



# **PARLIAMENT OF TASMANIA**

## **TRANSCRIPT**

### **HOUSE OF ASSEMBLY**

### **ESTIMATES COMMITTEE A**

Hon. Nick Duigan MP

**Wednesday 25 September 2024**

### **MEMBERS**

Mr Simon Wood MP (Chair)  
Mr Josh Willie MP (Deputy Chair)  
Dr Rosalie Woodruff MP  
Mrs Rebekah Pentland MP

### **OTHER PARTICIPATING MEMBERS**

Mr Craig Garland MP  
Ms Rebecca White MP  
Mr Mark Shelton MP  
Mr Vica Bayley MP  
Mrs Miriam Beswick MP  
Ms Tabatha Badger MP  
Ms Janie Finlay MP  
Ms Helen Burnet MP  
Mr David O'Byrne MP



## **IN ATTENDANCE**

### **HON. NICK DUIGAN MP**

Minister for Energy and Renewables, Minister for Parks and Environment

### **Wes Ford**

Chief Executive, Environment Protection Authority

### **Jason Jacobi**

Secretary, Department of Natural Resources and Environment

### **Jo Crisp**

General Manager Environment

### **Hugh Christie**

General Manager, Waste and Resource Recovery NRE Tas/Chief Executive Officer Tasmanian Waste and Recovery Board

### **Alice Holeywell-Jones**

A/General Manager Park Operations and Business Services

### **Sophie Muller**

Deputy Secretary Tasmania Parks and Wildlife Service

### **Penny Stoltz**

Strategic Project and Policy Manager

### **Sarah Russell**

Director Climate Change

### **Mark Bowles**

Acting Chief Executive Officer, ReCFIT and Resources



# PUBLIC

**The Committee met at 9 a.m.**

**CHAIR** (Mr Wood) - The time being 9 a.m., the examination of the Estimates of the Minister for Parks and Environment will commence. Good morning, minister.

**Mr DUIGAN** - Good morning, Chair.

**CHAIR** - Could you please introduce persons at the table?

**Mr DUIGAN** - Certainly. To my right is Jason Jacobi, Secretary of the Department of Natural Resources and Environment Tasmania. To his right is Sophie Muller, the Deputy Secretary of Tasmania Parks and Wildlife Service. I'm wondering whether the committee would like to -

**CHAIR** - Have you prepared a brief opening?

**Mr DUIGAN** - Potentially, given this aspect covers Parks and Environment, whether we'd like to have a set period of time or discuss the two matters in isolation - Parks first and then Environment.

**CHAIR** - How does that work for everyone?

**Dr WOODRUFF** - As long as there's only one statement from the minister at the start of hearings, because it eats into scrutiny time and it's usually just one statement. If you want to have one-and-a-half minutes for Environment and another one-and-a-half minutes for Parks, that would probably be fine.

**Mr DUIGAN** - No problem, happy to do that. I'm happy to split into two parts. By way of opening statement, I would take this opportunity to acknowledge the Tasmanian Aboriginal people as the original owners and custodians of the land on which we meet and pay my respects to Elders. Tasmania's reserve estate continues to be the cornerstone of our visitor economy. In recognising that visitation to our parks and reserves continues to increase, it is vital that we continue to protect our natural and cultural values while investing in our parks and reserves.

As part of our 2030 Strong Plan for Tasmania's Future, this Budget has confirmed significant investment - \$145 million into new and ongoing infrastructure funding, as well as \$395 million in operating funding over the next four years. This includes key projects that will provide outstanding and unique visitor experiences and ensure that our parks amenities are upgraded to also protect our natural environment. This includes a number of infrastructure projects around the state.

We are continuing to invest our \$40 million into the multi-day, hut-based next iconic walk in the Tyndall Range, which I'm pleased to announce is progressing well. We will deliver additional key projects, including enhancing Mount Field as a year-round destination, developing a unique experience in the Dial Range, improving amenities at the Nut Reserve and investment to make our parks more accessible.

Our government recognises the importance of managing the globally significant landscape that is the Tasmanian Wilderness World Heritage Area. This year saw the establishment of the Caring for Country unit within the Parks service, dedicated to supporting

## PUBLIC

the management and preservation of Aboriginal cultural values across the Parks estate. We also completed the second phase of the project to eradicate deer from the Walls of Jerusalem National Park, recognising the importance of protecting the TWWHA's outstanding universal value. We continue to have highly capable remote firefighters ready for deployment right across the reserve estate, and are continuing to invest in rapid response winch accreditation and aerial incendiary training for fire crews.

Another important function under my portfolio is Lands Tasmania, which is supported with more than \$95 million of funding over the forward Estimates. It was also fantastic to be at the Royal Tasmanian Botanical Gardens recently with the chair and the director to see construction commence on significant enhancements to visitor amenities, including accessibility improvements.

Chair, this government remains steadfast in our commitment to protecting Tasmania's natural environment while enhancing the visitor experience in our parks and reserves for both visitors and locals alike.

**Dr WOODRUFF** - Can I just get clarification before we start questions? I have other members coming to the table, so I just want to make it clear that if they want to ask questions about Parks when other people are still talking about Environment or vice versa, then different people can come to the table. We're not splitting this session.

**Mr DUIGAN** - That's my understanding, that we would start with Parks and have a period of time asking questions around the Parks portfolio and then, at a point to everyone's satisfaction, move into Environment.

**Dr WOODRUFF** - No, the Greens are actually going to ask questions about Environment.

**CHAIR** - I think it needs to be a bit fluid.

**Dr WOODRUFF** - They all need to be here and available to answer questions.

**Mr DUIGAN** - Okay.

**Ms WHITE** - Minister, you will be unsurprised that I'm keen to understand what the efficiency dividend means for your agency. Are you able to provide details for this committee about the savings strategies that you've agreed upon, given we're already three months into the financial year? Can you table those?

**Mr DUIGAN** - I'm very happy to talk to our government's efficiency dividend in this Budget. As has been well explored through the parliament and other channels, it is appropriate that our departments spend their money wisely and we are careful and prudent in managing our budgets. In terms of the detail around the particular efficiencies highlighted in the department, I'll pass that question to the Secretary to make some comments there.

**Mr JACOBI** - The efficiency dividend to be achieved by my department is \$1.7 million in 2024-25, \$3.4 million in 2025-26 and \$5.1 million in 2026-27. Just to be clear, this represents approximately 0.53 per cent of the department's total budget in the first year, increasing to approximately 1.9 per cent in 2026-27. I'd like to say that I believe that the savings

are achievable and will not compromise the department's capability, the priority initiatives that we have been tasked with by the government or the core and essential services that we provide to the Tasmanian community.

We have and will continue to look hard at where we can make savings, as we do every year, to be more sustainable and efficient in our operations. We'll achieve the targets through a variety of measures applied across the whole of the department. All areas of the department will contribute in some way to the targets, but most importantly, my executive team and I will ensure that these measures do not impact the wellbeing of staff, the public or compromise our long-term organisational capability.

Our strategic plan is to deliver a sustainable Tasmania, and these targets will also drive some of our sustainability initiatives and waste-reduction objectives. Our key strategies are ceasing or scaling back on non-core and non-priority activities that are either not the highest strategic priority or have been replaced with new commitments. In the first year, we only have a relatively small target to meet, which provides us with time to introduce more austere measures before 2026-27 when the dividend target increases to \$5.1 million.

This year, our focus is on savings that we already make each and every year. Natural attrition and vacancies that occur each and every day across the agency are an important savings tool. Staff transfer or are redeployed to other departments, they may be reassigned to alternative duties, or they may leave or resign for other opportunities elsewhere. The vacancies created by these movements result in savings through natural attrition. We will capture these savings through the monitoring of vacancies - and to be clear, this is not a vacancy control process. It will not result in job loss, nor will it impact on the delivery of government priorities. It is simply capturing any savings that accrue when a position becomes vacant.

It takes time to recruit to a position, particularly in a competitive market, as we are experiencing now. Whether that recruitment takes a week or three months, the vacancy that arises will contribute to our savings target. Naturally, there are positions that provide important frontline services where we cannot afford to have a vacancy, such as our biosecurity inspectors, our detective dog handlers, laboratory testing scientists and visitor services officers at front counters in parks, and all these positions are typically recruited to and/or backfilled as soon as possible.

Other areas where we are looking at making savings include our discretionary expenditure, for example travel, fleet management, accommodation - as in building costs to accommodate our staff - and printing costs, and also reducing advertising and consultants where we can afford to do so. Some of these initiatives will take time to introduce, for example, converting all of our fixed landlines to soft phones, which is an internet-based technology that deliver substantial savings, but we must introduce those new systems and technology to make that change, and that will take some time to do.

This financial year, I'm pleased to report that we're already on track to meet our savings targets for this year, and I will continue to monitor and adjust our approach each year as new opportunities arise or as we identify options that do not compromise community service delivery.

## PUBLIC

**Ms WHITE** - Obviously the department's done a bit of work thinking about how you achieve those savings strategies. Is it possible for you to table that work? We've had other ministers in other committees agree to do that.

**Mr DUIGAN** - I will seek some advice on that. It is probably not possible to table it for the committee now, but I'm happy to take that one on notice.

**Ms WHITE** - I appreciate that. The question will be to table the savings strategy for your agency, and if you can do that by the financial years that you've got plans in place for that you've shared with the committee already, I would be grateful.

**Mr JACOBI** - Given that the out years, the forward Estimates, are still fluid and subject to information and opportunities as they arise, I'd prefer just to do it for 2024-25.

**Mr DUIGAN** - I think that is something we could commit to you.

**Ms WHITE** - I'll put a question on notice. Thank you, I appreciate that. In your response you spoke about ceasing non-core activities. Can you define what a non-core activity is, please?

**Mr DUIGAN** - I am happy for the Secretary to talk about that. From a government perspective, we've been pretty clear about frontline services and working to protect and make sure our frontline services and capability remain. There is a conversation to be had within agencies about where that line of delineation is, but I'm happy for the Secretary to provide some more context.

**Mr JACOBI** - I'll talk very generally. There are some services that have historically been provided by the department for decades. They may be in the fields of pest control on private lands and private properties, for example. We have staff that deliver a pindone program supporting rabbit control. The extent to which we do that and the opportunity for the private sector to merge into that space is something that's worth looking at. That is an example of the sorts of programs that have historically been conducted and that we are exploring to see whether there's an opportunity for the private sector to take on board that work.

**Dr WOODRUFF** - Minister, are you the minister responsible for climate change?

**Mr DUIGAN** - Yes, I am, through ReCFIT.

**Dr WOODRUFF** - What do you mean through ReCFIT? Not through the Department of Environment?

**Mr DUIGAN** - Renewables, Climate and Future Industries Tasmania.

**Dr WOODRUFF** - So in your capacity as the Energy minister?

**Mr DUIGAN** - No, as minister for climate change.

**Dr WOODRUFF** - You are not the minister for climate change, because there is no -

**CHAIR** - Order.



## PUBLIC

**Mr DUIGAN** - I am the minister responsible for climate change.

**Dr WOODRUFF** - Right. In your capacity as the Environment minister?

**Mr DUIGAN** - Climate.

**Dr WOODRUFF** - But there is no climate minister. Are you responsible for climate in your capacity as the Environment minister?

**Mr DUIGAN** - No. Energy.

**Dr WOODRUFF** - Why do you think it's appropriate to have an industrial approach to managing climate change?

**Mr DUIGAN** - I don't accept that we have an industrial approach to managing the impacts of climate change. I'm the minister with the responsibility to look after Tasmania's response and actions in the climate change space, and I'm very proud to have that responsibility. There is a number of actions that we are undertaking in that space and we'll continue to do so. We understand that climate change is real and with us. Tasmania is not immune to its impacts, and we will continue to address those impacts.

**Dr WOODRUFF** - So the single approach you're taking is to look at reducing emissions by generating renewable energy, because that's the portfolio you're responsible for. What about the impacts on all the communities around Tasmania who were affected by extreme events in the last couple of weeks? What about the environment which is being devastated by the impacts of climate change? Have you done modelling of the carbon emissions that will come from the 39,000 extra hectares of native forest that your government's planning to log and burn?

**Mr DUIGAN** - In answer to that question - and I would point to the fact that I'm very happy to explore these issues more wholly this afternoon when we have the climate team in the room -

**Dr WOODRUFF** - We are here to talk about the environment, and climate change is part of the environment.

**CHAIR** - Order.

**Mr DUIGAN** - In terms of Tasmanian renewable energy projects, they are a very large aspect of what Tasmania does in response to climate change. We have a commitment and a legislated target of 200 per cent of 2020's level of energy generation by 2040. That will have a massive impact on decarbonisation. Replacing coal-fired generation -

**Dr WOODRUFF** - Standing order 45, relevance.

**CHAIR** - Order.

**Dr WOODRUFF** - I asked a question about whether you've modelled carbon emissions from the forest that you'll be logging and burning.

**CHAIR** - You've asked the question. Allow the minister to answer in his way.

## PUBLIC

**Dr WOODRUFF** - You've just strayed very widely from that topic.

**Mr DUIGAN** - You did introduce that line of questioning, so I was just responding to that. I think it is worth highlighting that in several other states, including New South Wales and Western Australia, the Energy minister also holds the Environment portfolio, and in most other jurisdictions, responsibility for climate change.

**Dr WOODRUFF** - Can you answer the question please? Have you done the modelling of carbon emissions? That was the question.

**CHAIR** - Dr Woodruff, order.

**Dr WOODRUFF** - Can I have it on notice?

**Mr DUIGAN** - I will answer that this afternoon when we discuss climate.

**Dr WOODRUFF** - You just said you're the minister responsible for climate.

**CHAIR** - Order, the minister has given his answer.

**Dr WOODRUFF** - It says under your media release on Environment Day that you are responsible for the climate change act.

**CHAIR** - Dr Woodruff, the call has gone -

**Dr WOODRUFF** - It says here, 'We are taking actions under the Climate Change Action Plan on Environment Day'. As the Minister for Environment, you put that out.

**CHAIR** - Dr Woodruff, the call has gone to Mr Garland.

**Dr WOODRUFF** - Are you saying you're not responsible for climate?

**Mr DUIGAN** - I am. I will answer questions this afternoon -

**Dr WOODRUFF** - But you won't answer questions in this portfolio, because you don't want to talk about forest emissions.

**CHAIR** - Dr Woodruff, that is enough.

**Dr WOODRUFF** - Well, Chair, honestly -

**CHAIR** - The minister has answered as he sees fit, which is, according to the -

**Dr WOODRUFF** - Yes, false news.

**CHAIR** - The call has gone to Mr Garland.

## PUBLIC

**Mr GARLAND** - In question time last fortnight, you stated that there are areas proposed in the boundary of the proposed REZ area that have relatively uncontested land usage. There is a lot of plantation forestry there, and we see those as opportunities to relieve the level of angst.

Are you aware of the flight paths of wedge-tailed eagles in the Guildford and Hampshire area, and would you agree that, whilst the land use doesn't face a lot of active contest, the above land use is extremely contested by wedge-tailed eagles who use it as habitat for nesting and hunting? Will your department account for any protective measures for the environment and north-west communities relating to the very real risks to bird life posed by wind farms suggested in the north-west region?

**Mr DUIGAN** - I note that the member's question sits halfway between Energy and environment. The government takes the protection of the Tasmanian wedge-tailed eagles and white-bellied sea eagles very seriously, and we expect wind farms and wind farm proponents to understand the impacts on wedge-tailed eagles.

There is a lot of work going on in terms of delivering new and innovative technologies to protect eagles from interaction with wind turbines. We continue to support research and citizen science projects to improve our knowledge of eagle population - its size, distribution and behaviour - and quantify threats to its survival. I would point the member to publicly available data in terms of wind farms and eagle deaths. I believe in the course of the last financial year there were two eagle deaths in Tasmania attributable to wind farms.

Obviously our target is zero deaths, and we are working towards that. In reference to REZ zones, I would make the point that a REZ zone doesn't give a project any type of approval. It confirms no rights or covenants over the land, and all proposals need to go through the appropriate level of approval to get up, so the REZ changes nothing in that regard.

**Mr GARLAND** - With respect to the Cattle Hill Wind Farm and its highly touted eagle detection mechanisms, how many eagles have been killed at Cattle Hill since it's been up and away?

**Mr DUIGAN** - That's not information that I have in front of me here. I think it's probably a question that the EPA director could provide an answer for, noting that he's in the back of the room. I might call to the table Wes Ford, Director of the EPA, who I think can provide some detail around that question.

**Mr FORD** - In relation to Cattle Hill Wind Farm, they have a system called IdentiFlight, which is a shutdown system. In the life of its operations, they have identified eight mortalities, but those eight mortalities have been associated with one specific turbine. Once they identified that, they shut down that turbine until they could investigate changed arrangements, and they put in an additional tower to deal with the birds coming out of the forest. Since they put that additional tower in, they have had no mortalities for the past 12 months.

**Mr GARLAND** - I believe Granville hasn't killed any wedged-tails. Is that right?

**Mr FORD** - Yes, that's correct. The Granville Harbour Wind Farm is not in eagle habitat.

## PUBLIC

**Mr SHELTON** - The iconic walks around Tasmania have been a great thing. They draw tourists annually, and Parks has done a great job along those lines. I'm interested to get an understanding of the next iconic walk. Can you please provide an update on where we are with that?

**Mr DUIGAN** - We are getting on with the next iconic walk, delivering what will be a game changer for the west coast and Tasmania more broadly. This walk will deliver economic and social benefits to both the region and the state of Tasmania by creating a new walking experience that attracts visitors and encourages them to stay longer and spend more. Importantly, the project is on track -

**Ms WHITE** - On track? It was due to start in 2021, minister.

**Dr WOODRUFF** - The Liberal meaning of 'on track'.

**Mr DUIGAN** - I can't speak to that. The Tasmanian Parks and Wildlife Service has engaged a design team to undertake the second stage of the project, which involves completing the planning, design and approvals for the walk. Detailed plans showing the track route and hut designs have also been released recently. Surveys and site investigations to assess the natural, cultural and heritage values of the area and determine any constraints are largely complete.

The track alignment has been finalised following input by various specialists considering the potential impact on natural, cultural and heritage values in the area, along with a consideration of the points of interest and its buildability in the terrain, noting the terrain is fairly challenging. The locations for overnight nodes, on-track shelters and lookouts have now been determined and concept plans for the huts and other on-track infrastructure have been completed. Current project timelines forecast the walk to be completed in late 2028 to early 2029. I would note there have been a range of public consultation sessions held right around the state with over 200 people attending sessions in Queenstown, Ulverstone, Launceston and Hobart.

Those attending also had the chance to meet with the project design team, which included Tasmania Parks and Wildlife staff, Charlie Bravo Design, JAWS Architects and ERA Planning and Environment. We are very proud to be investing \$40 million in what will be a significant investment for Tasmania, delivering a fantastic and different walking product, building on the success of Three Capes Track and Overland Track. We know how popular and in demand those walking products are here in Tasmania.

**Ms WHITE** - Minister, it's nice to see you patting yourself on the back for a project that's taken 10 years to deliver from the time it was announced to the time you finally - hopefully - complete it. Can you tell us when it's due to commence construction?

**Mr DUIGAN** - My advice, and I don't know what you're basing that assertion on -

**Ms WHITE** - A 2018 election commitment was made to provide this walk for the west coast.

**Mr DUIGAN** - My understanding is that it's always been planned for commencement in 2029.

**Ms WHITE** - No.

## PUBLIC

**Mr DUIGAN** - I will pass to the Secretary who may be able to provide some further context.

**Ms WHITE** - You've had a short career as the minister, but I think in this case you're wrong.

**CHAIR** - Order.

**Mr JACOBI** - I'm very impressed with the progress on this project. We would all like to see it start quicker, but to get it right requires comprehensive consultation with the community. It means we need to invest the time in making sure all our environmental assessments are absolutely thorough and robust. The team has invested almost two years now in undertaking all of the necessary environmental assessments to lead us to a point where we will be confident that we can build this with all of the environmental impacts mitigated. That includes cultural heritage assessments as well.

The plan is to have all of our environmental assessments ready for public consultation. We do a round of public consultation first, and that is scheduled for early next year. The outcome of that public consultation might mean that we need to refine the design, but our intention is to be ready to start building by the end of 2025. As you'll probably understand, the winter period is extremely difficult to undertake the necessary flight and transport work that we need to deliver materials into the walk area. That normally happens over the summer season, but we're on track to commence late 2025 and early 2026. That construction period will probably extend for approximately three years, and as the minister outlined, we're planning to complete the walk and open it by the end of 2028 or early 2029.

**Ms WHITE** - Minister, I can't help but feel like you're stringing this out so that you can stretch the budget, such that the money that needs to be expended on this is in the out years and doesn't impact on the Budget bottom line for your agency in the forward Estimates. This is a project that was committed in the 2018 state election. We were told construction on the project would start in the year 2020-21. Here we are and you're telling us it won't start until the end of 2025.

There's been a significant period of time between the time it was announced and the time you plan to construct it. Surely the work could have already been completed. Isn't it true that you're only delaying the commencement of this construction so that you don't have to spend money because your budget is under so much pressure?

**Mr DUIGAN** - I appreciate the question but I reject it entirely. As the Secretary has explained, and as I think you would expect, this is a sensitive part of Tasmania. This is a project that needs to be very carefully considered in terms of what its impacts might be, and I would encourage the department to do all the work that is necessary to be done to make sure, when we deliver this walk, it is the best possible offering that it can be. I understand the premise of your question, but I reject it. I think it is important that we do the work, that we get it right and that we deliver an excellent product.

**Ms WHITE** - Have you talked to tourism operators on the west coast and the north-west? This has been a priority project for them for a number of years now. It has been promised and promised again by your government that you're going to fund the project and start the project,

## PUBLIC

and here we are with further information that it won't be completed until potentially 2029, more than 10 years after it was announced. What do you say to them?

**Mr DUIGAN** - I speak regularly to people on the west coast and in the north-west of the state. I think I could say they are universally excited about what the next iconic walk brings for that region. We're talking about 139 people employed in the construction of this walk. We'd love to see most of that workforce supplied from local west coast communities; I think that would be very important.

We know the impact that this walk will have. There'll be another substantial number of ongoing jobs, and we know the impact of bringing people to the west coast and having them stay or extend their stay in Tasmania, dispersed across the state. That's a hugely important piece of visitor infrastructure for us, and people are excited. I think on balance they understand that it is a complex project that is taking some time to deliver. I think that is clear and pretty obvious, and people are with us on this one.

**Ms WHITE** - Wouldn't you agree that your government's failure to deliver key infrastructure projects like the *Spirit of Tasmania* and this project on the west coast is having a significant and negative impact on tourism businesses in regional areas?

**Mr DUIGAN** - Again I will go back to the point I made. Tourism businesses on the west coast are really keen and interested in seeing this -

**Ms WHITE** - They are frustrated at the continual delays by your government on these key infrastructure projects.

**Mr DUIGAN** - We have announced it, we have funded it and we will deliver it.

**Dr WOODRUFF** - Minister, the two greatest threats to native forest species in Tasmania and around the world are the clearing of their habitat and climate change. We have many species that are struggling in Tasmania and some are on the brink of extinction. Stopping emissions going into the atmosphere and stopping habitat clearing is so critical. Do you accept that the logging and annual burning of native forests in Tasmania is releasing very large quantities of emissions, and that it's very important for us to do everything we can to not release emissions over the next couple of years and decade because we've already reached 1.5 degrees?

