ellis or the Premier requested that you declare the land surplus?

Mr DUIGAN - Nothing has come to me.

Ms THOMAS - Nothing has come to you? Okay. Do you know - finally - can the land be sold without having been declared surplus?

Mr DUIGAN - I don't believe so, but I don't know. I'd need to get it advice. No, it can't.

Ms THOMAS - It can't? Okay.

CHAIR - We'll wrap it up there, unless there's anything you want to provide to committee before you finish?

Mr DUIGAN - I do have just some information here on Edgar Dam. I'm aware several minor technical breaches of particular manners regarding vehicle movements outside of daylight hours have occurred. Hydro Tasmania has worked with the head contractor to ensure

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processes to manage this requirement are improved to be as robust as possible. I'm advised no impacts to matters of national environmental significance occurred as a result of these incidents.

CHAIR - It wasn't you, Cassy, up there in your car, was it?

Ms O'CONNOR - Hooning around in the TWWHA. Definitely not me, thanks, Chair.

CHAIR - Thank you, minister.

Mr DUIGAN - Thank you all.

CHAIR - I think we're done with you, so thank you for your time today.

The witnesses withdrew.

The committee suspended from 3.48 p.m. to 4.15 p.m.