**Mr DUIGAN** - I note that our emissions profile is in my climate change responsibilities, which I'm happy to discuss this afternoon. In regard to native and regrowth timber harvesting, it's critical that people know and understand that every area of Tasmania, whether it's public or private forest, that may be harvested for timber production, is regenerated back to native timber forest.

**Dr WOODRUFF** - Can I just be clear that I'm asking you, as the minister for Environment -

**Mr DUIGAN** - We understand that because it is a zero sum game.

**Dr WOODRUFF** - about the trees that are being logged?

**CHAIR** - Order, Dr Woodruff.

## PUBLIC

**Dr WOODRUFF** - Do you accept that logging and burning releases vast quantities of emissions into the atmosphere right now each year, and that it is contributing to the heating of the climate?

**Mr DUIGAN** - Again, I'm happy to talk about emissions in -

**Dr WOODRUFF** - No, I'm talking about trees. You're the minister for Environment. This is about trees.

**CHAIR** - Order.

**Dr WOODRUFF** - Can you answer the question?

**CHAIR** - Order, Dr Woodruff.

**Mr DUIGAN** - There is potentially no product which is more important to climate change and climate resilience than timber, because it is the ultimate renewable.

**Dr WOODRUFF** - I didn't think you were the minister for Business.

**CHAIR** - Order.

**Dr WOODRUFF** - You're the minister for trees. Answer the question. Do they release emissions every year?

**CHAIR** - Dr Woodruff, enough. Allow the minister to answer the question. Stop interjecting, please.

**Dr WOODRUFF** - You shouldn't have to get a note about how to answer this question. It is so basic. It's science.

**Mr DUIGAN** - I can get a note. Thank you.

**CHAIR** - Dr Woodruff, order.

**Mr DUIGAN** - We are planning to harvest our renewable carbon sequestering resource and then resow and replant for a new crop to further satisfy our wood supply needs and provide job security.

**Dr WOODRUFF** - So shameful.

**Mr DUIGAN** - No, absolutely not.

**Dr WOODRUFF** - It is so shameful for young people watching this today - the future generation.

**Mr DUIGAN** - Growing a forest is a very powerful carbon sequestering tool -

## PUBLIC

**Dr WOODRUFF** - You are responsible for looking after those forests. Other ministers are responsible for chopping them down.

**CHAIR** - Order, Dr Woodruff.

**Mr DUIGAN** - It is important that for a eucalyptus forest there are differing age classes throughout the forest - a mosaic of age classes. We know that that's absolutely critical for biodiversity.

**Dr WOODRUFF** - As minister for crown lands, you're also responsible for having to sign over, if the Minister for Business, Industry and Resources gives you a piece of paper, an extra 39,000 hectares of native forests to be logged and burned each year. Given the climate and biodiversity crisis, it would be a climate crime to sign that, wouldn't it?

**Mr DUIGAN** - No.

**Dr WOODRUFF** - Why not?

**Mr DUIGAN** - Because I think this government has been clear about its support for and intention to rebuild the Tasmanian forestry sector. It's critical.

**Dr WOODRUFF** - It's all about business all the way for you.

**CHAIR** - Order.

**Mr DUIGAN** - As I have outlined, timber is a very important part of our climate response. It is a very good -

**Dr WOODRUFF** - Why don't you give your portfolio to someone who actually cares about the environment?

**CHAIR** - Dr Woodruff, order. I ask you to please desist interrupting the proceedings of this committee.

**Mr DUIGAN** - As I was saying, timber is a central response to Tasmania's climate change actions. It is a product which embodies carbon. It is a product which, when grown and used locally, has a very limited transport emissions footprint, and it is renewable. Any area that is harvested, particularly as it applies to regrowth forest, or native timber as it sometimes called, is resown and regrown, and that is very important to understand. That's true whether it's on public land or on private land. In terms of the potential reallocation of future potential production forest and the 27 parcels of FPPF land totalling 39,000 hectares, Minister Abetz is currently in the phase of obtaining detailed information as required under section 7 of the *Forestry Act*. This will determine the exact heritage and location of the parcels.

So far, this has included meeting with the forest sector as committed. Minister Abetz has not yet written to me, as the crown lands minister specified in section 7 of the act, and I am advised he has no plans to do so until he has worked through all the information in the requirements listed under section 2 of the same act.



## PUBLIC

**Mr GARLAND** - Minister, do you support a buffer zone distance of five kilometres between eagle nests and wind turbines, and will you amend the relevant acts to reflect this call from BirdLife experts? Will you ensure such legislation has measures to achieve total compliance on all proposed and newly built wind farms in Tasmania?

**Mr DUIGAN** - There is already a substantial amount of work and a suite of things that wind farms need to do in order to have their projects approved. There are obviously environmental approval processes that they need to undertake. I would be happy to again invite the Director of the EPA to the table to provide clarity on the current set of circumstances for wind farms and how they interact with known eagle nests.

**Mr FORD** - Thank you minister. Currently the EPA uses a one-kilometre buffer for wind farms away from eagle nests. That was based on work that was done associated with the forestry industry about two decades ago.

**Mr GARLAND** - The BirdLife experts are suggesting that a five-kilometre buffer would be more appropriate, and a buffer zone for forestry doesn't really reflect the danger the wind farms present. Bearing that in mind, wouldn't it be prudent to give the protection the experts have called for? I don't know how many eagles we've killed, but I believe right now that we're not replacing what's being taken out by the wind farms.

You're only one step away from another species staring down extinction. This is an iconic species. It's a separate subspecies to what we have on the mainland. I think we should be listening to those BirdLife experts and giving that five-kilometre buffer they say is necessary. I would suggest that we give that a fair bit of thought.

**Mr DUIGAN** - We have a target of zero eagle deaths attributable to wind farms in Tasmania. We are working towards that target, and I believe the NRM groups are doing a body of work looking at a range of matters that might pertain to eagles and the threats posed to them. I am always happy to take the advice. I think if there are opportunities for us to improve what we're doing - noting that we have made significant strides in protecting eagles from wind farm collisions in recent years, and we are continuing to do that work - we are happy to listen to advice.

**Mr SHELTON** - Minister, in my patch there are a number of deer shooters, and the politics around the deer industry and the increased population are very much a talking point. You mentioned in your opening address the cull that has been undertaken in the Walls of Jerusalem National Park. I'm very interested in finding out some more detail around what success you've had.

**Mr DUIGAN** - It is a topic that we spend a fair amount of time talking about to various people. We know that wild fallow deer roaming and feeding habits have a negative impact on our sensitive environment, particularly in the TWWHA. We have an obligation to protect the TWWHA, and this important project was all about protecting our high conservation value areas.

The Tasmanian Parks and Wildlife Service undertook the second planned aerial cull to reduce the impacts of wild fallow deer in the TWWHA within the Walls of Jerusalem National Park and nearby Central Plateau Conservation Area. The first aerial cull in May last year removed 711 deer from the Walls of Jerusalem and surrounding areas. The secondary cull

supplemented with volunteer shooters removed a further 360. That's a total of 1017 deer removed from those places in 40 days. This was an extraordinary effort by our dedicated parks staff, and I'd like to express my thanks and congratulations to the team for their dedication to deliver this highly successful program.

Importantly, no wounded deer escaped during either of the culls, and we know that aerial culling is the most effective methodology for landscapes that are rugged, mostly trackless and remote. Independent oversight by veterinarians involved in the program was key. Lead-free ammunition was used this year, effectively having less impact on the environment while still meeting animal welfare concerns. I'm proud of the efforts of the Parks department, and it was pleasing to say the Bob Brown Foundation and Tasmanian Greens also endorsed this highly successful program.

We will continue to have discussions with the Australian Government as the state party in relation to strategies, plans and funding to effectively manage the TWWHA. I would encourage all members in their discussions with federal colleagues to raise that as an issue in terms of making an equal contribution to the funding of the TWWHA.

**Ms WHITE** - Minister, I wanted to go back to the next iconic walk. You revealed that it might not be completed until potentially 2029, which is five years away.

**Mr DUIGAN** - Potentially 2028.

**Ms WHITE** - I think your failure-to-deliver record demonstrates that's very unlikely. It's quite hopeful. The budget for it has already doubled. It was originally announced as less than \$20 million; it's now a \$40 million project. What confidence do you have that you can deliver that walk, as has been consulted on with the current design, for the current budget?

**Mr DUIGAN** - I would point to this being a really positive project for Tasmania, but more so for the west coast. I note the fact that the cost of delivering the walk is now at \$40 million. It's a substantial investment that we're making in that part of the world. That money is budgeted, and we're confident that we have got this right. We're going to do the planning work. We're going to make sure that this is the best that it can be for this really spectacular part of Tasmania, as \$40 million is a lot of money to be investing in a walk. It's still in the planning phase, but I am confident that we have announced it, we have funded it and we will deliver it.

**Ms WHITE** - Are you confident that you can deliver the project for that amount of money?

**Mr DUIGAN** - Yes.

**Ms WHITE** - You are? Will you reduce the scope of the project if you find that you're running out of money?

**Mr DUIGAN** - I think it's important to recognise that the walk is still in its planning phase. We're talking about commencing construction in 2025. We will do the planning and we will deliver the walk, and it will be a great result for the west coast of Tasmania and Tasmania more generally.

## PUBLIC

**Ms WHITE** - It'd be a great shame if it wasn't the next iconic walk but was instead known as what could have been the next iconic walk because you had to make it a shorter experience, and it wasn't as good as it could have been because you ran out of money, all because you've taken so long to start the project. How are you going to guarantee that you will deliver for the west coast like you've been promising now for a number of years?

**Mr DUIGAN** - I am very confident. We will continue to work with the west coast and we'll continue to do the work to make sure the walk fits in the landscape and has a minimal impact on the substantial values that are in that area -

**Ms WHITE** - What is going to be different now compared to the last five years?

**CHAIR** - Order.

**Mr DUIGAN** - As I have said, we have funded it with a substantial amount of money and we will deliver it.

**Mr BAYLEY** - Minister, the government's committed \$2 million a year over four years to threatened species. With 680 threatened species in Tasmania, that works out at just under \$3000 a year per species. Reports and recovery plans identify policy decisions that can make a real difference. My question is about policy.

The Swift Parrot Recovery Plan, for example, has an action that is to identify and protect remnants of state-owned land in areas of habitat critical survival for swift parrots. The State of the Environment report that was released just last week had Recommendation 10, which says:

The Commission recommends the Tasmanian government expand Tasmania's terrestrial reserve system where it is necessary to provide greater protection for underrepresented ecosystems.

The swift parrot is in serious decline thanks to a range of factors, not the least native forest logging on public land. Last week, you talked up the efforts of private land owners to protect their habitat, but it's only you, minister, who can take action to protect habitat on public land.

This question is about you not abrogating your responsibility to do exactly that. What are you doing to identify and protect remnants of critical habitat on public land from logging by Forestry Tasmania?

**Mr DUIGAN** - I was really pleased to see in the Budget a substantial quantum of funding - \$8 million - into our Threatened Species Fund over the next four years -

**Mr BAYLEY** - Only \$3000 a year per species, minister. It's pretty thin.

**CHAIR** - Order.

**Mr DUIGAN** - A lot of work is already ongoing, particularly in relation to the swift parrot. In 2021, the Tasmanian government committed \$250,000 per year over four years to enable the implementation of actions identified in the National Recovery Plan for the swift parrot. Some 29 of the 35 actions identified in the national recovery plan relevant to Tasmania

## PUBLIC

are being progressed either partially or fully through this project. The funding has leveraged approximately \$3.2 million of funding and in-kind support from other organisations.

To the specific nature of your question around land, I was very pleased to join with the private conservancy groups the other day to talk about land that has been set aside permanently on Bruny and surrounding areas, but in regard to the Tasmanian Planning Commission's recommendations, as I say, we are also investing in private land conservation through the Private Land Conservation Program. Through that program, we administer 959 conservation covenant agreements that protect 4.2 per cent of Tasmania's private and public land in perpetuity. That adds to Tasmania's already extremely substantial reserve estate with more than 50 per cent of our land mass in permanent reserves.

In the 2023-24 financial year, 13 new conservation covenants have been added covering a total of 700 hectares, and many have targeted swift parrot habitat. I'm advised that as of July 2024, there are another 10 individual conservation covenants, four of which are swift parrot habitat being progressed for delivery, which is approximately another 800 hectares of private land. This potential is well in excess of our target performance measures for the year.

**Mr BAYLEY** - Minister, I don't disagree that the private sector is doing a really good job when it comes to protecting their land. I don't disagree that Tasmanian Land Conservancy is an excellent organisation that has effectively taken over a responsibility that used to be held by government by managing the Private Land Conservation Fund and program. This is not about private landowners. Private landowners can make decisions, albeit with your support. You've talked up some of them, but it is only you, Minister, who can protect habitat on public land. There are thousands of hectares of critical habitat across the future potential production forests (FPPF), for example, and there are thousands of hectares within the permanent timber production zone that has been identified as critical habitat for swift parrots.

The question is what are you doing? Is there a policy position that's held by the Liberal government to preclude you from progressing action on protecting public land? Is there a barrier there at the policy level?

**Mr DUIGAN** - There are currently substantial steps right across a range of areas to support swift parrot populations, and this includes management of swift parrot habitat through the forest.

**Mr BAYLEY** - My question is about your policy, minister. Is the Liberals' anti-science position around reserves a blockage here?

**CHAIR** - Order. Allow the minister to answer.

**Mr DUIGAN** - It is important, particularly as it applies to public land managed by STT. That is managed through the forest practices system, and it's a high priority for the government. The forest practices system, established under the *Forest Practices Act*, was designed to ensure the protection of natural values when undertaking forest operations. Under the forest practices system, threatened species are managed according to agreed procedures implemented between NRE -

**Mr BAYLEY** - The recovery plan says it doesn't work.

## PUBLIC

**CHAIR** - Order.

**Mr DUIGAN** - and the FPA. The swift parrot management prescriptions include identifying breeding management, range boundaries, protection of known nests with associated buffers and retention areas of breeding and foraging habitat.

**Mr BAYLEY** - Why is it the recovery plan -

**Mr DUIGAN** - The management prescriptions are informed by specialist advice and are updated as required to account for new information to ensure that our threatened species are being appropriately managed. I am straying into the area of minister Abetz, and I -

**Mr BAYLEY** - How do you explain, minister, that notwithstanding those prescriptions that you will always point to, the recovery plan that has your logo on it is identifying native forest logging, including on public land, as being a key threat to species like the swift parrot, and is recommending that you as minister do more to protect habitat on public land?

How do you explain the inconsistency with your excuse, pointing to the forest practices system, which has long failed species and a whole range of other things including water. How do you explain the inconsistency between that and a recovery plan that says, 'Take action and take it urgently'?

**Mr DUIGAN** - As a government, there are a number of things that we would point to - reserve estates, the *Forest Practices Act*, all of those things. The Secretary may have some more detail in specifics around that.

**Mr JACOBI** - I will ask Jo Crisp, our General Manager for Environment, to come to the table, but in the meantime, I thank the member for the question. We have done considerable work with the Forest Practices Authority, particularly in the southern forests, in terms of assessing critical habitat. The amount of conservation and community-based site information that is coming through on a daily basis is incredibly informative, particularly around nesting locations.

That is all being mapped to our to our list map layers, so we have up-to-date, contemporary information about where nesting sites are that's informing not only Forest Practices Authority plans, but STT's practices. We have a significant swift parrot recovery project underway in the department at the moment, and I will call on Jo Crisp to outline some of the specifics around that program.

**Ms CRISP** - The swift parrot management project has been doing quite a lot of work around modelling, so we have a really good understanding. We've got better mapping than we've ever had before to clearly understand areas that are of importance to the swift parrot, and that's helping us to then target areas for protection. As part of the agreed procedures, the department provides threatened species advice to the Forest Practices Authority, and that is also supported by a range of different planning tools that are used to ensure that we have the swift parrot front and centre when decisions are made. Those are great procedures. They're adaptive, so, as new information comes, such as the National Recovery Plan for the Swift Parrot, that is incorporated into how we manage and provide advice.

**Mr BAYLEY** - The policy question stands nonetheless.

**CHAIR** - Mr Garland has the call.

**Mr GARLAND** - I have three questions. How much funding would be provided by the Commonwealth government if the Ramsar nomination was successfully listed for Robbins Passage in Boullanger Bay? Do you agree that Robbins Passage-Boullanger Bay is a good candidate for Ramsar nomination? If so, why? If not, why not? Minister have you formally received a request from the Cradle Coast Natural Resource Management to commence a Ramsar nomination for part of the Circular Head region? If so, when can they expect to receive the nomination?

**Mr DUIGAN** - Thank you. Appreciate the question. It is a spectacular part of the world, no doubt about that. The first part of your question on federal government funding associated with the listing of a Ramsar site is not something I have encountered. Secretary, I'm not sure whether you are able to add any information to that question?

**Mr JACOBI** - We have received correspondence in the past years around the potential to nominate the wetlands in Robbins Island. There's been no specific progress on that nor have there been discussions at my level with the Commonwealth on that nomination. It's always possible to entertain a nomination for that site, but that is a considerable and lengthy process. To date I'm not aware of a proponent, whether it be council or any other organisation, leading a proposal for that.

**Mr DUIGAN** - Thank you, secretary. As I'm sure the member is aware, I've had several discussions with Cradle Coast NRM where they have indicated to me their interest in progressing a Ramsar listing for Boullanger Bay, Robbins Passage. We've always been consistent that the government would require a fairly substantial suite of work to support the nomination, but also in terms of consultation that they would be doing with other landholders in the area and seeking to reach a consensus with them. I haven't received, as far as I'm aware, today a formal representation from Cradle Coast NRM to conduct any of the actions. I think it would be fair to say that should that eventuality arise; the government would be willing to consider such a request.

**Mr SHELTON** - The Tasmanian devils are a much-loved animal icon of our state. There are devil recovery programs around and I've been with you at Cressy. I'm aware that the Save the Devil program continues to do very important work for the species' conservation. Can you please provide information around the Tasmanian Devil Ambassador program in the species' conservation? While you're thinking about that question, my son has a property in our area, I won't say exactly where because he has a bit of a native cat problem. He's been trapping native cats and over the last month in the northern region there's been two young healthy devils that he's trapped and let go again. He's removing the cats and identified that there are a couple of young, healthy devils.

**Mr BAYLEY** - Native cats or feral cats?

**Mr SHELTON** - Feral cats, not native cats. Yes, in the north, in our district.

**Mr DUIGAN** - I thank the member for the question and, anecdotally, that is something we can do with here, more devils in the landscape.

The Save the Tasmanian Devil program has done a great job since 2003. We know that the emergence of the devil facial tumour disease in the north east and subsequent spread across the state resulted in significant declines in devil numbers. The government has committed \$450 000 per year since 2018-19 to continue to Save the Devil program and support the program to transition from an emergency response aimed at guarding species against extinction to more of an adaptive and science-based program. Despite initial fears, extensive research and monitoring shows devils can persist in the wild with the disease and fortunately modelling has shown that there is a low likelihood devils will become extinct in the wild over the next 20 years.

I'm very excited to share with the committee today that two devil ambassadors have been welcomed to their new homes at Auckland Zoo in New Zealand as part of the Tasmanian Devil Ambassador program. The devils known as Krill and Jellyfish, are two-year-old sisters, and as their genes are well represented in the Tasmanian devil insurance population, they were not required for breeding. As a guard against the species' extinction, the pair was transferred to Auckland. It was part of the Tasmanian Devil Ambassador program, joining male devil Nita at the zoo.

The Tasmanian Devil Ambassador program, established in 2013, has an important role in advocacy and education, which complements broader devil conservation efforts. The program involves zoos from New Zealand, Japan, Europe, Singapore, and the United States of America. In June we had eight Tasmanian devils, when I was with you at Cressy, jet-off to the USA. It was great to be there as they were handling the devils, which is not for the faint of heart, and I'm happy that those two devils have made it to Toledo Zoo. The international Tasmanian devil population is currently 54 and we thank and congratulate everyone involved in this successful export and all the best to Krill and Jellyfish in their new home as well.

**Ms WHITE** - Thank you. Minister, I want to go back to the savings strategies to ask you if you could provide a breakdown of the types of non-core activities that your government plans to cease as a part of your objective in meeting your savings strategies.

**Mr DUIGAN** - Again, and I think probably as the Secretary has outlined in his answers previously, looking for measures around reducing expenditure on consultancies, expenditure, supplies and consumables, contracting or negotiating more competitive pricing, reducing operating costs through measures such as travel, transport, advertising, property expenses, noting that the scale of the efficiency is around \$0.50 in every \$100 of expenditure. I also note comments made by the secretary in his previous answer that those savings measures are on track to be found in the course of this year, but I ask him to add any further details he may have.

**Mr JACOBI** - Thank you, I don't have any more detail. We're still developing our strategies in the forward Estimates. I can't provide you with a specific list of non-core activities, but as the minister pointed out, we're looking closely at fleet combination travel costs, arrangements across the whole department.

**Ms WHITE** - Thank you. The task this year may have been largely identified, but next year the savings task is much greater and I imagine if you're making efficiencies in the areas you've just described they'll continue to flow through to next year, so your task next year becomes much more challenging. When will you better understand what your saving strategies look for look like for that financial year, including what you define as a non-core activity?

**Mr DUIGAN** - I recognise that the quantum of savings increases over time and that will require some work to be done. I don't think there's any getting away from that. It is a job of work for the secretary and the department more broadly to identify, find, and realise the savings, but I think it is appropriate in the circumstances that we look to spend our money wisely going forward. The secretary has made some comments about that being a job of work that is not necessarily a long way progressed, but happy for you to add some further detail.

**Mr JACOBI** - Thank you, minister. There are some great initiatives underway that I think will significantly contribute to the savings. For example, the Parks' online booking system, which brings all of our disparate booking systems together into one place and provides an ability for the public to book campsites and products across the service. I expect that has significantly reduced the administrative requirements of the current teams that are doing a lot of that work. There's also the Fisheries Digital Transition Project, which is digitising most of our fisheries information. All of those different systems and technological improvements will result and translate to better efficiency, better delivery of community services, and it will enable us to put those staff against high priority initiatives that are funded.

**Ms WHITE** - Minister, you said at the outset that you were going to maintain employment. You didn't plan to have any job cuts, but you also noted that if people leave by attrition, you will reduce the number of staff in the agency with the condition that you protect frontline staff. Can you define who is a frontline worker in your agency?

**Mr DUIGAN** - Again, this is not about job losses, government is all about protecting our frontline services and I will work with my department and the strategies that they would seek to implement, regarding where there are savings to be found around employment rosters and things of that nature and hiring policies and so on and so forth. We'll look at all those things. Happy if you have anything you'd like to add?

**Mr JACOBI** - Thank you and through you, minister. I don't like to classify or quarantine a role as a frontline position in our department. We deliver a whole suite of frontline services. They're not classified as frontline. Similarly, to the way teachers or police, for example, are classified, every position needs to be assessed on merit and the importance of that position at the point in time. We do that now and we'll continue to do so over the forward Estimates.

**Mr BAYLEY** - Minister, a cross-section of the community is desperately calling on you to do what's needed to be done for to protect Tasmania's environment. Recently, a group of student societies from UTAS, including the Environment Society, wrote to you and the federal Environment minister expressing concerns about the State of the Environment report and the fate of the Maugean skate. As Minister for the Environment, will you recognise the significant responsibility you have protecting species and will you commit to taking real action to protect the skate by destocking Macquarie Harbour as recommended in the Brook report?

Before anyone questions or points to other bits of the Brook report, let me read into *Hansard*, for the record, Section 4, Recommended Actions, was very clear about improving the water quality in Macquarie Harbour and that it will clearly be essential for the survival of the Maugean skate. It recommended reducing nutrient pollution, implementing appropriate controls on salmon farming practices to minimise nutrient loading, which includes reducing or reallocating fish stock in densities. Are you prepared to do that minister?



## PUBLIC

**Mr DUIGAN** - I am happy to put on the record that the government is and I am clear about our commitment to the Maugean skate. We have demonstrated that commitment with a recovery action plan that is undertaking a number of substantial actions around the continuing viability of the Maugean skate in Macquarie Harbour.

We're also very committed to the protecting the livelihoods of west coast communities and the government and I firmly believe that the Maugean skate and the salmon industry can coexist in Macquarie Harbour and that's why we are continuing to invest into the skate recovery fund, \$2.1 million, and continue to work with a number of partners on that piece of work. I note for the record, that there have been a number of positive pieces of information emanating from Macquarie Harbour in recent days and weeks relating to the conditions. Just last week, the EPA released a report showing a trend of improving oxygen levels in the middle and deeper waters of the harbour. They've grown to new heights. In excellent news for the harbour, the EPA found the medium dissolved oxygen levels across Macquarie Harbour are at their highest levels in more than a decade. It showed two-thirds of Macquarie Harbour now has dissolved oxygen levels within the range observed from 1993 to 2010. There is a quote from the EPA director, who we can probably hear from. That is important and pleasing to note. I would also point to a report released yesterday, I think, from IMAS, which show that we're seeing the number of juvenile skates in the harbour at levels not observed since 2014. I will find the -

**Mr BAYLEY** - They are still well below where they were, though.

**Mr DUIGAN** - But I think that does go some way to indicating that the Maugean skate is at a viable population level in Macquarie Harbour.

**Mr BAYLEY** - We've got decades of research that shows the impact of the aquaculture industry on the skate. Your department continues to cherry-pick bits of science to try to spin a better story. The department says oxygen levels in Macquarie Harbour are the best they've been in a decade, but the report from the EPA shows that dissolved oxygen level is at or below the absolute minimum values for the skate's survival in six out of the eight monitoring sites. It is still well down in critical areas.

Yesterday, you talked up the population levels, as you just did again, spruiking the skate's population numbers being back to 2014 levels, but that's a fraction of the story told in the most recent IMAS report. Catch per unit effort was lower overall in 2024 than it was in 2014. It's not as improving as well or as significantly as you are saying. Skate numbers continue to decline in Swan Basin and Table Head-Liberty Point, their most critical habitat. Why are you so keen to keep telling this positive story? It comes back to policy. Why aren't you prepared to take the action that all the scientists, Professor Brook, the Commonwealth scientists, everybody, are recommending, which is destocking and getting salmon out of Macquarie Harbour. That's what's needed to give the skate the best chance of survival.

**Mr DUIGAN** - We are telling a positive story because it's not the catastrophic story that others would seek to promote.

**Mr BAYLEY** - We are probably one climate change event away, minister.

**CHAIR** - Order.

## PUBLIC

**Mr DUIGAN** - In terms of oxygenation levels in the harbour, I would ask the EPA director to come to the table because -

**Mr BAYLEY** - I'm more interested in policy.

**CHAIR** - Order, please allow the minister to answer

**Mr DUIGAN** - I think, given there has been some conflicting opinions expressed, I would be interested to hear from Mr Ford as to what his results are showing.

**Mr FORD** - I'd start by, I suppose, reminding the committee that over the course of the last seven years, they have reduced the biomass in Macquarie Harbour by half. As a consequence of that, over the last couple of years we have seen oxygen levels recovering because, fundamentally, oxygen demand generated by the salmon industry has reduced. That has reduced by half.

Because we've had favourable environmental conditions and lower demands of oxygen, we are seeing recovery across the harbour. It's a positive sign. Are we there yet? No. But my view is that, with the current biomass and nitrogen levels, the oxygen will continue to improve and that does demonstrate that the skate will survive. That's certainly been confirmed by the work of IMAS in relation to the presence of juveniles.

**Mr BAYLEY** - That's not the view of scientists. The Brook report is recommending continuing to destock and the advice to the Commonwealth minister was recommending destocking. That's one of the things in front of her at the moment. Is there anything precluding you recommending or enforcing continued destocking of Macquarie Harbour to improve the results?

**Mr DUIGAN** - In terms of a policy position, the government is very much of the view -

**Mr BAYLEY** - Blocking the further destocking?

**CHAIR** - Order.

**Mr DUIGAN** - of the view that salmon farming and the Maugean skate can continue to coexist quite happily in Macquarie Harbour, as they have done over time, noting that Macquarie Harbour would appear to be the only place where the Maugean skate does persist, if we are taking the science at face value.

**Mr GARLAND** - The Minister for Natural Resources and Environment is responsible for administering the *Water and Sewerage Industry Act 2008*. The minister is further responsible under this act for developing and coordinating policies related to the regulation of the water and sewerage industry. Minister, you are responsible for issuing licences to salmon hatcheries in this state. You're also responsible for water quality in this state.

I want to ask you about Millybrook's smolt farm and hatchery on the South Esk River, which was recently in the news. According to a scientist familiar with the licences issued to Millybrook, Dr Coughanowr, the licence contained monitoring requirements and no annual reporting required to the EPA or to the public. The current eight-year licence issued in September 2022 for Millybrook farm sets no specific limits on pollutants. Millybrook

undertook its own testing, which showed a substantial increase in nutrient levels between the inlet and outlet from the fish farm, particularly for ammonia, phosphate and total phosphorus. Dr Coughanowr said the highest concentrations were during summer, between January and March, when freshwater systems were most susceptible to impacts such as algal blooms.

In January 2024, Trevallyn Dam was closed due to a blue-green algal bloom. Blue-green algae are microscopic organisms that can produce toxins that are harmful to humans and animals, according to the EPA. This water flows into the Trevallyn Dam, which flows into Launceston's Cataract Gorge, which supplies the drinking water to Launceston and is a major tourist and recreational drawcard in the summer.

Why are you issuing licences to inland salmon farm hatcheries with no specific limits on pollutants and no routine monitoring of water quality downstream of those farms? Will you ask the EPA to commence an investigation into the water quality in the South Esk River, including the impact of pollution from Millybrook farm?

**Mr DUIGAN** - Thank you for that question. I am advised that the EPA is in the process of varying the Millybrook environmental licence for the inclusion of interim water quality limits, including biomass limits, and imposition of several conditions to update the environmental and operational monitoring and reporting requirements. This will include the requirement of monthly and annual reporting to ensure transparency in the provision of information to the Tasmanian public.

The EPA advises that the variation process requires review and analysis of site-specific water quality data to set limits. The licence holder has a right of reply to new conditions and I'm told the director must consider any response before imposing new conditions. I think it's probably a reasonable place to ask the director to talk about Millybrook and any new conditions.

**Mr FORD** - We are going through a process in relation to the inland hatcheries in terms of bringing them up to contemporary licence standards. The requirements when the hatcheries were transferred to the EPA was that we needed to implement licence conditions as they existed at the time. Many of those smaller hatcheries were regulated by councils with inadequate licence conditions. It has taken some time to go through those and we have prioritised larger hatcheries that have posed a greater risk before the smaller hatcheries. Those hatcheries run and operated by Huon Aquaculture have been operating in accordance with a plan that they already had in place. We've allowed that to continue over the course of the last few years. The licence does not specifically have monitoring requirements. Those monitoring requirements and the data that has been provided is through the Huon Aquaculture Freshwater Action Plan.

Over the course of the next six months, we will have updated licences across all of this, including the Millybrook one.

**Mr DUIGAN** - Just as a side note, water management, water quality is a Primary Industries and Water responsibility, noting that you did read it out and it did fall to me.

**Mr SHELTON** - Minister, as we're talking about the EPA, that plays a vital role in Tasmania, of course. I understand more information about the important work that is going on will soon be available more easily to everyone. Can you please tell the committee more about this increase in transparency?

**Mr DUIGAN** - Thank you, you are indeed well informed. I am pleased to provide further information about the Release of the Environmental Monitoring Information Project. In fact, a milestone has been reached this week with the launch of an online search portal that allows the public to search for relevant environmental monitoring information and modernises environmental regulation of the state's major industries.

A modern and transparent regulatory system is important to Tasmania's economy and future prosperity and provides assurances for business and the community. Tasmanian industries want certainty about their operating conditions, and the public wants confidence in the EPA's role as an independent regulator and manager of environmental monitoring information.

The member is correct when he asserts the new portal improves transparency and allows public scrutiny of important information about the environmental effects of industries operating in Tasmania's environment. Independent and robust environmental assessment and regulation is an essential part of Tasmania's planning and approval system. The launch follows amendments to the *Environmental Management and Pollution Act* which provides the EPA Director with the discretion to release certain forms of environmental monitoring information.

Relevant information that may be released includes any test or measurement results or analysis reports of environmental condition, photographs or audiovisual recordings required under a licence or permit. I understand the first information to be available is annual environmental reviews and environmental management plans, with additional environmental monitoring information being added to the portal on an ongoing basis. The launch follows the release of the Environmental Monitoring Information Disclosure Policy.

The power to release environmental monitoring information under the act works in parallel with and does not override the obligation to release information under the *Right to Information Act*. Importantly, information not released under the EPA's new system can still be requested, assessed and released under the RTI process.

In addition to the online portal, an existing online search form on the EPA website will remain available for the public to make requests for environmental monitoring information. These important changes are aimed at fostering public confidence in environmental regulation in Tasmania and promoting certainty for proponents.

**Ms WHITE** - Minister, I wanted to ask about the definition of frontline workers again. With respect to the answer that was provided by the secretary earlier, you said it was hard to define who a frontline worker is, but it's hard to ignore that there are employees across your agency who, I would think, have that responsibility, whether they're in customer-facing roles or in the field doing fire management or rangers. Are you able to define those workers as frontline, as an example?

**Mr DUIGAN** - I reiterate the government's position that frontline workers will be prioritised. This is not a vacancy control process and will not result in staff job losses, nor will it impact - and I think this is the important aspect - the delivery of government priorities in terms of -

## PUBLIC

**Ms WHITE** - How can you confidently say that when you're unable to define a frontline worker? How can you say that those jobs won't be impacted and that those roles will be filled if somebody leaves, if you're not certain about who we're talking about? Surely, you must be able to clearly tell the committee who is a frontline worker and who is not, so that we can trust your answer.

**Mr DUIGAN** - Thank you, I appreciate that. Our expectation is that frontline services won't be impacted.

**Ms WHITE** - But what are they? Who are frontline workers in your agency? You should know that for your agency.

**Mr DUIGAN** - Those delineations are an area that I will support the Secretary in determining.

**Ms WHITE** - And is the Secretary able to tell the committee about how he's defined those things? What are the delineations?

**Mr DUIGAN** I understand that he has made quite a few comments around this issue this morning, but I'd be more than happy if you would like to reiterate -

**Ms WHITE** - I don't want a reiteration, I want clarity.

**CHAIR** - Order.

**Ms WHITE** - For instance, will you replace the role of a firefighter, a field officer, a ranger or a customer service employee if it becomes vacant? Are they frontline workers?

**Mr JACOBI** - I appreciate the question and I absolutely share your concerns. I'm very alert to the importance of frontline services continuing to be delivered. As I've said before, every position that comes before me that is critical to a frontline service, I have never hesitated to commence recruitment to that position or to expedite the recruitment of that position. Firefighters, rangers who are performing duties in the field, visitor services officers at the front counter who are selling tickets to customers - all of those positions are front of mind in terms of the urgency and the need to make sure that we maintain the right complement of staff to continue to provide that service and, most importantly, to ensure in my department that we are protecting our existing staff. For their own personal and psychological safety, it's important to have the right complement of staff at any point in time. But I reiterate, I reserve the right to consider each and every position on merit at a point in time when it becomes vacant, and I will consider always the safety of our staff above everything else and also the continued delivery of frontline services to the community before I do that.

**Mr DUIGAN** - I will add to that answer, noting comments that you have made earlier about how the efficiency targets for this year are currently being met. We are finding those efficiencies throughout the operation of the department.

**Ms WHITE** - Do you think it's appropriate to delegate the responsibility you have to your bureaucrat when there's no transparency? It's essentially Mr Jacobi making decisions on a case-by-case basis. What's the scope or framework for that decision-making?

## PUBLIC

**CHAIR** - Order, Ms White.

**Mr BAYLEY** - Minister, on fish mortalities, I am keen to understand some data around fish mortalities related to the finfish industry. I point out up front that these are a serious issue in terms of biosecurity hazards and the like. The data I'm explicitly after - and happy to take this on notice if required - is what's the extent of fish mortalities statewide over the past year, broken down by company and region? Where are they dumped, with the specific sites and the tonnage per site over the last year? Also, what expense is borne by the state to deal with the numbers of salmon mortalities including contractor payments and staffing? What attempts are made to recover these costs from companies involved?

**Mr DUIGAN** - I think it's probably one that sits more comfortably in the industry.

**Mr BAYLEY** - Your colleague, Mr Abetz, threw it to you last night. He was asked last night and he said it was an EPA issue.

**Mr DUIGAN** - Given the EPA is at the table and noting there is a great deal of detail in the question, I would be happy for the director to take that question if he has some of that detail.

**Mr FORD** - Over the last summer period, we had 66 elevated mortalities reported to the EPA in accordance with the reporting requirements, which are elevated mortalities greater than 0.25 per cent over three consecutive days. Those notifications were distributed across regions and across companies. I will provide the table on notice rather than read it in here.

**Mr BAYLEY** - Will this give us the exact number of fish mortalities statewide over the past year?

**Mr FORD** - No.

**Mr BAYLEY** - Could you provide that?

**Mr FORD** - No. The current licence conditions do not require the industry to provide notification of numbers or of weight of mortalities. As the conditions applied last summer, the information for last summer is only on notifications of increased mortalities above the licence condition requirement.

Moving into the next summer, now that the environmental standard has passed the parliamentary process and is now certain, we are in the process of implementing the new environmental licence conditions that do require the companies to notify numbers or weight, depending on the circumstance. We have commenced rolling those licences out in the last couple of weeks. Certainly, by the time we get to the summer season, those licence conditions will be on all the new environmental licences.

**Mr BAYLEY** - Will that be publicly reported as a matter of course going forward?

**Mr FORD** - That will be publicly reported. The framework on which we reported in terms of the time frame is yet to be determined, but yes, the information will be both publicly reported and publicly accessible.

**Mr BAYLEY** - What about the sites?

**CHAIR** - Mr Garland has the call.

**Mr GARLAND** - I want to ask you about seal control and dispersal by the salmon industry. How many seal crackers were used by the salmon industry over the past financial year to disperse the protected fur seals? How many reported deaths of seals were there by the industry over the same time? How many protected birds were shot by the salmon farms over the past 12 months?

**Mr DUIGAN** - I'm not sure whether you've had the opportunity to speak to minister Howlett, but seal crackers and that sort of thing is a particular responsibility for Primary Industries. That is a question for them.

**Mr SHELTON** - Minister, as we know our parks play a vital role in our tourism sector. Can you please provide an update in relation to the visitor statistics of our parks and reserves?

**Mr DUIGAN** - We know that Tasmania continues to be a much sought-after destination with our natural landscapes a key attraction. The visitor economy supports job creation, especially in regional areas, and promotes the Tasmanian brand as a world class nature-based tourism destination. The Tasmanian Parks and Wildlife Service (PWS) manages over 800 reserves across Tasmania, including 19 national parks. The PWS does not count visitors to every national park or reserve, but produces data for 14 selected sites, called reference sites.

The visitation data for the financial year ending 2023-24 increased to 1.42 million visitors across these 14 sites, which was 4 per cent - approximately 50,000 visitors - higher in comparison with the previous year, 2022-23. Visitation has been steady, with many sites seeing increases and others noting a slight decline. The Three Capes, with 14,000 visitors, and the Overland Track, with 11,000, remain strong, showing our multi-day walks continue to be in high demand. Mount Field National Park attracted 232,000 visitors, which is up 16 per cent over the previous year, while 53,000 people made the journey to Maria Island National Park, an increase of 13 per cent.

This is why we are continuing to invest in those sites to not only enhance the visitor experience but ensure that amenities are contemporary, and that our natural and cultural areas are managed and protected appropriately. This is why we are providing \$7.8 million to enhance Mount Field as a year-round destination, including improving accommodation options along with the new arrival concourse. There is also \$6.8 million for stage 3 of the Maria Island Rediscovered project, which delivers a new wastewater treatment plant and sewer, electrical connections and increased rainwater storage to ensure reliable supply to Darlington. Our long-term vision for our parks and reserves is to ensure they remain open, accessible and responsibly managed.

**Ms WHITE** - Minister, I wanted to go back to the savings strategy for your agency. Do you think it's appropriate that the Secretary is unable to explain to the committee what framework will be used to ascertain whose jobs are on the line and whose are not, and that that is essentially just a decision made by the Secretary when a piece of paper comes across their desk? Are you comfortable with that?

**Mr DUIGAN** - Firstly - and I think it is absolutely critical that I reiterate this - this is not about staff job losses. That's not what it's about.

**Ms WHITE** - You cannot guarantee that because you can't define a frontline worker.

**Mr DUIGAN** - It is about the government continuing to deliver its priorities. That's what it's about. The Secretary has been asked to make some efficiencies within the department, and that is a responsibility that I would expect him to perform. He advises me that the efficiencies being asked for this current year are being found and are being delivered, and the efficiency program for the following out years will be considered in the coming months ahead.

**Ms WHITE** - In the Westminster system of parliament, you're responsible and accountable for the decisions that are taken within your office by your agency. Can you tell me what the framework is that will be used by your agency to decide who is a frontline worker and who's not?

**Mr DUIGAN** - We will continue to deliver our government services and our priority services.

**Ms WHITE** - That is not an answer. It is a yes or no answer. Can you tell me what the framework is? Yes or no.

**CHAIR** - Order.

**Mr DUIGAN** - We will continue to deliver government priorities -

**Ms WHITE** - That's a rubbish response.

**CHAIR** - Order. Please allow the minister to answer.

**Ms WHITE** - It's insulting to your staff, who are the ones who are ultimately going to find out whether or not they keep their jobs. If there's a vacancy, it may not be filled because you might not describe them as 'frontline'.

**CHAIR** - Order.

**Mr DUIGAN** - I just don't accept the premise of your question. This is not about people losing their jobs. That's not what it's about.

**Ms WHITE** - You can't answer the question clearly, though. What is the framework for decision-making that you will use to decide whether or not somebody is a frontline worker or not?

**Mr DUIGAN** - The Secretary has described his thinking around that process, and I will support him.

**Ms WHITE** - You are accountable as the minister, so why can't you tell the committee and answer that question?

**CHAIR** - Order, Ms White. The minister has answered the question the way he sees fit.

**Ms WHITE** - It is very unsatisfactory.



## PUBLIC

**Mr BAYLEY** - Just before I ask my question, minister, the EPA director has indicated his willingness to table the evidence of the 66 elevated mortality events. Are you happy for that to happen? He was offering to save the committee time by tabling that.

**Mr DUIGAN** - Yes.

**Mr BAYLEY** - Thank you. My second question in that space is to ask where these dead fish are dumped, and to itemise those locations and the tonnage per site. What expense is borne by the state to deal with the numbers of salmon mortalities - that's contractor payments, staffing, dumping fees - and what attempts are made to recover this from the salmon companies?

**Mr DUIGAN** - I note that the director has made his way back to the table, so I will ask him to provide detail on the answer to that question.

**Mr FORD** - I take those questions in reverse order. There are no costs to the government for the disposal of the mortalities -

**Mr BAYLEY** - They're all borne by the companies?

**Mr FORD** - They are managed and dealt with by the companies. Any regulatory operational process is just part of the ongoing regulatory operational process for the salmon environmental regulators. If there are approvals, they're factored into that process.

In relation to disposals, there are two pathways for disposals of mortalities. Some of the fish make their way through the Tassal rendering facility in Triabunna, and others go through a process called ensilage, which is taking the mortalities, treating them with formic acid, turning them into a liquid and then they're land spread on a number of properties in a number of municipalities, typically under council approval. The EPA does not regulate those activities.

Spectran is the primary contractor that is doing that work with a number of landholders, principally in the southern midlands area, but also some in Clarence and around the Tasman area.

**Mr BAYLEY** - So none is dumped in landfill, full stop?

**Mr FORD** - A small component has been placed in landfills depending on the particular supply of the day, because the rendering facility can only take so much on a daily basis and similarly the land spreading activity can only deal with so much on a weekly basis.

**Mr BAYLEY** - Can you provide those instances and those locations?

**Mr FORD** - We don't have a direct line of sight to that data because the landfills in Tasmania, both at Dulverton and Copping, have approval to take putrescible waste and to take animal carcasses in terms of fish, so the EPA doesn't have that direct data.

**Mr BAYLEY** - It is held by the salmon companies? What about other waste that's produced by the industry - potentially native fish that are caught in the nets when they're cleaned, or waste from the net-cleaning operations themselves, including any other sort of hard

materials. What happens to them? Are they dumped in landfill or are they processed in some other way as well?

**Mr FORD** - In relation to any fish that are removed inadvertently as part of their cleaning operations or as part of their treatment of fish process, it is the same disposal pathway for fish irrespective of whether it be salmon or native species. Clearly the industry doesn't seek to catch native species, but occasionally some mackerel, for example, will end up in the pens.

In relation to material from the pens themselves, these days it's in water cleaning, which means that the material falls to the sea floor and decomposes along with salmon faecal material.

**Mrs BESWICK** - Minister, I am sure everyone is waiting for an exciting update from you on Recycle Rewards.

**Mr DUIGAN** - To some extent my level of exciting announcement has been a little bit gazumped in regards to announcements made yesterday, but I am happy to report that the Recycle Rewards contracts have been signed.

Yesterday I announced that the contracts had been signed and that TasRecycle is our scheme coordinator with TOMRA Cleanaway as the network operator. The scheme coordinator will run the administration and finance, while the network operator manages the network of refund points across Tasmania, of which I believe there will be 49.

The scheme is expected to begin in mid-2025. I know this is something that a lot of people have been waiting for because it has a great deal of impact on our clubs, charities, scout groups and so on.

**Ms BADGER** - And the environment.

**Mr DUIGAN** - And the environment. We know that almost half of the litter on the side of the road is those drink containers that could and should be recycled, so we are very pleased to have this initiative underway. I take the opportunity to thank the staff at NRE who have done a very substantial job in getting the contracts into a position where Tasmania is able to proceed.

It is going to be a fairly substantial change in the way that we approach our waste and recycling task here in the state. We are now not the only jurisdiction in the country that doesn't have a container recycling scheme. It is a job for a few months ahead to mobilise the rollout, but it will be up and going next year.

**Mr SHELTON** - We're not quite at the fire season yet, but you mentioned in your opening address the preparedness of Park's employees. How prepared is the Tasmanian Parks and Wildlife Service for the upcoming fire season, and what work has been done to date to prepare the parks for what might happen? Hopefully it doesn't.

**Mr DUIGAN** - It is a huge responsibility that Parks bear, noting the size and scope of our reserve estate. Getting to those fires quickly is very important. I'd like to start by acknowledging every Parks and Wildlife fire crew member who's participated in past fire seasons and those who are preparing for the season ahead.

## PUBLIC

We know their skills and professionalism continue to be in demand, not only here in Tasmania but also across the world, as we've just welcomed back 15 crew members who were deployed to Canada to assist in managing a significant wildfire event in that country. In addition, I'd like to highlight that Ranger Abbie, who is participating in the ranger exchange program with South Australia, has just participated in South Australia's pre-fire season training. I met Abbie at Cradle Mountain not that long ago.

These opportunities allow our crews firsthand experiences to further develop their own skills and experiences by being immersed in other fire management teams and landscapes. Our Parks staff manage some of the most significant landscapes, in particular the Tasmanian Wilderness World Heritage Area, which has many irreplaceable natural and cultural values.

Importantly, fighting bushfires is a combined effort from all of our state's fire agencies, who work together to respond to events. Tasmania has the resources required to respond to a typical fire season, along with the systems and escalation arrangements to respond to events that are beyond typical.

The Parks and Wildlife Service has a range of skilled and experienced fire management specialists including fire management officers, fire operations officers, fire crews, winch-capable crews and incident management teams. In addition to our skilled teams, PWS utilises new and emerging technologies to enable the early detection of fires to allow for rapid response, which is an increasingly important aspect I had the opportunity last season to meet with staff in the control room to understand how the modernisation of remote deployable cameras and the use of satellites and laser scanning provides critical intelligence on the heat signatures in the landscape and understanding fuel loads.

I would also like to acknowledge the ingenuity of Parks fire crew, who have developed a high-tech forward command trailer, which can be deployed as a critical management tool to assist our incident management teams and manage the operations closer to the fire ground. During the peak fire season, PWS also has a dedicated winch-capable helicopter to pre-position in areas of great risk and respond to bushfires when required.

The safety and wellbeing of all our staff remains paramount and I want to take this opportunity to wish everyone a safe fire season ahead and thank you in advance for your professionalism and dedication to our reserve in Tasmania more broadly.

**Ms WHITE** - Minister, I wanted to go back to 2018, which was a great year for the Liberal Party making big promises to the west coast and then failing to deliver. We talked about the next iconic walk. Another significant project was the commitments made to Cradle Mountain. Are you able to provide an update on the status of that project, noting that there are operators up there who are basically despairing about the lack of progress by your government that's leading to investor uncertainty and roads falling to bits while visitation to that iconic destination continues to grow, putting further pressure on the park? What is the status of that project?

**Mr DUIGAN** - I was happy to head up to Cradle quite recently and speak to operators there to understand some of the issues that might be conversation topics. In terms of how we are seeking to address those and the Cradle Mountain management plan more broadly, it's a piece of work that's being managed by the Office of the Coordinator-General. I would certainly

say that the Tasmanian government remains committed to the delivery of the vision of the Cradle Mountain Visitor Experience Master Plan.

During the recent state election we reaffirmed our commitment to the delivery of the master plan and reiterated our commitment to lobby the Australian Government to recommit to supporting this vital project for the protection and future management of the wilderness world heritage area, region, state and nation. We worked hard to deliver both the new park visitor centre and the Dove Lake viewing shelter, which are key elements of the visitor master plan, and I'm sure those members of the committee who have seen those two pieces of infrastructure would agree that they are great additions to the Cradle offering.

Work continues on the remaining areas, including much-needed staff accommodation, the Gateway Village Precinct development and the key sustainable transport solution in the form of the cableway. The Tasmanian government, through a request for expressions of interest in an ROI process, sought developers and committed up to \$5 million to help create a high-quality alpine village for the next stage of the Gateway Village precinct. Negotiations with the proposed developer and the required related infrastructure planning and development at Cradle Valley will progress.

Additional staff accommodation in the Cradle Valley region is an identified priority, and the OCG, as mentioned, is continuing its investigations and assessment of relocatable and purpose-built housing options to address the need. The other key element of the master plan is the improved transport solution between the gateway and Dove Lake, with a cableway being the preferred option. The Tasmanian government remains committed to a sustainable transport solution to connect the gateway precinct and Dove Lake, and continues to work with stakeholders and the Australian Government on the best way forward.

**Ms WHITE** - That doesn't tell me anything new except that you're still working on something that you promised in 2018 and haven't delivered. How much money have you committed to realise the project? What's in the Budget for the cableway?

**Mr DUIGAN** - There is a substantial amount of money in the Budget. I'm happy for the department to provide some detail, but there is a substantial quantum of funding in the Budget to progress the delivery of the master plan, and continuing to work on that project. I understand that there may be some roadworks and things of that nature, and iconic buildings that we'd like to build as we work towards that, but I'm happy to pass to the Secretary or the Deputy Secretary to provide some detail around the priorities.

**Mr JACOBI** - Noting that this is still a project that has been largely delivered by the Office of the Coordinator-General, my understanding is that the full allocation of the \$30 million remains available for a co-contribution to a contribution by the Commonwealth Government towards the total project.

**Ms WHITE** - Would it be right to say that the private sector investment that's been flagged for this region is waiting on the cableway to proceed before they commit their funds?

**Mr JACOBI** - My understanding is that, subject to a commitment from the Commonwealth Government, the planning work that has already been undertaken will be progressed to an expressions of interest process seeking a third-party operator to participate in running and operating the cableway.

**Ms WHITE** - Minister, you would recall, presumably, that the Coordinator-General's office failed to submit the business case to the federal government in time to secure the necessary funds. What work are you doing to realise this project's vision? Investor confidence is pretty low at this point in time. They don't really see that your government is doing very much to deliver on this commitment.

**Mr DUIGAN** - I would have to point you to the responsible minister for a project that is being run out of the Office of the Coordinator-General. I don't have a great deal of visibility around that.

**Ms WHITE** - Why not?

**Mr DUIGAN** - We are briefed. We are involved in Cradle Mountain as the Parks and Wildlife Service and are continuing to provide services in that capacity. Your questions around the detail of the master plan delivery are best placed to the Premier.

**Ms WHITE** - That's disappointing.

**Ms BADGER** - Minister, a few weeks ago, you met with Greg French, who's the president of Fishers & Walkers Tasmania. He gave you a copy of his book, *Wild Heart of Tasmania*. I hope you've read that book, minister, because it outlines the history of the Lake Malbena saga. Very specifically, it shows that the current proponent of the heli-tourism project was very misleading in his intent for the future of the lease to its previous holder, Liz McQuilkin. He has said that he would still welcome the public to visit the island - that is not true, he is not. And he hasn't paid his debts - Wild Drake is in liquidation.

Minister, how do you justify that this proponent is still a fit and proper person to hold a private lease over a World Heritage island?

**Mr DUIGAN** - Thank you. Appreciate the question and I'm indeed a fan of Mr French's books, particularly a recent gift; he did write a book about all the trout lakes or all the lakes in Tasmania. It's very helpful if you're fishing.

**Ms WHITE** - We know where your heart really is.

**Mr DUIGAN** - The government is committed to delivering the tourism expression of interest process, and the important role that it does play in facilitating sensitive and appropriate tourism projects within Tasmania's unique parks and reserves. That is important. We want people to be able to responsibly and sustainably access and enjoy our world-class parks and reserves.

In regard to the Halls Island-Lake Malbena proposal, it remains subject to all local, state and Australian Government planning and approval processes. I won't be making any comments around historical disagreements between parties; that is not a matter for me.

As I have previously said, I am aware that the environmental organisations lodged proceedings in the Federal Court of Australia in relation to legal costs to be paid by Wild Drake, and they have made an application to have the company wound up. The ASIC website identifies

## PUBLIC

that a liquidator has been appointed. This involves a process that is currently being worked through, with no determination as yet made. I am advised -

**Ms BADGER** - Minister, I can save you commentary on the legal matters, if you'd like.

**CHAIR** - Order.

**Mr DUIGAN** - I'm advised that the proponent has 21 days from the court order to request that the application be overturned. As previously stated, all lease and licence payments owed to the Department of Natural Resources and Environment Tasmania have been paid. As a process is underway, I won't be dealing in hypotheticals and I certainly won't be looking to pre-empt outcomes. The proponent has also advised that they are continuing to work with the Australian Government and are committed to progressing the project and I confirm that the lease is still current.

**Ms BADGER** - Until when? Was it the 30 September?

**Mr DUIGAN** - Yes, and just to another aspect of your question around public access. Importantly, I'm advised that access to Halls Island remains available to members of the public.

**Ms BADGER** - Just a supplementary from that, I've sought access and I cannot get a response. Am I free to go there legally, above board, minister?

**Mr DUIGAN** - Anyone.

**Ms BADGER** - Anyone? Even me?

**Mr DUIGAN** - Anyone interested in visiting the island should get in contact with the proponent for information, terms and conditions relating to the public access.

**Ms BADGER** - That's great. I've been trying for three years. So, perhaps there is a process in place for actually getting a response to be able to go there?

**Mr DUIGAN** - I think that is probably a matter for the proponent.

**Ms BADGER** - No, it's not because you've leased the island to the proponent. There's no conditions for him to adhere to maintaining public access to the island.

**Mr DUIGAN** - Do you have any further information on that aspect or are you happy?

**Ms BADGER** - I'm happy to take it on notice just because it's arisen if that's helpful.

**Mr JACOBI** - The public access program has been in place for a number of years now. The proponent developed that public access program to ensure that bushwalkers and fishers can continue to have access to the island and the hut, whilst also ensuring that the environment of the island is protected first and foremost. I'm advised that the outcome of the public access program has actually resulted in increased public access, over and above historical levels. All I can suggest is that I'm happy to take your concerns to the proponent through the Parks and Wildlife Service and ask him directly if he would consider an access arrangement for you.

## PUBLIC

**Ms BADGER** - Consider it so he could still deny it - is that right?

**Mr JACOBI** - Ultimately, it's a decision for him, but he has always assured the Parks and Wildlife Service that he's open to any applications for access.

**Ms BADGER** - If you could follow that up, I would appreciate it. Thank you, Deputy Secretary. My second question.

**CHAIR** - I think you've had a few.

**Ms BADGER** - Well, I still didn't get an answer, Chair.

**CHAIR** - I can't help if you don't like the answers. Mrs Beswick, bearing in mind we will break shortly for a short break.

**Mrs BESWICK** - Minister, given the alarming increase in battery fires, which often occur in our critical waste facilities, there is work being done in NSW to install camera systems and improve the risk management of those as if we do lose a facility, it will take several years to rebuild and we could be sending a lot of recycling to landfill in that time. What are you considering in supporting those businesses in Tasmania?

**Mr DUIGAN** - It's a substantial body of work that's being considered by the ECMC - Energy and Climate Change Ministerial Council - noting that particularly those batteries that are contained within products and aren't necessarily able to be disposed of properly without disposing of the product in and of itself. It is a nationally recognised and problematic circumstance in terms of work that is progressing here in Tasmania.

I think NSW is potentially leading the work that is happening around the country. Dulverton Waste Management Group is developing a whole-of-industry proposal for an education/behaviour change campaign around batteries and other flammable items for consideration by the Waste Resource Recovery Board. There is a little bit of strategic work happening at that level. As part of this, I've have recently written to the board, asking them to outline some key priorities for the year ahead. Some of that work happening at a national level was included in that correspondence. There is some work progressing around this, noting that battery fires potentially posing risk to waste facilities is an emerging issue.

**Mrs BESWICK** - So, we're hoping that the waste levy will support that?

**Mr DUIGAN** - That's emerging as our lever in lots of these areas, particularly as new risks and issues emerge. We have that funding source by which to respond.

**The Committee suspended at 11.00 a.m. to 11.08 a.m.**

**Mrs PENTLAND** - Minister, with the announcement of the retirement of Wes Ford next month, is this a good opportunity for a fresh look at the functions and scope of the Environmental Protection Authority to guarantee it's working in the best interests of the state?

**Mr DUIGAN** - I appreciate your question. I'll take this opportunity to put on record the government's thanks and appreciation for the long and storied career of Wes Ford, the director of the EPA. He has had some 39 years in the Tasmanian public service, as I understand it, and

overseen a substantial step change in environmental monitoring and reporting here in the state of Tasmania. I think they will be big shoes to fill.

The government continues to support the functions of the independent EPA through continued funding from the budget, some \$85 million this year and going forward. Our investment will continue to support increased staffing levels - noting the increased amount of work and the number of large projects that come to the EPA board for consideration and the increasing amount of work that the state relies on the EPA to provide. That's potentially where I will leave my comments about considering any reform, sweeping or otherwise, to the functions of the EPA. The EPA is functioning well and balances a difficult task of being pragmatic in its decision making, but also making sure that the Tasmanian environment is paramount in its consideration.

**Mr SHELTON** - Thank you, Chair. Minister, can you please advise how Land Tasmania's Emergency Services GIS, or geographic information system, unit, supports all hazard emergency response activities for the government, including Tasmania Parks and Wildlife Service?

**Mr DUIGAN** - Thank you, Mr Shelton. Land Tasmania's Emergency Services GIS unit supports all hazard emergency response activities across government through the provision of critical specialist spatial intelligence, analysis and mapping capability.

Over the past three years, the Emergency Services GIS unit played a critical role in the Tasmanian government's COVID-19 response activities including quarantine compliance, travel assessment, operational planning, and mapping high-risk areas to inform the general public. The team were also involved in the preparation for biosecurity incursions such as Japanese encephalitis, small hive beetle, flood levels, flood events, and search and rescue events through the tracking of resources.

During the recent wild weather and flood events, the team were also deployed to assist with the response efforts, including the provision of real-time spatial data to SES teams. The GIS team who designed, developed and now run the early fire detection and notification system were finalists in the national Locate24 Conference.

The system, which has been operating since 2022, includes real-time satellite as bushfire detection and notification, and combines this with detailed maps containing information about vulnerable flammable vegetation, landscape features, critical infrastructure, soil moisture, and the location of firefighting assets. The team provided geospatial intelligence services mapping and assisted with the integration of data from the state's Specialist Intelligence Gathering helicopter for the various incident management teams. By providing the All Hazards program, the Emergency Services GIS unit supported the Tasmania Fire Service, Tasmania Parks and Wildlife Service, and Sustainable Timber Tasmania with their fire response activities over the last fire season. As part of the All Hazard Spatial Infrastructure Project a new LISTmap, COP and LIST special web services infrastructure will be delivered over the next two years and this will further enhance Tasmania's capabilities to prepare for, respond to, and assist with recovery activities following, natural disasters. Thank you.

**Ms WHITE** - Minister, you spoke earlier about no longer providing some services or your Secretary did, to the community, such as pest control on private properties as part of your steps to cut costs in the department, do you plan to privatise any other services?



**Mr DUIGAN** - As I have said frequently, this is not about job losses. That's not what this is about. The Secretary has said repeatedly that he is managing his budget efficiencies in the department and finding those efficiencies. We're not reducing services or cutting services-

**Ms WHITE** - Just admit it, you are reducing services. You gave a specific example of a service you're no longer going to provide.

**CHAIR** - Order.

**Mr DUIGAN** - The Secretary is looking for efficiencies in the department and that is entirely appropriate. For the specifics of the question I am happy to throw to the Secretary.

**Mr JACOBI** - I will clarify - it wasn't about pest-control services being privatised; that was a specific example that I provided where we're looking at the pindone program and how that might be delivered by the private sector, because the private sector had previously expressed an interest in delivering pindone to residential properties who need rabbit control. It doesn't mean we're reducing our calicivirus controls, our support for landholders, or anything like that. It's just an example that was provided.

**Ms WHITE** - And my question, minister, is whether you plan to privatise any services across your agency to meet your budget-cut obligations.

**Mr DUIGAN** - I reiterate, the budget efficiencies for the department are being found in the context of savings in consultants, accommodations, staff travel, and those types of things. As the secretary outlined, privatisation is not being considered, as I understand it, in this course of budget-efficiency measures. As for things that happen in the future, that's all speculation.

**Ms WHITE** - You might just stop doing things and the private sector will pick those things up.

**Mr DUIGAN** - That's absolutely not what I said.

**Ms WHITE** - That's what your Secretary said.

**Mr DUIGAN** - He identified one very specific element that had been the nature of - some interest had been shown in by aspects of the private sector. Again, I don't have a great deal of detail - happy to, to for the Secretary to provide some context around that.

**Mr JACOBI** - I haven't identified any other services at this point in time that would be appropriate to privatise. We enter into contracts and consultancy arrangements with companies for a variety of different services - sometimes that's around the capital program to support the planning and design and documentation of major capital projects, but they're the only examples I can provide for now.

**Ms WHITE** - Minister, have you given a policy directive to the Secretary that would rule out privatisation of any of the services your agency currently delivers?

**Mr DUIGAN** - No.

**Ms WHITE** - You haven't? He has the ability to choose to do that if the Secretary wants? You're not ruling it out?

**Mr DUIGAN** - It's not something we are contemplating, as has been said frequently and often during today's hearing. Key measures include reducing expenditure on consultancies, reducing expenditure on suppliers and consumables, common contracting or negotiating more competitive prices, reducing operating costs through measures such as travel, transport, advertising and property expenses.

And, again, I point to comments that the Secretary has made about realising those \$0.50 in every \$100 that is being found in the department through those.

**Ms WHITE** - Final question, just for clarity, can you rule out privatising services your agency currently [inaudible]

**Mr DUIGAN** - That is not something we are contemplating.

**Ms BADGER** - Just on the RAA (Reserve Activity Assessment) reform, the summary report from the consultation paper dropped late last week. Of 800 submissions, honestly, only four of those could be considered positive to the proposals in the consultation paper. The rest were absolutely scathing of the approach that was suggested.

The reference to the legislation reform being tabled at the end of this year, 2024, has been removed from your website. Minister, could you enlighten us about the new time frame for this reform? Given that you're now doing an options paper, it certainly seems like you're taking quite a large step back from what is much-needed legislative reform.

**Mr DUIGAN** - Thank you. Appreciate the question. The public consultation period was extended twice to ensure that all interested parties have the opportunity to make a submission. Targeted stakeholder engagement has occurred with key stakeholders, National Parks and Wildlife Advisory Council (NPWAC), the State Planning Office, the Tasmanian National Parks Association, Local Government Association, and many others.

You mentioned the number of submissions received, over 800, noting that a very large majority of those were pro forma submissions. The submissions and accompanying submissions report are available to view on the Department of Natural Resources and Environment's website. As to next steps, feedback from the submission process is currently being considered ahead of the Parks and Wildlife Service developing an RAA reforms option paper as you have outlined in your question.

**Ms BADGER** - There's no time frame for that options paper to be presented or a new deadline for the RAA reform holistically?

**Mr DUIGAN** - In answer to the question, what was the question?

**Ms BADGER** - What was the timeframe?

**Mr DUIGAN** - The timeframe is not known at this stage. It is not defined. We note that it's a complex piece of work. We're considering feedback that has been received. We would

## PUBLIC

point to the publication of the lease and licence data across the Parks portfolio, which is leading to better transparency -

**Ms BADGER** - Are you still committed to the reform or are you walking away from it?

**CHAIR** - Ms Badger, could you speak up?

**Ms BADGER** - Sorry.

**Mr DUIGAN** - Considering the feedback-

**Ms BADGER** - Considering the feedback, so you are -

**Mr DUIGAN** - Putting out an options paper, having a look at it.

**Ms BADGER** - Yes. Very un-committal. Thank you, minister. My second question is what are the annual costs for administering, servicing, and maintaining the Three Capes Track product? If you could please - happy to take it on notice or tabled to have that information broken down into the cost of maintaining the walking tracks, maintaining and servicing the public accommodation complexes, the helicopter hire, boat transfers, fees to Port Arthur Historic Site, plus the wages for Parks and Wildlife staff and contractor payments.

**Mr DUIGAN** - A lot of detail there. While the secretary's addressing his mind to that, I would offer to table the document that relates to salmon moults requested by Mr Bayley. Happy to hand that up. Thank you.

**Ms BADGER** - Thanks, minister.

**Mr DUIGAN** - For the question on Three Capes expenditure I pass to the secretary to provide some detail.

**Mr JACOBI** - We don't have the specific details at hand in relation to Ms Badger's question, but I'm happy to take that on notice and provide that.

**Mr DUIGAN** - Are you happy with the level of detail required?

**Mr JACOBI** - I'm comfortable to provide that level of detail if we can.

**Mrs PENTLAND** - Minister, I want to talk to you about Flinders Island and the management of wastewater. At the moment there is no infrastructure there to handle the situation with the wastewater and we know that there is a noncompliant tank truck that is collecting from septic tanks and water waste and redistributing onto farmland. Can you explain how the government is making sure that the wastewater from Flinders Island is managed according to environmental laws?

**Mr DUIGAN** - Thank you, appreciate the question and understand the nature of the task delivering contemporary wastewater management solutions for some of our remote rural communities. Flinders is, obviously, close to my heart, but I will pass to the director of the EPA to comment on the works or the [inaudible] nature on Flinders Island.

## PUBLIC

**Mr FORD** - In general, the management of wastewater will fall between the council and TasWater, depending on whether TasWater is involved or can be involved to when council is. There are also towns and small communities about to be moved from a septic system to a reticulated system. Without having any specific details in front of me, we can provide a follow up in terms of both with ourselves and TasWater if that would be of assistance.

**Mrs PENTLAND** - You have been there and are aware of the situation there with the septic waste and the wastewater and what's happening on Flinders?

**Mr DUIGAN** - I am broadly aware of issues that exist with water on Flinders Island. It is, as the director has mentioned, a matter for TasWater in concert with the council. Not something that -

**Mrs PENTLAND** - Don't you need to govern that being the environmental minister? Isn't that something that you need to make sure is happening in a proper way?

**Mr DUIGAN** - If there are environmental concerns, I would expect they would be raised with the EPA.

**Mrs PENTLAND** - And they have been?

**Mr FORD** - I don't have any detail with me at the moment. Environmental law in Tasmania is split between the role of the EPA and the councils, so if an activity is a level 1 activity, it's the responsibility of council. I'll take it on notice and see if we have any advice from Flinders Island Council about any concern they have raised with EPA.

**Mrs BESWICK** - Minister, you have \$1.2 million in the budget for a data rollout of some description in the waste action implementation plan. What specifically are you using that for, what is the goal there? It's over a couple of years, so can you detail what that looks like?

**Mr DUIGAN** - Our transition into a circular economy is providing a lot of opportunities for employment but also benefits to the environment. Understanding what the task looks like in Tasmania and having good information feeding into that process will be critical. It's important we have good waste streams, and good data will be increasingly important for an overarching strategic vision for what that sector needs to look like going forward and some of the challenges we face.

Recommendation 16, implementation of the waste and resource recovery strategy. Prior to the introduction of the landfill levy, we took action to help kickstart the circular economy in Tasmania with an investment of over \$20 million to progress resource recovery initiatives, improve the recycling of plastics, organics, end of life tyres. It goes on to talk about container refund schemes, problematic single-use plastics, but doesn't talk necessarily about data.

Here we go. The Australian Government has allocated \$1.5 million over three years to each state and territory through the Digital Environmental Assessment Program, the DEAP initiative, to enhance the capability of the Tasmanian Natural Values Atlas to exchange biodiversity data with the national biodiversity data repository that is being developed. The Natural Values Atlas is a web-based platform managed by NRE Tas that holds and delivers high-quality Tasmanian natural values information relied on for development, assessment and approvals processes. This enhancement will support better environmental assessment and

decision-making through the interjurisdictional environmental data and information oversight committee. We're also engaging with the Australian Government on the establishment of Environmental Information Australia and the development of a national environmental standard on data and information standards. Tasmania also collects reserve estate data feeding into the national Collaborative Australian Protected Areas Database.

I can call Hugh Christie of the Waste Resource Recovery Board if he has some more information to add around that data task.

**Mr CHRISTIE** - The other thing that's occurring with that data task is we also have funds allocated for data readiness grants to assist the facilities meet their obligations under the *Waste and Resource Recovery Act*. We've done a number of rounds with that and we're looking to see how we can continue to invest that money as we go forward to ensure that facilities can easily and readily comply with the regulated obligations.

**Mr SHELTON** - While we're on waste and resource recovery, I understand that the Waste and Resource Recovery Board is leading the work on our waste strategy. Can you please provide some more details on how they will be using the funds from the landfill levy to achieve our goal of Tasmania as a place where nothing is wasted?

**Mr DUIGAN** - I appreciate the question. The Waste and Resource Recovery Board has been working hard to set the groundwork for, and deliver on the important work of overseeing the reinvestment of landfill levy funds back into the community. This includes the \$3.5 million high-priority investment package we announced in recent days. This will see reinvestment of landfill levy funds back into the community, helping our community groups, schools, councils, and other resource recovery and waste-focused organisations to further develop their infrastructure and their capacity for the circular economy.

It is my expectation that the board will lead the state's strategic approach to waste management. As part of this, I've recently written to the board and asked it to outline its key priorities for the year ahead. The first is for the board to provide a plan for the strategic management of industrial waste in northern Tasmania. I expect this to include an assessment of current waste data, predicted future need and the type of waste to be managed effectively in the region. It will assess current availability by waste type and opportunities for future use or investment. This is particularly important to inform government's decision-making, and I have requested this work be completed before the end of 2024.

Secondly, I would like the board to complete a proposal for a statewide education campaign. This should have particular focus for waste and resource recovery, including addressing recycling basics for households. It should look at how best to tackle issues such as contamination of waste streams, particularly when it comes to hazardous items such as batteries, which have been touched on here. I expect this campaign to be developed collaboratively with local government and industry to maximise its impact and ensure consistent messaging across the state.

With the increasing community interest in composting and organics processing facilities, I have also asked the board to undertake a review and assessment of the current and future demand for organics and/or composting facilities. This should include, but not be limited to, kerbside FOGO (Food Organics and Garden Organics). As such, I anticipate it will consider agriculture, aquaculture and other commercial organic waste streams.

I expect the outcomes of these bodies of work, and the board's additional two priorities, will provide a vital guide to future decisions around the use of funds generated by the landfill levy. It will also support a strategic and outcomes-focused approach to waste management here in Tasmania.

**Ms WHITE** - Minister, I've written to you about the Derwent Valley Men's Shed in the past, and expressed their desire to you to obtain a lease for the building they operate out of, which is on Crown land. You've responded, indicating that the department might look to place that land into the ownership of Homes Tasmania in the future for the development of housing. That's caused a lot of concern for the Derwent Valley Men's Shed. What guarantee can you give them that they'll be able to continue operating from that premises, and for how long?

**Mr DUIGAN** - I have no appetite for the displacement of valuable community groups such as the Derwent Valley Men's Shed. I make that statement in terms of my feelings around this particular issue, but I would be happy to invite Alice Holeywell-Jones to the table to provide an update as to where that issue is at the moment.

**Ms HOLEYWELL-JONES** - At this stage, the land remains with the Parks and Wildlife Service, having recently been handed back with council. We're continuing to manage that land, and the Men's Shed remains in the facilities they're in. We've had some issues at the site, which you might be aware of, in relation to some of the facilities and vandalism. That's an ongoing concern for the Parks and Wildlife Service. But, no plans, no transfers or issues in relation to their current lease arrangements and engagement at the site.

**Ms WHITE** - Do they have a current lease? I think they've had difficulty getting a current lease for a term. What is the status of that?

**Ms HOLEYWELL-JONES** - I might have to take that one on notice. My understanding is they've some sub-lease arrangements in place.

**Mr DUIGAN** - Happy to take that on notice and give you an update as to where the lease is at the moment. My memory of dealing with the issue in writing to you is that there are issues around the ongoing maintenance of buildings and things of that nature. There are some complications to this issue, but happy to provide some detail around the lease.

**Ms WHITE** - Just to clarify, I'll provide a question on notice about the current status of the lease at the Derwent Valley Men's Shed. If you could also indicate to me when it's up for renewal or what the terms are so that they've got some certainty about how long they might be there for.

**Mr DUIGAN** - Yep, I can do that.

**Ms WHITE** - Further to that, the Derwent Pony Club and the adult riders on an adjacent piece of land, they previously had a lease with you as well for their club to operate on that site. They've been unable to renew a longer-term lease with you and they have similar fears that the land is going to be disposed of and that their club will be displaced. What guarantee can you give to them that they will get a lease agreement in place so that they can have certainty for their club's future?

## PUBLIC

**Mr DUIGAN** - I am happy to reiterate my initial comment of having no appetite to displace important community sporting clubs. The current status of the pony club helps understanding that these two, to some extent, go hand in hand.

**Ms HOLEYWELL-JONES** - Thank you, minister, through you, my understanding is that we don't have an application in relation to the land relevant to the pony club, because again -

**Ms WHITE** - What do you mean by an application?

**Ms HOLEYWELL-JONES** - In relation to the land or transfer, in that there is no impact that I am aware of in relation to current arrangements for the pony club. If the minister's happy again to take the question on notice, we can get the details.

**Ms WHITE** - The challenge is that they've struggled to get a lease longer than an annual lease arrangement. They previously had a 20-year arrangement with 10 plus 10, but they've been unable to get that agreed to again. I will put a question on notice to you about that.

The final question is: it does raise questions about the resourcing within Property Services to be able to work with these groups to negotiate leases. What is the current staffing profile within Property Services and are they subject to the efficiency dividend?

**Mr DUIGAN** - I'm happy to pass that to the Secretary to provide the detail.

**Mr JACOBI** - Thank you, and through you, minister, I thank the member for the question and I might go to the Deputy Secretary of Parks in a minute about that.

We've been funded specifically in Property Services for several years now around the Crown lands transaction turnaround timeframe project that has significantly improved a backlog in applications. It has also significantly improved the time frame with which we can turn around applications for leases or licences. I'm very comfortable with the team doing all that they can to address the multitude of applications that we do get.

It's important, though, to reflect on the fact that just because somebody submits an application for a lease or a licence doesn't mean that they've actually met all the requirements. Often we find ourselves going back to a proponent, club, or organisation to make sure they have professional indemnity or insurances, that they have the capacity to manage the land going forward under the lease terms. Sometimes the to-ing and fro-ing between Property Services and the applicant can take time.

I will go to the Deputy Secretary of Parks if there's some additional information.

**Ms MULLER** - Through you, minister, as the Secretary has indicated the additional funding of \$1.9 million through the Crown land transaction turnaround time initiative has boosted staffing within Property Services by six. Currently there are no vacancies in Property Services that are not being filled so we have a full complement of staff.

Over the years, and in recent times, there has been a significant increase in the demand for the services that are delivered by Property Services. Annually it is around 1400 requests

## PUBLIC

relating to leases, licences, et cetera. Our responsiveness to those can be dependent on the complexity of the assessments before the team, so the timeframes can vary.

**Ms WHITE** - And the efficiency dividend? Are Property Services subject to the efficiency dividend?

**Mr DUIGAN** - That would be my expectation.

**Ms WHITE** - And what does that look like? Is that consistent with the percentages you shared across the agency that had to bear their commensurate amount?

**Mr DUIGAN** - Yes. Certainly, that would be my expectation.

**Ms BADGER** - Minister, I have some questions around the proposed Tyndall Range resort complex. I appreciate that you've been running a series of drop-in sessions for the community. There are a few basic questions that people might expect for such a proposal that we're not quite clear on, so I'm just hoping you can enlighten us a little bit more. They're things like: do the accommodation complexes have hot showers? How is the greywater taken care of? I think most pressingly people want to know if free walkers are still going to be able to go through this region.

**Mr DUIGAN** - I appreciate your question and interest. I've seen preliminary designs for small-scale hydroelectric schemes to deliver electricity to certain hut facilities and so on. It's probably reasonable to consider that there would be drying rooms and things of that nature contained within the huts. I'm not sure of the detail on showers and so on, but happy to pass to the Secretary who, I'm sure, has that level of detail to share.

**Mr JACOBI** - I attended the public consultation session here in Hobart and it was overwhelmingly positive. There were a couple of people who had questions about the design and the various aspects of the proposal, but once they had a chance to learn from the team about the detail and the intent, a lot of them left the consultations feeling a lot more comfortable about the proposal and, in fact, I think it'd be fair to say that, overwhelmingly, across all of the public consultations, the majority were in favour and support for the next iconic walk.

To your particular question, which was about hot showers, we've made a deliberate decision as a planning team not to have showers in the facility. It's really important that we minimise our environmental footprint with this project. All of the black waste will be airlifted out. We'll be actually capturing that in pods and transporting that off site and because there won't be any showers, that significantly reduces any issues around greywater disposal. That's a really important thing to bear in mind in such a unique and extraordinary environment.

To your question about free walkers, there are absolutely no impacts whatsoever to the existing track by which people access the Tyndall Plateau from the western side near Anthony Road. That track will remain open, as it always has, unimpeded for walkers to access at whatever time they want to. We're actually doing some maintenance trackwork on that section, particularly between the bottom of the ridge and the top of the ridge, which has been identified as being quite heavily worn. We're doing some maintenance works, I believe this year.

In terms of the access to the new track, the new next iconic walk track, that will be a paid experience. Walkers, whether they are coming as part of the hut-based proposal or if we are to



## PUBLIC

retain a tent-based camping option, they will pay a fee to participate, and the rangers who are employed and living on site will be responsible for providing education, support and guidance to any walkers on the track.

**Ms BADGER** - Thank you. My second question on that - and please don't read the Facebook comments after the drop-in sessions; they might alter your view on the positivity around the project.

**Mr DUIGAN** - That's good advice, generally.

**Ms BADGER** - Generally good advice, thank you, minister. The viewscape over Lake Huntley from Mount Tyndall is renowned. It is one of the most spectacular views in Australia, as I'm sure you would both appreciate as bushwalkers.

Parks has long aligned itself with the seven principles of Leave No Trace. When viewing the development locations for this walk, why is it situated in such a prominent position which is going to leave an enormous visual impact? We don't support privatising other parks and having private huts in different areas, but at least they're discreet. I think the general expectation from the public was that this would be a lot more discreet than it is. Why was the decision made to put the hut in the current position that it is?

**Mr DUIGAN** - I think it's critically important to recognise that we're in the planning and development phase of the Next Iconic Walk. There is an amount of work still to be done around placements and things of that nature. We would expect it to be done with the greatest degree of sensitivity. I'm sure that's the way the designers will approach it. I am happy for the secretary to make any comments he feels are relevant to that.

**Mr JACOBI** - Thank you. Lake Huntley and its surroundings is an extraordinary landscape any way you view it, whether it's from the top or from the bottom; it is unique. It's really important that we get the design and the planning around the proposed hut at that location right. We've commissioned a visual impact assessment as part of our environmental impact assessment work. That visual impact assessment is looking very closely at the impacts of the hut locations and also the campground and the track from all contexts, whether it be from the walkers who are on the track, or from people who may be on the Tyndall plateau.

The reason it's located in that site is that it is an extraordinary experience. It is a once-in-a-lifetime opportunity to provide members of the public who maybe don't get to experience those places, who don't have the capability to walk to the top of the Tyndall plateau from the western side. It provides them with an opportunity to experience that extraordinary environment, to learn from that and become an advocate about how important our wild landscapes are, particularly that landscape which, as you know, is impacted by mining, hydro and exploration activities. Everywhere you go in that landscape you can see evidence of prior historical industry activities and that's a really important part about the experience. Lake Huntley is just one of those locations which stands out as a place for people to be able to spend the night and enjoy the environment.

**Ms BADGER** - Can I just clarify, for the hut concepts that are currently out, there is more planning to be done about the exact location of the hut or there's not?

**Mr JACOBI** - We've done a lot of work to refine the hut locations. We did the Building and Environmental Impact Assessment report based on the two locations, which is Lake Huntley for the first night, and I think it's - correct me if I'm wrong, Danielle - Lake Mark for the for the second night. They are the fixed locations.

What we are doing through the public consultation process is getting people's feedback about the design - the style of the buildings, the colours being used, materials that are proposed, noting that all of the materials are designed specifically to blend into the environment. We're using micro-hydro power to run our energy in the buildings, not just thermal heating but also the cooktop stoves, the cooking apparatus. In every respect, a lot of work has gone into trying to minimise our footprint. The consultation sections have been getting some really good feedback about what people think about the design.

At this point in time, there's no intention to fundamentally change the two locations that are proposed. We will be going out for an environmental impact assessment on the basis of that.

**Ms BADGER** - Unless, of course, the consultation says they should.

**Mrs BESWICK** - Minister, a few months ago you announced the grant received from Tyrecycle to start to build a facility and be able to recycle tyres within Tasmania. What is the time frame that we can expect that to be started?

**Mr DUIGAN** - I appreciate that, noting that the task of recycling tyres and value-adding to tyres here in Tasmania is a big and pressing task. I think it's one of the ones that a lot of us would like to see up and going and ticked off.

The \$3 million Waste Tyre Reprocessing Grant Program was established to help find sustainable uses for end-of-life tyres in Tasmania. We know we need to put more effort into this area of resource recovery. Waste tyres that are illegally dumped or stored can pose a range of risks to our community and environment, and it is a waste of useful resources.

The Tasmanian government has taken a number of actions to address these problems, improving the regulation around stockpiling of tyres, working at a national level to improve the product stewardship for tyres, and the Waste Tyre Reprocessing Grant Program is another part of the solution. As you alluded to, Tyrecycle has been granted \$1.27 million from the program to upgrade the Barwick's tyre shredding facility at Bridgewater to add a chipper, which allows end-of-life tyres collected from around Tasmania to be processed using the machine and then manufactured into five-centimetre diameter chips to provide tyre-derived fuel.

The upgraded facility at Bridgewater will create a value-added product that can be used as an alternative fuel for coal in a range of industrial processes such as cement production. We know that the use of tyre-derived fuel instead of coal can reduce greenhouse gas emissions by up to 30 per cent, and that is the impetus for this particular grant process. I'm very happy to see it going ahead.

In terms of the remaining quantum of funding, I think we're still in discussions with an industrial proponent in terms of an offtake agreement, but I'm happy to take any further advice if any is being offered.

## PUBLIC

**Mrs BESWICK** - When will the chipper be up and running?

**Mr DUIGAN** - We'll bring Hugh Christie up to the table to give us advice around the chipper and its operations.

**Mr CHRISTIE** - The grant deed that has recently been signed by both Tyrecycle and Jason specifies mid-August next year for completion of the works. That's the final milestone.

**Mr SHELTON** - Minister, my next question is around the maintenance of roads and so on around parks. Annually, Parks have a road maintenance program. My interest comes from my local government days where a lot of the local government roads end up as park roads going into national parks, so the maintenance of them and how we manage them is a critical issue for our regional communities.

I know it's difficult to suggest what is going to happen in the forward year as far as the Budget goes, but I am keen to get an understanding of the 2023-24 year and what has been achieved over the last year as far as road maintenance. The road to Liffey Falls in my area is a Parks road. It's often inclement weather up there and it requires a fair bit of maintenance. We also need to keep the roads open for firefighting. Could you give us a highlight of what's been achieved over the past 12 months?

**Mr DUIGAN** - The National Parks Maintenance Boost and Road Renewal program supports essential asset repairs and maintenance work. The program provides \$1 million in annual funding for a range of Tasmanian Parks and Wildlife Service maintenance projects across the state, along with \$4 million as part of the Sustainable Road Renewal and Maintenance program, which is funded through 2024-25. This is in addition to specific road and bridge capital works projects.

I'd like to acknowledge our skilled operational staff such as field officers and rangers who undertake a number of unsung general repairs and maintenance work as part of their day-to-day responsibilities. Prioritised maintenance projects are identified through the PWS Asset Management system following inspections by staff in the field. We understand our road network, being around 1152 kilometres, is critical for locals and visitors to access our natural areas, as well as supporting industries such as nature-based tourism, apiarists and things of that nature.

In 2023-24, some of the key maintenance projects included: the installation of new toilets at the Freycinet National Park Wineglass Bay campsite at Cooks Beach; completion of the Lake Vera toilet works towards replacing the Franklin River picnic area toilets; repairs to the lighting system and electrical distribution repairs at King Solomons Cave; transport of a new utility task vehicle and stabilisation of asbestos roofs on Maatsuyker Island; jetty repairs at Partridge Island; removal of asbestos at Narawntapu National Park; and historic heritage maintenance and repairs, including to the Low Head Lighthouse keepers cottage, electrical upgrades at Entally House, window repairs at Highfield House and guttering repairs at the Ross Female Factory.

Your question spoke about roads: Lighthouse Road, Bruny Island; Waterhouse Road, near Scottsdale; Petal Point Road at Cape Portland; Sunflats Road, Saint Helens; Branch Point Road Corridor, St Helens; Beerbarrel Road, St Helens; Granite Point Road, Bridport area; and Seal Rocks culvert replacement, King Island. Funding of \$1.3 million was also provided to

complete the Kanunnah Bridge strengthening project on the Sumac Road addressing structural and capacity issues.

There was also the delivery of a range of road drainage and vegetation clearing works within the Arthur-Pieman Conservation area as part of the government's \$10-million commitment to recreation, including works for West Point, Bluff Hill, Airey Drive, Nelson Bay, Sarah Anne Rocks, Couta Rocks and the replacement of the Cassiterite Creek Bridge.

I am happy to provide some insight into what 2024-25 works may include. These are: Goblin Forest walk repairs; Shelley Point viewing platform replacement, funded over two years; Cape Tourville boardwalk repairs; Nelson Falls toilet emergency works; Crater Falls walkway replacement; Frenchmans Cap walking track steps replacement; Mount Rufus walking track maintenance; west coast walking tracks maintenance at Donaghys Hill, Bird River, Tyndall Range; Bernacchi Bridge replacement on Maria Island; Tasman Peninsula footbridge renewal at Stewarts Bay and Canoe Bay; Kangaroo Bluff priority maintenance; strategic peri-urban fire trail maintenance, Maatsuyker Island; and critical safety upgrades at Hartz Mountain Road, Ben Lomond Road, Jacobs Ladder and Rowing Course Road at Lake Barrington.

**Ms FINLAY** - Bringing it a bit closer to home to an area that both you and the Chair are particularly familiar with, Beauty Point. I am interested in exploring some of the circumstances around the removal of the diving board - 'divo' - there. I am wondering what contemplation there was by the department prior to the removal. Was there any salvaging of the materials, or any consideration of interpretation or documenting that structure to ensure that it remains in the memory of people, or consideration of its historical value to the community?

**Mr DUIGAN** - I understand and value your continuing interest in the matter. I would certainly extend that to members of the Beauty Point community and the Tamar more generally who have a connection and affiliation with the diving board going back some 80 years. As you would be aware, concerns were raised with council initially about the condition and state of repair of the diving board, which then set in train a course of actions. I think it's important for me to say at the outset that the safety of our kids and people using the diving board -

**Ms FINLAY** - I am interested in what contemplation there was, prior to its removal, of recording it for history.

**Mr DUIGAN** - I think I need to put that on the record because it is an important aspect of why certain decisions were made. In terms of the conservation, there was a good deal of community consultation, as you would be aware. I know the Secretary was at Beauty Point on more than one occasion speaking to the community to hear their various concerns and ideas around what should happen going forward. I will pass to the Secretary to talk to the question around preservation or otherwise.

**Ms FINLAY** - As a former Heritage minister, I would have thought you would consider that important.

**Mr JACOBI** - I appreciate the significance of that structure to the local community. I personally took a great interest in this because I have had a lot of history in a past life around structures, particularly in water bodies, that have caused deaths and catastrophic injuries to people. I was particularly interested in ascertaining the circumstances under which this

## PUBLIC

particular divo structure could stay. I conducted three workplace health and safety risk assessments, and those risk assessments dealt with -

**Ms FINLAY** - You might note that genuinely and quite respectfully, I didn't actually go down that path. My question is about the materials.

**CHAIR** - Order, Ms Finlay.

**Mr JACOBI** - I thought you asked what process was used to arrive at the decision -

**Ms FINLAY** - No, sorry. I will clarify the question, Chair. Acknowledging that there was a decision for it to be removed, given its at least 80 years of significant history in the community, my question was what consideration was given, prior to demolition, to materials being used in interpretation? What consideration was given to there being a historical record of that significance to the community through the materials?

**Mr JACOBI** - We had an engineering assessment which deemed the structure inappropriate to be retained. I specifically asked the team in the demolition process to retain and conserve any materials that were able to be reused in any shape or form. We had a discussion at officer level about whether they could be incorporated into an artwork or an interpretive piece or signage. None of the materials were able to be salvaged or were suitable for salvage.

We took photos prior to the removal so that we could demonstrate that, and we have photos available if you need to see those photos again. There was certainly no way in which the materials could be reused in any practical shape or form. However, we have photos, so if somebody wanted to use the photo in an interpretive sign to show what was there then that's absolutely something that could be considered.

**Ms FINLAY** - Thank you. Given your previous role with Heritage, the number of public art installations that are across the state in Parks' territories and the use of artists to interpret structures and information in history, and as a woodworker myself, I find it very difficult to believe that no elements of that structure were available to be used. I appreciate, and had not heard before, that you gave consideration to interpretation. Are any of those materials now held anywhere? Will the photographs that you've taken be available publicly on a record anywhere for people in the future to look back on that documentation?

**Mr JACOBI** - My understanding is that none of the materials were able to be salvaged, but I am absolutely open to using the photographs as a method by which to interpret what was there previously.

**Ms FINLAY** - I'd like to place on the record my disappointment about that. There were clearly physical materials available that could have been used in some way. I will go to my second question. You talked about death or catastrophic injury. I'm wondering if you can provide to the committee any formal records of death or catastrophic injury that resulted from use of the divo over its 80-year history.

**Mr DUIGAN** - I will pass to the Secretary for detail around that aspect.

## PUBLIC

**Mr JACOBI** - Any records of death of catastrophic injury are absolutely irrelevant to my responsibilities as the prescribed body responsible for the safety of the public.

**Ms FINLAY** - I am just asking if there is any record?

**Mr JACOBI** - There are no records that I'm aware of. In fact -

**Ms FINLAY** - There has been no catastrophic injury?

**Mr JACOBI** - I'm not aware of any records. I couldn't tell you if there has or there hasn't. Regardless of that, my workplace health and safety assessments, as I was about to mention - I did three assessments. I did an assessment of the structure as it was in situ. I did an assessment of a replacement structure, so a brand-new diving platform, and I did an assessment of a swimming pontoon. I can categorically assure you - and I'm happy to share those individual assessments with you, because they follow a documented, contemporary workplace health and safety risk analysis process - that retaining the existing structure was absolutely outside of the realms of reasonable safety. Even with signage, even with documentation and information provided to the community about the safety risks, it was absolutely unsafe.

Similarly, replacing the old structure with a new elevated platform in that location was again completely and utterly unsafe. Whilst the option of a swimming platform could have been contemplated, it requires a certain depth, and the depth that it requires to be safe for somebody who stands on it and dives off it meant that it would be located, I think, 225 metres from the shoreline. A distance of 225 metres is a long way. That puts the swimming platform way out beyond even the reasonable reach of a parent or a guardian. If a child were on that platform playing and got into trouble, it would be almost impossible for the parents or the guardian to reach that child within a reasonable period of time.

All of those workplace health and safety assessments informed my decision that there was no viable option to retain that structure, and I'm very disappointed that that was the outcome. However, I absolutely, hand on heart, believe that was the right outcome in the interests of public safety.

**Ms FINLAY** - Chair, the offer to table those three documents has been made. Can I ask that those documents be tabled, please? In addition to tabling those, I think it's interesting that there's a perception that the use of the divo was only by young people - perhaps playfully so. As the minister would be aware, many older members of the community continued to use that on a daily basis for their personal health and wellbeing and daily exercise. I would like for those three tables to be documented, I think it's important, but my -

**Mr DUIGAN** - I am happy to table those three documents, yes.

**Ms FINLAY** - I'm interested to understand that for the community and for those options reached. I would like you, as minister, to take note that there's now concern in the community that compared to other options for younger and older people of the community, whether it be the trees at the headlands or whether it be the wharf, it's now perceived by the local community that they're a greater risk to the community, and had there been a solution for like-for-like replacement of the existing structure, it is now possible that you put the community at greater risk.

**Mr DUIGAN** - Thank you, appreciate the question. I would lean on the secretary's explanation; it is not for the realm of government to be installing diving structures that have no water at the bottom of them at certain states of tide. I think times have changed since the divo was installed and the decisions made. It is a reflection of that and I think we as the government have to take our responsibility to the safety of the community seriously.

I think I can say this very much hand on heart, we also engaged in a process to understand if there were viable options to provide something to that community through the West Tamar Council, with whom we had a lot of engagement through this whole process, and we continue to offer help and support for things that the West Tamar Council might seek to achieve.

**Ms FINLAY** - Noting that there are many other structures around waterways in Tasmania where there is sand at the bottom of large drop-offs.

**CHAIR** - Order, please let the minister finish.

**Ms FINLAY** - Taking you to a different matter, minister, the recently distributed discussion paper on the phasing out of problematic single-use plastics in Tasmania. There's some concern within business around the impacts on expanded polystyrene and the use of fish boxes for our fish sector, and veggie boxes for our farmers, or whether it be waffle pods for building. I've got particular interest in the impact on salmon companies and our vegetable growers. What consideration has there been to exempt expanded polystyrene fish boxes from the phase-out?

**Mr DUIGAN** - I can say at the outset that salmon boxes or fish boxes are not under consideration as part of the phase-out process. It does not include what is commonly referred to as salmon or fish boxes, which are produced by Polyfoam at its Westbury factory in Tasmania. The proposed approach to phase out single-use plastics is being informed by national and international research.

We are absolutely aware of some of the impacts that this phase-out has in certain aspects. I know there are some medical applications where single-use plastics are not able to be successfully replaced at this time. Certainly, we will have exemptions where exemptions are required, and happy to work with industry and various other community sectors to make sure that this is fit for purpose for Tasmania, noting that plastic drink stirrers and things that have a 30-second useful life in somebody's hand but then spend the next 300 years rotting away in a landfill are probably something we can do without.

This process is ultimately set to address those problematic single-use plastics that do exist that we can take away and we should take out of the Tasmanian [inaudible].

**Ms BADGER** - Minister, why did it take six years before the department secretary contacted the federal department for the environment to clarify the impact on the *Environment Protection and Biodiversity Conservation Act* (EPBC) assessment over the Lake Malbena heli-tourism proposal was having on the urgently required work on Hall's Hut?

**Mr DUIGAN** - I will seek some advice on this issue. I have an update on Hall's Hut. Whether it's six years or six months, is the question coming back at me.

**Ms BADGER** - It's been, I'd say, extremely urgent for six months, but we've known about the repairs and the fact that maintenance had to be ongoing on that hut for the full term of the lease, which is six years, if that helps clarify, minister.

**Mr DUIGAN** - I appreciate the clarification. Thank you for that. I have some comments here that I wouldn't mind making. That's around the lease and the hut maintenance. Wild Drake has previously been advised to conduct a self-assessment of any potential impacts to nationally protected matters if they are intending to fly materials in for maintenance on the hut. The proponent has confirmed that he's received this advice from DCCEEW. Following this advice, the Director of National Parks has also written to the proponent requesting that a self-assessment be undertaken in regard to the conservation works required on the hut, as per the certificate of exemption that was provided by Heritage Tasmania in September 2022. This is a matter for the proponent to progress. However, of note, both Mr Greg French's correspondence and a corresponding report from Mr Daniel Hackett regarding the condition of the hut was sent to Heritage Tasmania for review on 6 September 2024. Heritage Tasmania reported that an examination of images from Mr Greg French, March 2024, show little decline from those at the time of heritage listing in 2021, and there were no concerns raised by Heritage Tasmania regarding the hut's condition since its listing in 2021.

**Ms BADGER** - Thank you for that update, minister.

My second question. In December 2023, you wrote to the people of Lewisham stating some works were going to be undertaken on the foreshore. I appreciate this has been a long-standing issue; there was previously an EPBC act assessment for aspects of that. In the letter you stated you're walking back from it. Parts of this community communication that you had were then reneged one Sunday afternoon quite suddenly. Did you endorse that decision or what went past your desk, minister, for those plans to so suddenly change without the community being communicated with, anything post your letter that you had previously sent in December 2023?

**Mr DUIGAN** - The Director of National Parks and Wildlife has been managing remediation works at Okines Beach, Lewisham. Following numerous reports, continued consultation with the community, residents and the Lewisham Foreshore Management Association over many years, as you referred to, the director formed the view that the most appropriate management approach for coastal erosion at the site was to undertake targeted remediation works. In advance of any works, the director inspected the site on 11 August 2024 and made a decision that the Tasmania Parks and Wildlife Service would remove illegal structures that pose a risk to public safety. Remediation works commenced on 19 August 2024. In terms of consultation with the community about the works being proposed and carried out, I believe there was engagement from Parks, letter drops and public consultation, so I would ask the Secretary to speak to that.

**Mr JACOBI** - I might call on Sophie Muller in a minute to talk to this. There's a lot of different opinions amongst the residents along Lewisham foreshore about what should stay and what should go. Some people want the structures to remain; some people want the structures to go. In the interests of making it not unlike what I did for the divo, I went down on Sunday afternoon, Sophie joined me and we walked up and down that foreshore and we looked closely at each of the structures. There are obvious structures that pose an immediate workplace health and safety risk. They are dilapidated, in very poor condition and unsafe. The determination was made right there and then because works were about to start; we confirmed that those structures



had to go. We also had a conversation around some of the walls. In my view, some of the walls looked, on face value, to be structurally sound enough that they were not posing any harm, they were not posing a threat to public safety or posing an immediate threat to erosion of the bank.

The decision was made at that time to keep those structures, or to keep parts of them. When the contractors started to undertake the works, the works revealed things behind the wall and also revealed the structural integrity of the wall. That led to subsequent decisions that the wall wasn't as sound as originally thought and that it had to be removed. Conversations were held with the property owners immediately behind and adjacent to those structures about their desire to either keep the wall or have the wall removed. In most cases, the people were quite happy to have the wall removed, so the works were undertaken.

I personally inspected the works at the Lewisham foreshore the weekend before last. I did a walk along the new track, and I've got to say that the work is incredibly well done and sensitive. There is still some more work to be done, but in terms of realigning the existing track away from the foredune, which is the intent to prevent people falling off the dune and to remove the risk of further erosion. Pushing the track back, realigning it and doing it the way it has been done has been very successful. It's quite a sensitive, gentle walk along the foreshore and the team's done a good job. Over the coming weeks they'll replace the existing staircases. I might call Sophie, if she has any information.

**Ms BADGER** - Before we do, I have two questions that arose from that. What date was the letterbox drop that you mentioned as part of consultation done? How was the communication captured when you were doorknocking to ask if people were happy to maintain the wall or not?

**Mr JACOBI** - I didn't do any doorknocking. My team has been responsible for communication.

**Ms BADGER** - Your department, not you personally.

**Mr JACOBI** - I'll call on Sophie for some details.

**Ms MULLER** - I don't have the specific date of that letterbox drop, but it was shortly before the works commenced. Over the years there has been extensive community engagement that Parks staff have undertaken and that engagement has helped to inform the final decisions that were made right up to and during the works being undertaken. Certainly, as contractors were there doing the works, community members were engaging with Parks staff on the scope of the work that was occurring and providing input and information into that. Given the extent of community feeling associated with that site, some of those views were taken into account where we could accommodate them and adjust the scope of work in response to the community interest.

**Ms BADGER** - Is it normal for Parks just to rock up on a Sunday afternoon and make decisions about projects? There seems to be a pattern happening here.

**Mr JACOBI** - I've been involved in Lewisham now for seven years, so this has been a longstanding issue. The whole coastal erosion and the impacts of coastal erosion on those properties has been a significant concern for that community.

Sophie and the team are relatively new to the Lewisham experience. I regularly enjoy going out in the bush and spending time in nature. If I get an opportunity to go and spend a little bit of time down at the beach or in the bush, I'll do that. There was an opportunity to go down and have a look at it with Sophie, look at the works that were proposed to understand the extent of the workplace health and safety risks and to make a determination because, ultimately, as the PCBU of the department, I held responsibility. If somebody injures themselves, I carry that responsibility. Particularly in a case where there are extensive structures that are in deteriorated condition in a public space, I have to take an interest. I don't hold back at all from taking the opportunity to go down there and walk that with Sophie and make a decision.

As Sophie mentioned, residents were coming out and talking with our staff during the construction works. Some of them lobbied to have the wall in front of them removed. I considered each and every case with the PWS team on merit. Our team member was on site every day to take questions from the community.

**Ms BADGER** - Extraordinary: seven years and we can still change it on a Sunday afternoon.

**Mrs BESWICK** - In February this year, the EPA ordered Recycal to shut down some of its operations at its Rocherlea site. The latest public information is that the company withdrew its appeal for in June. Are we able to update the committee on how this issue is going, because it has reduced Tasmania's capacity to manage scrap metal on island? And do we have a plan for scrap metal in the future?

**Mr DUIGAN** - Thank you, Mrs Beswick, I will provide an update for the committee. The Director of the EPA is at the table with us, so I will make some opening comments and throw to the Director for the most up-to-date status. I'm aware of the situation involving Recycal's scrap metal recycling facility at Rocherlea in the north. It's in my electorate and it is of particular interest to me. I have been on site to visit and see firsthand.

I'm advised by the EPA that Recycal is significantly non-compliant in some aspects of environmental requirements. The EPA is taking action to mitigate the risk, and manage the risk to the environment and the community being posed by the site. These environmental risks relate to excessive stockpiling of combustible material contaminated with metals, hydrocarbons and other hazardous substances; off-site discharge of polluted water, off-site migration of contaminated dust; and unauthorised disposal of a controlled waste. I'm particularly aware of those issues as environment minister. I take those issues seriously. I also weigh those issues against the notion that we would like to see our metal recycling facilities operating to their best possible capacity here in Tasmania.

**Mr FORD** - In my nine years in the EPA, this is the most complicated and challenging site that I've had to deal with. This is a four-way tension between public health, environmental health, the need to have a recycling facility and a viable business, and all of those things are not necessarily aligned. There is clearly conflict between them.

There are matters before the Supreme Court, both criminal and civil, or there have been civil matters. There are still criminal matters before the Supreme Court. There are matters that have been dealt with by TASCAT. This is very legally complex, it's fraught with some challenging policy in a planning and an environmental sense and then you've got the underlying technical challenge around a level of contamination. Fundamentally for this business to

operate, there has to be a solution to deal with the waste product, not just the saleable product. The challenge we have as a Tasmanian community is at what cost? Who bears that risk? Currently, what has been proposed by the operator transfers all that risk to Launceston City Council and the residents of Launceston. I have to be mindful of that in my decision-making process.

I could go on for three hours about it. I'm happy to brief you again personally out of session, rather than using the committee's time.

**Mr DUIGAN** - Thank you. I would add that I'm also working with the minister for industry to ensure the government is kept informed of the process and to support parties working toward a resolution that protects the environment and the local community while backing business here in Tasmania. That is important, but it's also critically important, and my expectation, that our businesses act lawfully.

**Mr SHELTON** - You've referred to the additional money that the government has provided in this year's Budget to support threatened species. I'm interested in what priority species you'll be focusing on in the next year and how these funds will be used to better protect our unique flora and fauna.

**Mr DUIGAN** - I am very pleased to tell the committee that our government is taking real action on our threatened species. An example is our establishment of a Tasmanian Threatened Species Fund with \$8 million committed over the next four years. The fund will directly support conservation activities for priority species, and this includes Tasmania's unique threatened handfish. During a recent visit to Seahorse World at Beauty Point, I was able to see these unique creatures first-hand, including some very tiny two-day-old baby handfish. Seahorse World houses small numbers of both spotted and red handfish as part of a coordinated captive breeding program for these two endangered species. As part of the important work we're doing for our range of threatened species, I have asked my department to look at ways that we can best support and protect the red handfish in particular. I note that it is found in a very limited area here in Tasmania and it is locally important to the area we were just talking about. We need to look at how we can protect this species against threats which can include introduced predators, pollution, siltation and direct impacts such as boat moorings, anchor chains and coastal development, as well as habitat decline.

Last summer, the department supported scientists at the University of Tasmania's IMAS facility to collect 25 red handfish from the wild and care for them in captivity to protect their fragile population from record-high sea and atmospheric temperatures. Waters have now cooled and the fish have been successfully returned to their natural habitat.

NRE continues to work closely with the Australian Government Research Organisation and relevant stakeholders, including the National Handfish Recovery Team to put in place the most appropriate research and management approaches for this species.

The government is also taking action, of course, on Maugean skate, orange-bellied parrot, swift parrot and, as mentioned previously, our unique Tasmanian devil.

All Tasmanians have a role to play in protecting our native species and the new fund will help address high-priority species, conservation needs, as well as support collaboration through leveraging existing building knowledge and support planning and decision-making.

**Mr SHELTON** - Thank you, minister.

**Ms FINLAY** - If I can just circle back to the conversation we had about EPS. I acknowledge that you put on the table an exemption for salmon boxes, but EPS is used in a lot of other materials and a lot of other processes, particularly business-to-business.

I just want to seek clarification from you that expanding polystyrene won't be banned in Tasmania for the following purposes:

- business-to-business packaging, including seafood and fresh produce boxes, but also packaging for large pieces of business equipment where the customer product is installed by a professional installer and the packaging is retained by the business,
- specialist packaging used in medical applications like organ transport and pharmaceuticals,
- moulded EPS for transport of precision and fragile consumer goods where there's no demonstrated viable alternative,
- EPS in building and construction, and
- business-to-consumer packaging where there's a demonstrated and effective reuse model in operation like the gelato boxes and bulk cold home-delivered meals.

Are you able to confirm that they will all be exempt?

**Mr DUIGAN** - It's not something that I want to be doing here at the table but in the case outlined in the examples you mentioned, all would have substantial weight. We wouldn't be going to do anything that would necessarily adversely impact any one of the sectors that you mentioned there, there being no viable alternatives.

Where there is no viable alternative it is not my intention to come out and ban something that cannot be replaced. I think that's counterproductive to what we're seeking to do, which is a much more sensible, balanced approach to taking out of the environment some of those things which don't pass the sniff test anymore.

**Ms FINLAY** - Thank you. I just want to move on. Recently, you were unable to successfully see the passing of the State Coastal Policy through the Upper House. That's got implications in a number of areas. One, the budget of the EPA. I'm just wanting to understand what the impact of that is on the budget for the EPA.

**Mr DUIGAN** - In terms of the debate that you referenced, I think we have elected to give more time for that debate to mature and it would be my expectation that we will see the progression of that piece of legislation. In terms of the impact of that and its intersection with the budget of the EPA, I would pass that to the Director to speak to.

**Mr FORD** - There should be no impact. It's an unrelated issue. Irrespective, in terms of the legislative outcome, there will be no impact on the EPA.

**Ms FINLAY** - You don't see that there'll be a domino effect of matters raised where the EPA might have to represent in matters and bring on more advice or act? You don't see that there will be any consequences of the delay in the progress of this policy?

**Mr DUIGAN** - I think what is critical is that we remove the legal ambiguity which surrounds coastal policy as it's currently being interpreted and applied, and I think that is a job for government.

**Ms FINLAY** - So are you saying that you don't currently understand or imagine that in the future there will be any extra work that the EPA will be called on to do? Any matters that they'll be called on to prosecute as a result of the delay of this coastal policy going through and therefore it will have no budgetary impacts on the EPA?

**Mr DUIGAN** - I would not expect the progression of the Coastal Validation Bill having a material impact on the budgetary position of the EPA.

**Ms BURNET** - I just wanted to talk about the Container Deposit Scheme which you announced today. It's been almost eight years since the Leader of the Greens moved a motion in the House pointing out that Tasmania and Victoria were yet to introduce a CDS. Victoria did, and your government has been announcing a Container Deposit Scheme regularly for five years now. It's really quite embarrassing that Tasmania is the last state to be implementing such a scheme when it does occur. Even today on the website, one of the scheme's operators, TOMRA, congratulates minister Jaensch and the Gutwein government on the announcement of CDS rolling out in 2022. Why should anyone believe that we will get this and why has it taken so long? Is the delay partly because it's been sitting with the lawyers of TasRecycle, Coca Cola, Euro Pacific, and Lion?

**Mr DUIGAN** - I appreciate your question and thank you for your interest in the Container Deposit Refund Scheme. I think it's good and we are pleased to be progressing it. I do accept that the contract negotiations have been long and protracted. They have been. I'm relying on my memory here, but I believe there were something in the order of 233 deviations in the contract as it was first proposed, so it has been a substantial job of work. Again, I take the opportunity to thank the people that have progressed the work. There have been lawyers at either end of these contract negotiations and I am happy to pass to the Secretary to provide you with some more detail around this, but I'm pleased that we are here and we do have some firm expectations around commencement in the mobilisation phase.

**Mr JACOBI** - This is without doubt the most complex contractual arrangement that I've ever experienced. The split nature of the scheme between the Scheme Coordinator and the Network Operator has required significant negotiations. To be honest, it really has boiled down to the contractual arrangements between the state and the Scheme Operator and the contractual agency between the state and the Network Operator and how those two contracts intersect to deliver a seamless Container Refund Scheme. I do, as the minister has already stated, give credit to my team who have done an extraordinary job, spending well over 12 months negotiating the nth detail of every single clause in the contracts to make sure that this state and the public of Tasmania get the very best from this scheme, and that we realise the outcomes that were envisioned from this project.

**Ms BURNET** - My follow-up question is: since we will be the last state in Australia to introduce the scheme and we have other states, such as New South Wales - I think it's mostly based on New South Wales' model. It's just unbelievable that it takes so long. I hear your frustration. But what have we learnt from other jurisdictions? For instance, there is talk that a

10-cent deposit may not be really getting that 90 per cent return rate. So what have you learnt from other jurisdictions in relation to this?

**Mr DUIGAN** - Specifically to that, independent reviews of the New South Wales and Queensland schemes show that in the first year, consumer price increases were less than the contribution amount charged by the scheme. So that's good news. I think what we're seeing broadly in other states is container returns in the mid-60 per cent range. We're hoping that in Tasmania, certainly in the initial stages, the expectation is that they increase over time.

We have the project manager here in the room, so I'm happy to invite Penny to comment.

**Mr JACOBI** - Through you, minister - as Penny's coming to the table - I think one of the benefits of being last is that we have been able to learn from the mistakes that have been made. We've gained considerable experience and knowledge from New South Wales and Queensland. Victoria, as you're probably aware, are in the sort of final throes of their implementation and operationalisation of their scheme, and there have been learnings that have come forward the whole way.

**Mr DUIGAN** - Thank you. Chair, I introduce to the table Penny Stoltz, Strategic Project and Policy Manager.

**Ms STOLTZ** - Thank you. There have been a range of learnings that we've taken from all the different jurisdictions where these schemes are currently operating. There are almost too many to go into individually, but we have been very cognisant to try to learn all those lessons as we've been going along. One example is the mobilisation period. That was very contracted in New South Wales, and it caused a few operational issues, so we've tried to choose an appropriate amount of time for our mobilisation to avoid some of those pitfalls.

There are other learnings we've had, just the administrative workings between the different operators in the state for how we process things. Things along those lines. There's been a range of national work done through the HEPA - Heads of EPA - committee about the behavioural interactions with the schemes as well. I think the report on that has just been released in a redacted way on the South Australian EPA website - we can provide you a link for that as well - and that specifically looked at that 10-cent refund and whether or not moving that up to a higher amount would have any impact. It also looked at a whole range of other factors as well that influence -

**Ms BURNET** - I guess it has to cover costs for the operators, as well. Everybody who's involved. This output of 60 per cent seems very low to me. What's the standard across other jurisdictions?

**CHAIR** - Can questions please be directed through the minister?

**Ms BURNET** - Yes, sorry. Minister, to you.

**Mr DUIGAN** - Thank you, and I will respectfully pass the question to Penny.

**Ms STOLTZ** - Thank you. The refund redemption rates in other states tend to be between 63-67 per cent. I guess that's a result of the type of model that's been chosen across Australia. The return-to-retail model that operates in Europe structurally can provide higher redemption

rates. But, that being said, the redemption rates in South Australia are a lot higher, and that's probably a result of the longer term they've been there, that intergenerational thing. So there is potential scope for these schemes to produce higher redemption rates over time.

**Mr DUIGAN** - It would be my expectation that Tasmania will be pretty good at recycling their cans. I'm sure you've all had representations from various groups about when this is happening and identifying it as a viable revenue stream. I think people are keen to see it up and going.

**Mrs BESWICK** - Minister, considering the EPA currently holds an ultimate authority on a wide range of development projects and the government is looking to make efficiencies, what specific measures are the government contemplating to streamline the assessment processes? What steps is the government taking to make to guarantee that will still maintain these rigorous standards that we have?

**Mr DUIGAN** - In terms of things that I'm contemplating or delivering notably through the Energy and Renewables portfolio is the renewable energies approvals pathway. It's probably not relevant to be talking to it here under Parks and Environment, but it's one of the key things that we would seek to do to shepherd large scale developments through the potential labyrinth of the approvals pathways that governments require. I note that Tasmania has high standards when it comes to our environmental approvals and that's as it should be. We're not about to start rubber stamping anything. Giving levels of certainty around what is required as you potentially enter the approvals pathways is an important place to start so that the goal posts aren't moving around you as you contemplate that.

A sound environmental protection framework is obviously vital to government's plans for sustainable economic growth. As with all legislation, we're happy to consider issues as they arise and assess them on their merit. We don't consider the act, in principle, as not doing its job, and as such we're not planning a wholesale change to the act.

This budget has increased staffing in key positions in both environmental assessment and the scientific and technical area, which has allowed the EPA to deal with the increasing number of projects submitted to the authority for statutory assessment by the board. There are a number of things government is doing to help move that process along.

**Mr SHELTON** - Minister, we've all seen the headlines lately about walkers who head out to explore our wonderful landscapes but in very unfavourable weather. What advice would you provide to people to consider before they head out into our marvellous landscape?

**Mr DUIGAN** - I would encourage them to head out into our magnificent landscape and enjoy all that it has to offer, but I would caution them to be prepared. We obviously want walkers to experience our reserves, but we want them to do it safely. There are hundreds of different types of walks across the state for people to enjoy, from our short walks to multi-day remote wilderness experiences. But before you head out - and this goes almost without saying - you need to check the weather forecast, visit the alerts page on the Parks website for closures and safety advice, and visit TasALERT. Where weather conditions are not favourable, be flexible and change your plans. If this means don't depart at all; that's reasonable if the conditions aren't suitable. We see it time and time again that people, even experienced people get themselves into trouble.

## PUBLIC

Our alpine areas can change to sub zero temperatures even in summer; the last few weeks would underscore that. We know that Tasmania Police undertake a significant amount of search and rescue operations each winter - on average around 65 of them - even with the most prepared walkers still at risk of getting into trouble. Always carry clothing and equipment suited for all weather. There are a range of other things. Personal Locator Beacons (PLB) are strongly encouraged. Choose a walk that matches your capabilities. Tell someone where you are going and obviously when you intend to be back. If choosing one of our remote back-country walks, please use the online free registration system. That's really important. It ensures walkers have access to additional information including preparedness, so they can make sensible decisions to ensure our incredible emergency services, volunteers and staff are not put in dangerous circumstances unnecessarily.

The recent wild weather and storm conditions meant that a number of national parks and reserves were closed. Closures occurred to keep the public safe. Decisions are based on a range of reasons such as roads being blocked by fallen trees and inundational high winds. There's been significant effort by our staff to clear debris and ensure our parks are accessible wherever possible. I would like to thank our field staff for the work they did keeping parks open wherever it is safe to do so. As stated, it is critical that walkers check the alerts page on the Tasmanian Parks and Wildlife website to keep up to date with recent events.

**Ms FINLAY** - Putting focus back into Bass and the Kate Reed Reserve, there has been, for over the last 10 or more years, desire for local developers to open up housing, what I would call west, I suppose, of Kate Reed Reserve. Those proposals include a roadway from that housing area down to the Bunnings intersection. I know there was not approval for that roadway in recent considerations of that land development. I'm wondering if Parks had a role in that and whether they saw favourably the opportunity that roadway has to open up access to Kate Reed, or if they had concerns around that?

**Mr DUIGAN** - Yes, particularly the South Prospect development, as I believe it's called. The Kate Reed Reserve intersection in that development, and the need to provide suitable traffic access to what would be a large-scale development in that area. It is an area covering - and potential access through Kate Reed has been something that's been ongoing with Parks. I will give the Secretary the opportunity to provide the detail you are seeking on that one.

**Mr JACOBI** - Yes, I was of the view, and I met with Launceston City Council, that this was a really important strategic urban development area. There are limited opportunities in the Launceston area for significant growth and that site offers potential. The challenges around the actual location of the proposed sub-arterial road connection, as it's currently planned, it does traverse the southern end of Kate Reed Nature Recreation Area. Traversing a reserve is a challenging issue and to provide the approvals for that road to be constructed - and it wasn't just the road, it's also the retention stormwater basins attached to it - in order to provide approvals for that, there's a body of work the council needs to go through. They have to do an environmental assessment and demonstrate that the impacts to the reserve and to the values on that reserve can be mitigated or managed, and if they were to be lost, that they can be offset in some way, shape or form. The conversation with the council was that they needed to prepare information for my department to properly assess the proposal, then we can provide advice about the options available to create the road corridor.



## PUBLIC

**Ms FINLAY** - Subject to those commissions being met, Parks as an entity is open to the idea of that roadway opening up access. One of the reasons I raised this was to see where the concerns lie because having access to urban mountain-biking facilities is a positive thing. You often have to drive some way to get there. There's the skills park and the paths there, but there are safety concerns around where people are parking and accessing - kids on bikes right next to the number one highway. I'm wondering if you rest aside that roadway and that opportunity, what planning is being undertaken or what opportunities are there to increase the safety of users for that access point to Kate Reed Reserve?

**Mr DUIGAN** - I appreciate that. I note all of the issues you raise and they are things that have been considered. The OCG, without wishing to -

**Ms FINLAY** - Bless the OCG.

**Mr DUIGAN** - The OCG is the coordinating agency for that particular piece of work. I know there's been a number of onsite meetings and issue of safety around accessing Kate Reed raised at all of those meetings, and I've had approaches made to me as well. My overarching comment as the minister for Parks is that I am open to our department playing a role as may be required. Currently, I don't believe we have anything in front of us.

**Ms FINLAY** - Part of the purpose of asking these questions is there's quite a number of issues in that location. There's access from housing; we need to unlock as much housing as possible. People who move into that development will then open-up housing stock in other areas of Launceston. There is the issue of safety around access for users to Kate Reed. There's also the issue of users of the highway travelling south out of Launceston and the intersection that we're talking about not being able to carry the capacity of the cars that want to turn left into Bunnings.

There are a number of high-level safety issues for our community there. I acknowledge that there was a response made to the Launceston City Council that they would need to demonstrate that they could meet those conditions. However, I wonder, whether as Parks or as the government, there might be a leadership role to be played here into finding a solution for this roadway recreational district that could open up a lot of opportunities for Tasmania. It seems that there are solutions. There are lots of individuals with needs, but someone needs to take the driver's seat on that. Is that something that you're open to doing?

**Mr DUIGAN** - As it intersects various areas of government, council, proponents, so on and so forth. I'm working and have regular contact with my colleague ministers who are engaged in this area. Council is probably best placed to be the lead proponent in this area.

**Ms FINLAY** - There are state assets more than council assets; there's roads and the reserve. They're critical and valuable assets to Tasmania and for Tasmanians' lives. Housing, safety, community, the park access, mountain bikers and the roads, that appears to me that the state should be driving it.

**Mr DUIGAN** - There is a degree of coordination that needs to be brought to focus on this.

**Ms FINLAY** - Someone needs to get it going.

## PUBLIC

**Mr DUIGAN** - It is the Office of the Coordinator-General.

**Ms FINLAY** - Bless.

**Mr DUIGAN** - I appreciate that they're not here for you to ask. I don't know whether you've had them. As it occurs to me, given the number of intersects that there are in that project, it's probably a good order for the Office of the Coordinator-General.

**Ms FINLAY** - Would you say it would be useful for the Office of the Coordinator-General to have some advanced powers to bring things like this together?

**CHAIR** - Order, Ms Finlay.

**Ms BURNET** - More questions on the container deposits scheme. The scheme coordinator, TasRecycle, was set up by Coca-Cola and Lion, two of the largest drink producers in the world and they lobbied against the container deposit scheme introduction for years. On what basis were they selected as coordinator of the scheme and what alternatives were considered?

**Mr DUIGAN** - Thank you, I believe beverage producers are involved in all schemes across the country as very interested parties. For the processes to select our scheme coordinator, I pass to the Secretary.

**Mr JACOBI** - I will call Penny Stoltz back to the table. The tender process was subject to the highest levels of scrutiny and probity. We had an independent probity advisor on the panel who provided advice to the procurement team all the way through. That was really important in the context of some of the issues that you've raised. I will pass to Penny.

**Ms STOLTZ** - For the record, there are three beverage companies that are members of TasRecycle: Lion, Coca-Cola, and Asahi.

**Ms BURNET** - And Asahi, yes, thank you.

**Ms STOLTZ** - An open tender process took place in two parts for both the scheme coordinator and network operator. There was initially an expression of interest, followed by a request for tender, then the regular evaluation process took place as part of the procurement process and they were evaluated as being best value for money.

**Ms BURNET** - A follow-up question. Minister, this is a really important scheme, as we're all aware, to get right. I want to know what sort of management there is of the scheme and their progress, so going back to the outputs or their performance indicators of delivering the best scheme in Australia.

**Mr DUIGAN** - I guess the design of the scheme coordinator and the network operator being comprised of beverage companies who put containers into the market, noting that every one of those containers that comes into our market - despite a few vagaries around that little - has the scheme contribution amount contained within it. There is a bit of commercial tension for the network operator to get as many containers as it possibly can because it's not exposed to the cost of that. It does work well from that point of view, if we have sufficient deposit points. We are committed to 49, which gives a pretty good spread and covers King and

## PUBLIC

Flinders Islands and gets us out and about in the regions. It covers the major centres as well. We are well placed to have this being a very well subscribed CRS. I'm looking forward to it. We expect to see good numbers coming back.

**Ms BESWICK** - While we're talking CRS, what sort of collection points did we land on, vending machines or alternatives?

**Mr DUIGAN** - At the commencement, there will be no less than 10 refund points in the north and north west - where does it talk about what actually they are? I know we'll be having reverse vending machines and over-the-counter opportunities and things. I might just ask Penny to provide the exact details of how people will go about interacting with the scheme.

**Ms STOLTZ** - TOMRA Cleanaway offers a technology-led network for Tasmania. The majority of refund points will be the reverse vending machines. They're mostly going to be rolled out in supermarket car parks or something that's convenient for people. They'll also be five automated depots to allow for larger quantities of containers to be returned. I think there's going to be one over-the-counter location currently. The 49 locations are the minimum required under the community access standards for the scheme and it's open to the network operator to exceed that amount if they think that's worth putting the investment in.

**Ms BESWICK** - Will they be announcing sort of where all those are? Obviously, at some point they're going to tell us, but how quickly do we anticipate that that would be?

**Mr DUIGAN** - On the broad scale, I can offer 10 refund points for the north and north-east region, 8 refund points for the west and north-west region, and 19 refund points in the southern region, noting that doesn't add up to 49. The first 40 refund points will be operational at scheme commencement, with nine additional refund points coming online over the following few months. That is a relief.

**Ms BURNET** - When was it that there was a statement?

**Ms BESWICK** - They said mid - so basically 1 July.

**Ms BURNET** - 1 July, thank you.

**Mr SHELTON** - Minister, can you please provide an update on how the Land Tasmania office is supporting improvements for property dealings?

**Mr DUIGAN** - I beg your pardon, I might just take this opportunity, while we have some time, to read into the record information in regard to the lease query.

The pony club current lease holding over since October 2023 in annual holding over currently agreement expired 31 October 2023. An application to renew the lease is still being assessed with consideration of the potential future use of the site.

The Derwent Valley Men's Shed current lease commenced 1 April 2020, expires 31 March 2030, one further option to renew for 10 years to 2040.

## PUBLIC

**Mr SHELTON** - My question was about Land Tasmania office and supporting improvements of property dealings.

**Mr DUIGAN** - I have an update on how Land Tasmania is supporting improvements. The first electronic conveyancing land dealings have been lodged in Tasmania with the national electronic conveyancing system going live last August, which we're pleased about. This was a significant milestone for the Land Titles Office (LTO).

A comprehensive industry consultation and transformation of processes within the LTO to support Tasmania to stand alongside the nation. The system not only makes it easier for property transactions to occur, but also cuts red tape. Our government committed \$2 million to see this project introduced and implemented, leading to improvements to government processes and benefits to industry and the wider community. The National Electronic Conveyancing System allows parties to electronically prepare and lodge dealings, exchange funds, and will remove the need for paper documents including paper cheques.

Property Exchange Australia, known as PEXA, were approved to provide and operate the electronic network. I'm advised that there are now 68 subscribers in Tasmania, being financial institutions, with conveyancing firms set to be invited to join the system after further transactions go live early next year. This national platform makes it easier for property transactions to occur within Tasmania but also right across the country. Excitingly, Tasmanian banks were the first financial institutions to lodge land dealings with the Land Titles Office using PEXA. Many of the banking institutions in Tasmania are already using the same system in other states.

This is a seamless integration for those businesses and creates consistency for processes which will result in efficiencies for customers. I'm advised the Commonwealth Bank of Australia completed their first refinancing transaction within the last fortnight, with Westpac and the National Australia Bank intending to also undertake transactions in October.

Mortgages and discharges of mortgages are the first processes for the system in Tasmania before all land transfer transactions come online next year. This reform is underpinned by the regulatory framework for national electronic conveyancing, which has been developed and maintained by all Australian jurisdictions through their participation in the Australian Registrar's National Electronic Conveyancing Council.

I would like to acknowledge the hard work of Land Tasmania. Good work, and enjoy the fruits of your labour.

**Ms WHITE** - Just to follow up on the answer you gave, Minister, you indicated that the lease for Derwent Valley Riding Club expires at the end of next month and that the renegotiation of that is subject to future use of that land. What other uses of that land are you considering?

**Mr DUIGAN** - Thank you. I am happy to take that on notice and bring you back some information.

**Ms WHITE** - I will just make the point the club obviously would like certainty that they can stay where they are.

## PUBLIC

**Ms FINLAY** - Just as just as we're wrapping up, I'm wondering whether the documents that were promised to be tabled are available to table.

**Mr JACOBI** - I have got two of the risk assessments, but I mistakenly didn't email my third risk assessment to my team. If it's alright with you, I'll just provide them as a question on notice.

**Ms WHITE** - Thank you. In the final minutes, I'm aware that across a number of parks assets, there's a significant collection held of historical items. Whether that be at places like Cradle, at Lions Cottage in Stanley, or the Female Factory as an example. As I understand it, over a number of years there's been a commitment to actually document and compile an understanding of all of those assets and what condition they're in and what historical value they have. Further, I understand that that work is not commenced nor budgeted. Just wondering if there's a commitment to understanding the full quality of the collection held in parks assets? When will that work will start and be completed?

**Mr DUIGAN** - I would need to pass that one through to the department secretary.

**Mr JACOBI** - I have got to say, that's news to me.

**Ms FINLAY** - Okay.

**Mr JACOBI** - I'm very interested to know where this collection is. I know that we do have various artwork in various locations, but you're talking about a collection?

**Ms FINLAY** - No, sorry. I mean it being a collection. You have a number of historical assets that are in a lot of different properties or places around Tasmania, but as I understand it, it's not actually comprehensively understood as a collection of parks materials. In other traditional museums and art galleries, you have collections. They're recorded, they're understood, there are management plans, conservation plans and also the auditing of that. As I understand it, there's not a record of all of those items that are held within the different properties. Therefore, unfortunately, if someone were to enter a property, enjoy the look of something and take it with them, we would be none the wiser whether it was missing, because it's not fully recorded.

These days in contemporary practise, those things are digitally captured and then also publicly made available online so people can be aware of their historical artefacts that are held. As I understand it that's not something that happens in Parks at the moment.

**Mr JACOBI** - It's a very interesting question that you raise There are places like the Ida Bay Historical Society that have a huge collection of historical assets that were on Park Ida Bay Reserve, for example, that are curated and managed by the society. We have examples of that all across the state where historical organisations are curating and displaying and educating the public about assets that have come from parks.

**Ms FINLAY** - Well, for instance, at a recent visit to Highfield House, you go to the property, it's one of your assets. It's got beautiful items of historic value in there. That's just the first one that I can visually think of, so that is an example, which is one of your assets and the assets within your assets. Across a number of your properties, there are equivalent quality of items. Given the point that there's not a response to the question, it appears to me that there

## PUBLIC

probably isn't a well understood catalogue of those items where it could be then managed, conserved and known.

**Mr JACOBI** - We do have an asset register which would contain some of those assets. I can't say that would contain every single asset of every historical nature, but certainly would comprise the most significant assets -

**Ms FINLAY** - I suppose it is one of the issues, and the Chair would understand this, but it's a bit different to historical-

**CHAIR** - The time for the Minister for Parks and Environment has expired. The committee will suspend until 2.00 p.m.

**Mr DUIGAN** - Thank you.

**The committee suspended from 1.08 p.m. to 2.00 p.m.**

**CHAIR** - The time being 2 p.m., the examination of Estimates of the Minister for Energy and Renewables will commence. Welcome, minister. Would you please introduce the people at the table?

**Mr DUIGAN** - Certainly. With me at the table today we have Craig Limkin, Secretary of the Department of State Growth, to his right, Sarah Russell, Director of Climate Change, to my left, Ilise Bourke, my chief of staff, Mark Bowles, Acting Chief Executive Officer of ReCFIT, and Sean Terry, Executive Director of Energy. I have a short opening statement.

It is a pleasure to be here today to talk through the government's ambitious Energy and Renewables and climate change agendas. Seated with me, as I mentioned, are various departmental officials. ReCFIT is the government's key agency supporting Tasmania to reach its vision for reliable, sustainable and renewable energy development, as well as climate change action.

As you will see from the budget papers, we have two clear outputs under my portfolio, Energy and Renewables and climate change. These two outputs go hand in hand as we go about delivering some very ambitious policy agendas. As a state, we have a great deal to be proud of with our Hydro history, being 100 per cent self-sufficient in renewable electricity and already being net zero in carbon emissions for the past nine years.

These globally significant achievements are due to a combination of our long-term renewable energy investments and our managed forest estate, along with ongoing reduction in our waste sector emissions. The Tasmanian government remains committed to seizing the opportunities offered by our world-class renewable energy resources for our climate and for our economy.

We are also committed to delivering the lowest possible energy prices for Tasmanians, but increasing demand means we must continue to invest in new renewable energy generation, storage and transmission. Even here in Tasmania, we face challenges to develop the energy resources we need to respond to demand for growth from electrification of our homes and businesses, the expansion of our existing major industries or new industries investing here.

Millions of dollars are being invested in the upgrade and expansion of Hydro to grow our solar and wind farm capacity and to build the transmission networks we need for the future. Over the next 12 months, ReCFIT will be progressing work on major energy projects such as stage 1 of Marinus, implementing the Renewable Energy Approvals Pathway, progressing the Bell Bay Hydrogen Hub and negotiating our Renewable Energy Transformation Agreement with the federal government.

ReCFIT will also be implementing projects from Tasmania's Climate Change Action Plan, delivering sector-based emissions reduction and resilience plans and finalising the first statewide climate change risk assessment. The government is not resting on our strong performance. We are continuing to invest in this portfolio.

**Ms FINLAY** - I'm interested, minister, in your commitment and sense of urgency in terms of meeting your targets. You've set an ambitious 200 per cent target and there's an interim target of 150 per cent.

We're not that far away from needing to get generation underway to meet that. It takes time to put it into the grid. There are only a few projects that are shovel ready. I'm going to start with Port Latta.

We have been asking you in parliament about that process and the extension that they need for their development application. I want to clarify, what do you see as the risks or impediments? Why wouldn't you provide an extension to the Port Latta Wind Farm?

**Mr DUIGAN** - I'm happy to provide an update around Port Latta. We're continuing to work closely with Port Latta on the development and delivery of its project, noting that, as you say, the DA for that particular project has been extended a couple of times and expires in February 2025. There are a couple of options in front of that project, one of those things being demonstrating substantial commencement of the project, which I think is eminently doable. I am aware that the proponent of that wind farm has contracts in place with civil procurement and civil works dates slated, so that is certainly one of the live options that is in front of Port Latta in terms of reaching in and providing an extension to the DA.

Obviously there is a piece of work required in that. I certainly haven't ruled that out as a course of action, but I would say to the proponent, given the DA has been live for a period of six years and substantial commencement is something that is well within the bounds of the company to engage with, that would be a pathway that I would ask them to consider.

I think it's important to recognise that when you talk to the proponents of that particular wind farm, they would point to the positive interactions they've had with Hydro Tasmania and other players in the energy market in Tasmania since the election and our refocusing of Hydro being an enabler of new generation in the state.

**Ms FINLAY** - That's curious, minister. Everyone is keen to see Tasmania succeed and to be able to have enough generation for our current needs in electrification, but also to attract future investment. You say that Hydro has been positive about the project; everyone is seeking to get a project. I'm not sure that you were there at the time, but at the recent Energy Development Conference, the entire renewable energy sector just wants to get a project across the line to allow the dominoes to fall. It is perfectly within your capacity to deliver this.

## PUBLIC

You say that substantial commencement is something that they can deliver. You said that with certainty. There is no certainty for the proponent that they can actually meet substantial commencement. I would be interested in what you would see the company need to deliver to satisfy substantial commencement.

**Mr DUIGAN** - I'm aware that that's a conversation that the company would be having with the Circular Head Council -

**Ms FINLAY** - I'm asking you as minister. You said that they can do that. What would you say they would need to deliver to satisfy that?

**CHAIR** - Order.

**Mr DUIGAN** - As I understand it, they would need to satisfy council of that, not necessarily me.

**Ms FINLAY** - But you just said in a previous answer to the question that you are confident that they would meet that expectation. They are not. Yes, they've been in the process for six years. In terms of your history and the government being able to bring renewable energy projects across the line - we have projects that are seven, eight, 10 and more years. Within that six years, they've had COVID and they've had the supply chain issues as a result of COVID. They have been working actively towards this, but are not certain about substantial commencement.

It's within your capacity to deliver an extension particular to this project. Why won't you?

**Mr DUIGAN** - I haven't said that I won't, noting that -

**Ms FINLAY** - You haven't said that you will, minister.

**CHAIR** - Order.

**Mr DUIGAN** - it's not a responsibility that lies in my remit. I think I would need to engage - and have done - with the Planning minister around what would be required.

**Ms FINLAY** - When no-one takes the lead, nothing gets done. That's the problem.

**CHAIR** - Order.

**Mr DUIGAN** - I understand that, and I also -

**Ms FINLAY** - You could say yes. You could say that you want to progress this project.

**CHAIR** - Order.

**Mr DUIGAN** - There are a number of considerations around any project, and I think the commerciality of the project needs to be weighed. It does -

**Ms FINLAY** - So, is that on your mind -



**CHAIR** - Order, Ms Finlay.

**Ms FINLAY** - My first question, Chair, was exactly this. What impediments or risk do you see to Tasmania of providing an extension to this project? You're starting to outline them now, and I appreciate that. Do you question the commerciality of the project, and could you list the other concerns that you have to providing an extension?

**Mr DUIGAN** - As I've said, I'm not ruling out providing an extension. However -

**Ms FINLAY** - Why don't you rule it in and do Tasmania a favour?

**CHAIR** - Ms Finlay.

**Mr DUIGAN** - However, I would encourage the company and the proponent to commit to substantial commencement of the wind farm.

**Ms FINLAY** - I've outlined to you why that's a risk.

**CHAIR** - Mr Bayley has the call.

**Mr BAYLEY** - Minister, given the cost of large-scale batteries has reduced by a third since Battery of the Nation and Marinus Link was first contemplated and the cost of transmission and cable infrastructure has doubled, we're interested in the government's continued assertion that Marinus Link is a viable investment and that it would reduce power prices for Tasmanians. What's the current projected cost to Tasmania of Marinus Link, for one cable and for two? Also, in relation to the business case that's being prepared and will be publicly released - you've made that commitment - can you confirm it will have social and environmental parameters built into the cost-benefit analysis, or is it a business cost-benefit analysis alone?

**Mr DUIGAN** - I note there is a reasonable amount of scope in the question. In regard to Marinus Link as opposed to potentially the notion of battery storage, I think battery storage will be and is an important part of electricity delivery going forward, but it is limited in the time of storage that it offers - battery storages are measured in a few hours. What Tasmania has in its hydroelectric system is deep storage that offers renewable energy storage over a much longer duration. That is the opportunity in front of Tasmania: to leverage the highest and best use of those storage opportunities.

I believe that Marinus has and will continue to have absolute relevance, noting that batteries will perform a function in the NEM. In terms of the whole-of-state business case, which will be delivered and made public 30 days before the FID determination for Marinus Cable 1, it's a piece of work that is absolutely ongoing. It's being led by Treasury. In terms of the scope and things that are being considered in that, I would ask the CEO of ReCFIT to make some comments about things that may or may not be included in the whole-of-state business case.

**Mr BOWLES** - While Treasury is leading the whole-of-state business case, ReCFIT is engaged in terms of being involved on the steering committee. They are looking at a range of factors in terms of costs and benefits. That includes fiscal costs and benefits to the state Budget; economic benefits in terms of support to industry, both in terms of supply of and security of

## PUBLIC

energy, as well as the stimulus from the jobs that may be created from the rollout; as well as the impact on customer prices, so that's the potential for wholesale price decreases compared to what they'd otherwise be, as well as the transmission cost. All of those factors are in there.

**Mr BAYLEY** - To confirm, the question around social and environmental cost-benefit as well, is that in there?

**Mr BOWLES** - In terms of social, social will be included in terms of jobs impact and, to a degree, regional jobs impact. The degree to which it covers environmental impact, I'd have to refer that to Treasury.

**Mr BAYLEY** - Minister, in terms of the final investment decision being pushed back to 2025, what's the reason behind that? Is it the work that's going into this business case?

**Mr DUIGAN** - The FID plan is a matter for the board of MLPL, and they have requested that the FID decision be moved from December 2024 to May 2025. I think that's mostly around the quality of the information that would feed into the FID plan and having a better understanding of what the numbers are so we can make that determination with more certainty.

**Mr BAYLEY** - Are there particular areas that are difficult to ascertain? Are you having trouble coming to those numbers?

**Mr DUIGAN** - Again, it's a matter for the board to determine what they see as the most appropriate time to make an FID determination. I would imagine having recently secured converter stations procurement and also a slot for the cable manufacturer helps to continually firm up what the ultimate cost of the project will look like and what the cost to customers will be as we go.

**Mr BAYLEY** - The first question, what is the current cost?

**CHAIR** - Mr O'Byrne has the call.

**Mr DUIGAN** - I am happy to provide that. The current estimate for Marinus stage one is \$3.1 billion to \$3.3 billion.

**Mr BAYLEY** - And stage 2?

**Mr DUIGAN** - I believe that in totality it takes us to \$5.5 billion.

**Mr O'BYRNE** - Minister, TasNetworks staff arrived at work this morning and when they were opening up their computers and logging in, they were confronted with an image, a piece of spin - that's the best I can call it - from TasNetworks, which essentially - in relation to their enterprise agreement - says that if they vote no, they won't get a pay increase and virtually, Christmas leave is cancelled. On every screen they opened up, this image was confronting them. It's misleading, it's dishonest, it's Orwellian. Do you support these kinds of tactics?

**Mr DUIGAN** - I'm going to have to refer you to GBE scrutiny. That's a -

**CHAIR** - Order.

## PUBLIC

**Mr O'BYRNE** - This Budget relies on dividends to fund. You are the minister responsible. This is the first opportunity we've had to raise it with you. It's still within your purview. Do you support these kinds of tactics?

**Mr DUIGAN** - What I support is TasNetworks staff being well rewarded for the jobs that they do. I support the process that is being used to complete that EA negotiation and I will be happy to explore those matters further with the business.

**Mr O'BYRNE** - Do you support employees being force-fed misleading information or essentially being threatened with no wage increase, which is not true, and that effectively Christmas and shutdown leave may be cancelled?

**Mr DUIGAN** - I appreciate that that is an operational matter and I will refer you to GBE scrutiny.

**Mr GARLAND** - Who and how many of the consultants have been engaged by ReCFIT in regards to Marinus Link, the North West Renewable Energy Zone and the North West Transmission Developments?

**Mr DUIGAN** - Information around consultancies on Marinus, the North West TD and sorry what was the third one?

**Mr GARLAND** - The REZ.

**Mr DUIGAN** - The Secretary potentially has some information to add here on that one.

**Mr LIMKIN** - Through you, minister, and thank you. Mr Garland, first of all, this information is contained in our annual reports. I'm really happy to give it to you now but I just want to be clear, the department actually provides a list of consultants in our annual reports every year.

In relation to the specific ones you've mentioned, we have engaged KPMG Australia to do the Renewable Energy Zone market design for the Marinus interconnector. This was about provision of expert advice on technical and market design options for the North West Renewable Energy Zone under a single Marinus interconnector scenario. We engaged Deloitte Touche Tohmatsu on the Tasmanian whole of government state business case assessment for major energy projects. They provided expert advice on a number of scenarios and the criteria we should do to test the projects. KPMG also provided advice on the Renewable Energy Zone framework that the state has been preparing and there are no more consultancies in those areas that you mentioned.

**Mr GARLAND** - Could we get a breakdown on the costs to engage those consultants?

**Mr DUIGAN** - Do you have that cost information?

**Mr LIMKIN** - I do, minister. On the KPMG Australia Renewable Energy Zone market design, it was approximately \$93,000. In relation to the Deloitte whole state business case assessment, it was approximately \$2.3 million. In relation to the KPMG engagement for the Renewable Energy Zone, it was \$50,000.

## PUBLIC

**Mr SHELTON** - The government implemented the Energy Saver Loan Scheme as an approach to support households and small businesses to invest in energy efficiency products and reduce the power bills. Has this program delivered its intent?

**Mr DUIGAN** - It has, thank you very much for the question. The Energy Saver Loans Scheme (ESLS) was launched in October 2022 to provide households and small to medium enterprises with interest-free loans of up to \$10,000 to spend on a range of approved energy efficiency products. The scheme has been a huge success with significant demand from the community. As of 9 December 2024, there have been 6069 applications received for the ESLS, with 5137 approved. The scheme has seen Tasmanians invest in energy efficiency, with the most popular products being solar PV, efficient electric heating/cooling systems - heat pumps predominantly, double glazing window replacements, hot water heat pumps and solar, battery storage, solar PV and batteries, and building insulation. The scheme has been adjusted based off feedback to also include energy efficiency appliances, double glazing and EV charging infrastructure.

There have been 125 vendors accredited under the scheme to provide services to applicants, with the average loan value being \$8400 per applicant and the total value of energy efficiency investments being more than \$44.8 million. Pleasingly, this investment has occurred through Tasmanian small businesses with almost 70 per cent of activity being undertaken by Tasmanian local vendors. This program has been very successful in supporting Tasmanians to invest in energy efficiency and reducing their future energy bills. It's part of the government's suite of initiatives to help households and small businesses reduce the cost of their energy bills.

**Ms FINLAY** - Minister, if you're not committed or motivated to help get Port Latta across the line, let's turn our focus to Whaleback Ridge. I'm wondering what are the impediments to being able to deliver a staged lease?

**Mr DUIGAN** - Whaleback Ridge, one of our large gigawatt-scale wind farms, is currently in the major approvals process. There are currently three wind farms in Tasmania that are in the major approvals process. We would seek to deliver a more secure planning arrangement through that process. We are continuing to work with Whaleback Ridge. I have been out to the site a couple of times. I think most people who have been out there agree that it looks like a really prospective site for a wind farm. It's in close proximity to Granville, which is one of Australia's best-performing wind farms.

The proponent has sought a longer-term lease and wants to negotiate the main lease over the larger development area. The lease will be coordinated through the major projects process.

**Ms FINLAY** - You do understand, with these large-scale developments there are certain things that are critical as you work through a project that you need to secure before taking the next step. By not being able to issue that staged lease at this time, you're holding up their capacity to participate in other programs. For instance, without being able to have a secure agreement over their land tenure, they can't participate in the federal Capacity Investment Scheme. By not executing that, it could be conditional. There are ways that you can deliver that instrument. My question is, what's holding you up from delivering that now? It's actually impacting the proponent.

**Mr DUIGAN** - In my role as the minister for crown lands, I have issued landowner consent for the project.

**Ms FINLAY** - I understand that.

**Mr DUIGAN** - That is an important step in that process.

**Ms FINLAY** - However, there's a gap between that and executing a formal staged lease for the proponent. You gave landowner consent. Why are you now not executing a staged lease for the proponent?

**Mr DUIGAN** - We will continue to work with the proponents as they make their way through the approvals processes.

**Ms FINLAY** - You're holding up the capacity of the project by not being able to deliver that.

**CHAIR** - Order.

**Ms FINLAY** - My question specifically is, on what grounds are you not executing the staged lease? What are the impediments?

**Mr DUIGAN** - My understanding is that the staged lease is conditional on a major approvals process, so it is conditional on the process that they are currently in.

**Ms FINLAY** - You're saying that you could enter into a staged lease and make it conditional on approval from the major projects. Is that something you can do now, minister? That's how these instruments work. You are holding up the proponent from being able to actually further progress their project in order to deliver new generation for Tasmania. You have this within your capacity. If that is the only impediment then you can have it drafted to make sure that it is conditional on that. Why won't you do it?

**Mr DUIGAN** - As I say, we continue to work with the proponents including West Coast Renewables -

**Ms FINLAY** - Minister, while you continue -

**CHAIR** - Order, Ms Finlay.

**Mr DUIGAN** - We are supportive of the project and will continue to work with them when they bring something to me. Happy to look at that.

**Ms FINLAY** - So, you talk about your support for projects -

**CHAIR** - Order, Ms Finlay.

**Ms FINLAY** - I think he's finished, Chair. You talk about your support for projects.

**CHAIR** - No, you've had your allocation.

**Mr BAYLEY** - Minister, back to Marinus and Tasmania's 17.7 per cent equity stake in that project. The Budget, in budget paper 1, page 22, under risks, notes that 'Tasmania may be

## PUBLIC

required to contribute additional equity which has not been budgeted for'. What additional equity is contemplated? Is there an upper limit and why do we need to do this?

**Mr DUIGAN** - It should be known that Tasmania's investment in Marinus Link up to date, in that Marinus Link was, prior to March 2024, a wholly owned subsidiary of TasNetworks that has since passed into a tripartite arrangement with the Commonwealth, Victorian and Tasmanian governments, as part of that process Tasmania's equity expended - so far \$103.5 million is being recognised as an equity contribution. We would not expect any further calls on our equity, certainly before the final investment decision date of May 2025. Should the Marinus project progress positively, which we certainly hope it does -

**Mr BAYLEY** - The Budget contemplates it though.

**Mr DUIGAN** - Yes, it is certainly something that would need to be taken care of in the Budget. There is the prospect of a further equity call over time -

**Mr BAYLEY** - What would that be for though? I guess that is the question.

**Mr DUIGAN** - The way Marinus is constructed is that it's 80 per cent debt-funded through the Clean Energy Finance Corporation, concessionally debt-funded at the Commonwealth and the remaining 20 per cent would be met in equity by the project partners along the lines of their amount of ownership. My understanding is, at the current cost, Tasmania's exposure to equity is around \$140 million out to 2030 and I believe -

**Mr BAYLEY** - If costs escalate.

**Mr DUIGAN** - I've taken that number off the top of my head.

**Mr BOWLES** - I believe that's around about the number.

**Mr BAYLEY** - Former premier Mr Gutwein argued that Tasmania should pay no more than 10 per cent of Marinus Link's costs because Tasmania would get no more than 10 per cent of the benefits. What evidence is there that the benefits are greater now for Tasmania? What's underpinned your decision to up our equity stake by that 7.5 per cent or thereabouts?

**Mr DUIGAN** - The important piece of work that we're doing to firm up all of those numbers is the whole-of-state business case to understand that Marinus continues to stack up for Tasmanians. We've been quite clear in our enthusiasm for the project. We understand that it has a very positive impact on supporting new renewables in Tasmania and supporting our renewable energy target and jobs and industry. But we have also been really clear in the understanding that from the Tasmanian perspective, it should only proceed if it stacks up in the best interests of Tasmanians. So, the whole-of-state business case gives us the opportunity to test the numbers at that time, noting that all project partners need to take a positive bid for the project to commence. I also point to the fact that if the project does commence and at a later time, after commissioning, Tasmania wishes to sell down its stake in Marinus Link then it has the ability to do so.

**Mr BAYLEY** - But back when there were two cables, Mr Gutwein was -

**CHAIR** - Mr O'Byrne has the call.

## PUBLIC

**Mr O'BYRNE** - Minister, do you support the use of close to \$5.5 million worth of taxpayers' money by TasNetworks to distort an enterprise bargaining outcome?

**Mr DUIGAN** - Again, Mr O'Byrne, I am sorry, I am going to leave that for GBE scrutiny. We will have the opportunity to fully explore those matters at that time.

**Mr O'BYRNE** - Minister, are you aware that if, for example, you started at TasNetworks tomorrow that you would be eligible for that \$6000 payment? Do you think that's fair?

**Mr DUIGAN** - Thank you, and again, I will refer you to -

**Mr O'BYRNE** - Minister, the Budget is underpinned by evidence from TasNetworks; I believe it's within your purview.

**Mr DUIGAN** - I just don't think it's appropriate for me to be discussing these matters here at this table, in this forum, discussing IR matters that are a matter for a government owned business.

**Mr O'BYRNE** - You don't have any responsibility for TasNetworks?

**CHAIR** - Mr Garland has the call.

**Mr GARLAND** - The spatial analysis report as undertaken by Aurecon underpins the north west renewable energy zone (REZ). Will you immediately table this report unredacted so that members of parliament and the community can assess the basis for highlighting the current boundaries of the north west REZ?

**Mr DUIGAN** - Thank you, I appreciate the question. I don't know that I'll be committing to do anything of that nature, but I would certainly ask the CEO of ReCFIT to provide you with some detail around that project.

**Mr BOWLES** - Through the minister, following your request, we have reached out to the other agencies that contributed to that work requesting feedback on any sensitive information that would be inappropriate to release and we're just going through that at the moment. Our default position, from ReCFIT's position, is that we would intend to release as much as we can.

**Mr SHELTON** - The Budget contains an allocation of \$1.8 million over four years for the implementation of the Small Business Energy Efficiency Grants Program. Why is this initiative important and how does it complement other initiatives the government has in place?

**Mr DUIGAN** - Thank you, Mr Shelton. The government made an election commitment to offer \$1000 grants to small businesses to participate in energy efficiency assessments and we're delivering on that commitment with \$1.8 million over four years in the Budget. The program has the following features:

- Grants or subsidies up to \$1000, person or business, toward the cost of energy efficiency assessments.

- Depending on the findings from the energy audits, further financial support for actioning recommendations could come from the energy scheme which provides, interest-free loans.
- Audits could also provide recommendations to businesses to pursue more competitive tariffs or contracts.
- Improvements identified through an audit could be highly varied, including updating obsolete equipment, installing solar panels and batteries, modernising premises with energy efficiency like energy efficient lighting, insulation or window treatment, and as a government we are focused on keeping downward pressure on electricity prices and our records supports this.
- Small business electricity bills in Tasmania are the least costly and regulated prices have been the lowest in the country. This new measure will increase energy efficiency, saving money and operational costs, as well as helping to reduce emissions and supporting a clean future.

Work is already underway by the department to get the program ready to commence in coming months, including consultation with the Tasmanian Small Business Council and other stakeholders. It is expected the grants will be made available through the DSG Smarty Grants platform which is well understood, so look forward to seeing that program rolling out in the not too distant future allowing businesses to save on their energy.

**Ms FINLAY** - Minister, just reflecting back on an answer you provided to another member of the committee around Marinus and you use the word, 'if' - if Marinus progresses. Is it your intention to support Marinus to progress or are you uncertain about it?

Only last week or the week before, the Deputy Premier, the Treasurer of Tasmania, said he hoped that it got across the line, a bit like your comments on the two projects I've mentioned already, Port Latta and Whaleback Ridge. Your own target to get to 200 per cent; the billions of dollars of investment that are sitting waiting to be realised in Tasmania rely on Marinus. Are you doing everything within your power to deliver Marinus for Tasmanians?

**Mr DUIGAN** - Let's be very clear, Marinus Link is a key project and initiative of this Liberal government through its term. It is highly ambitious, it is a big project for Tasmania and we are absolutely committed to seeing it through. We understand the benefits that Marinus will bring \$1.3 billion in economic activity through its construction with a great many jobs for the state, but also the role it will play in unlocking renewable investment here in Tasmania. That is its reason for being. That is why we have got this project going, but it needs to be recognised that it is a big project. We need to be clear-eyed in the decisions that we make about Tasmania's future and understand them and I think that's the key consideration; to fully understand the implications for Marinus and what it means for the state of Tasmania.

That's why we are doing the work, as you would expect us to do, for any project that is scoped in the billions of dollars, that we do the work and we understand what the potential implications are. As a government we are very committed to it. We have our legislative target - one of the most ambitious anywhere in the world - so, I don't think our ambition can be confused.



## PUBLIC

**Ms FINLAY** - That's the concern that Tasmanians have though, minister. When you talk about 'if something's going to happen', saying 'we hope it happens'. Not being able to take action when it's squarely in front of you, not being able to extend the development application for Port Latta, not being able to execute a staged lease for Whaleback Ridge. It feels like you feel very confident talking about things, but when there's an opportunity to take action you don't.

You have a very ambitious target, 200 per cent. There is an interim target of 150 per cent. No action that has been taken will get us there. One of the things that I am interested in is, can you please step me out over the years ahead, year-by-year, how you expect to meet the interim target when there's no action being taken by the government? In a granular level.

**Mr DUIGAN** - I refute entirely the notion that there has been no action taken by the government. This government has -

**Ms FINLAY** - You're relying on legacy and history.

**CHAIR** - Order.

**Mr DUIGAN** - This is an extremely ambitious renewable -

**Ms FINLAY** - Ambition without action is nothing, minister.

**CHAIR** - Order.

**Mr DUIGAN** - It is an extremely ambitious renewables agenda and continues to be so. Marinus Link obviously is the centrepiece of that. I think it is important to recognise that there's a financial investment decision to be made in May next year and as we approach that investment decision point, we need to be open and clear-eyed in our thinking about that. Those are my statements there.

In terms of actions by the government, there are a great many actions that we have made including - since the election campaign - redirecting Hydro back to its foundation principles and I'm sure as you speak to renewable proponents around the state, they will say what a positive move that has been.

We are advancing our renewables approvals pathway, another very positive aspect of what we are doing to help stand up new renewables here in Tasmania.

**Ms FINLAY** - I'm going to re-ask my question, which was my second question. Can you outline for me at a granular level the way that you intend to meet your 150 per cent interim target? It seems to me in talking to others that you're not going to meet it, that there hasn't been enough generation put into action to meet that target. Year-on-year, until that interim target, how are you expecting to meet that?

**Mr DUIGAN** - I would point to the fact that there have been 7 gigawatts of wind generation identified as prospective here in Tasmania. In our major project approvals pathway, there are currently three projects, two of which are gigawatt-scale projects. Contained in those three projects alone is more than 2300 megawatts of generation slated for Tasmania.

## PUBLIC

**Ms FINLAY** - Can you indicate to me year-on-year -

**Mr DUIGAN** - There is a great deal -

**CHAIR** - Order, order.

**Ms FINLAY** - how are you going to meet the 150 per cent target?

**Mr DUIGAN** - of new generation on the books.

**Ms FINLAY** - Have you got a year-on-year chart that shows your progress towards that?

**CHAIR** - Order, Ms Finlay, please allow the Minister to answer.

**Mr DUIGAN** - I suspect you probably know the landscape as well as anybody regarding what is out there in the market and where they are in in terms of their approach.

**Ms FINLAY** - Do you not want to answer the question because you know you won't meet it?

**CHAIR** - Order. Minister, have you finished your answer?

**Mr DUIGAN** - Yes.

**Mr BAYLEY** - Minister, what is your projected cost of the use of the Basslink cable to TasNetworks? It is now before the Australian Energy Regulator for a decision. Has there been a provision made for it and how much is that?

**Mr DUIGAN** - I don't believe there would be a cost to TasNetworks. The Bass Link cable is currently undergoing a process to make it a regulated asset. That's a conversation between Bass Link's owner, APA, and the Australian Economic Regulator (AER). The Tasmanian government supports the move of Bass Link becoming a regulated asset. I have written to the chair of the AER and met with her to highlight the importance of an equitable outcome between Tasmanian and Victorian customers.

Currently, all the costs of Bass Link are born by Tasmanians in one way or another through a services agreement with Hydro Tasmania. We think that it's highly appropriate that Victorian customers pay their share for access and use of the Bass Link interconnector. That's the Tasmanian government's position. The Victorian government has a contrasting view, as you probably appreciate, but in terms of costs to TasNetworks, I'm not aware of there being an attributable cost to TasNetworks in the regulated outcome.

**Mr BAYLEY** - In terms of conversations with the other shareholder governments in Marinus regarding the cost of the use of that cable, should it ever be laid, what percentage of the cost of the use of the cable would be borne by Tasmanian businesses? How will that be absorbed? Will that be absorbed by customers?

**Mr DUIGAN** - As a regulated asset, yes, the cost of the cable through the life of the asset would be borne by the customer bases in Victoria and Tasmania. That is the answer.

**Mr BAYLEY** - With such a massive upfront capital investment in a project like that, how can you say that power bills will come down with an investment such as that, if the costs are going to be passed on?

**Mr DUIGAN** - Marinus Link will have a profound effect in terms of delivering more megawatts of energy into the Tasmanian market, whether it's supporting the development of new renewables on island or the ability to access other energy. For example, if you look at what the cost of energy is on an average sunny day in Victoria - and it's minus \$40 a megawatt hour - our ability to import that into Tasmania at that price when we're getting paid to take it, getting paid to keep water storages in our hydro system, and in the converse opportunity, when prices are higher on the mainland, the opportunity to send some of that saved water back across the -

**Mr BAYLEY** - If we're paying for the use of that asset hugely, and we're tied to mainland prices, how can you say that it will bring prices down?

**Mr DUIGAN** - Because, fundamentally, it's a question of supply and demand in the wholesale energy availability in Tasmania. There will be a substantially greater supply of energy.

**Mr O'BYRNE** - Minister, when will the next wind farm be built in Tasmania?

**Mr DUIGAN** - I'd like to see Port Latta wind farm's substantial commencement along the lines of later this year. The substantial commencement of the pouring of a slab.

**Mr O'BYRNE** - I'm asking when it's up and running?

**Mr DUIGAN** - When it's up and delivering? I think it's a two-year build, so potentially 2027.

**Mr O'BYRNE** - Is that your target date? Potentially or actually?

**Mr DUIGAN** - It's a private project. I don't have control over when it would stand up. We will continue to work with them. What I would point to is seven gigawatts of private wind investment slated for Tasmania.

**Mr O'BYRNE** - Slated?

**Mr DUIGAN** - Across the country there are challenges, and these things do not just pop up out of the ground. Typical lead time is around eight years, I'm advised. That's what it is. Across the country last financial year, I believe there were two wind farms. It's a low number. They don't just erupt out of the ground. There is a long lead time on them.

**Mr O'BYRNE** - Erupt is probably not the best word there. They're not moving. Maybe glacial, at the other end of the spectrum.

**Mr DUIGAN** - There's a job of work, and rightly so in many instances because we have to make sure that the planning work that goes into them and the approvals that they are given to operate stand up.

## PUBLIC

**Mr O'BYRNE** - Apart from Port Latta, is there another one that you might hazard a date on?

**Mr DUIGAN** - I would point to a number of wind farms that are working through. There's the three in the major approvals process, so we have North East Wind, Whaleback Ridge and also Bell Bay Wind Farm. We have the St Patricks Plains Wind Farm in the central highlands, which has passed through the local planning pathway. It's moving through and has received EPA approval as well. There are a number of these projects, and if, for example, those four get built, we're there. They are big wind farms and they add substantially to the energy mix here in Tasmania.

**Mr GARLAND** - Minister, the current baseline energy consumed annually in Tasmania is 10,500 gigawatt hours. In gigawatt hours, what is the current total combined potential renewable energy generation of all of the wind and solar projects currently proposed for Tasmania that have either been approved or are currently being formally assessed to achieve approval?

**Mr DUIGAN** - In gigawatt hours? That's an interesting question. I'm not sure I could do it in gigawatt hours. I'm happy to ask ReCFIT to turn their mind to that. Certainly, as I refer to, there are seven gigawatts worth of renewable energy projects in our investment pipeline. I guess if they run for an hour, they produce seven gigawatt hours, but we're doing some backroom maths to have a look at that. In fact, I think our total baseline usage is closer to 11,000 gigawatt hours these days; there has been some growth in our economy. That's the 2020 number, I believe, the 10,500, which we need to double by 2040.

**Mr GARLAND** - If Whaleback Ridge Wind Farm was approved and developed to its full capacity of three gigawatts, would this double Tasmania's energy generation capacity from 10,500 gigawatts hours to 21,000 gigawatt hours and meet the legislated target of 200 per cent energy renewables?

**Mr DUIGAN** - As I understand it, Tasmania's generation and import capacity is around about 1700 megawatts - 1.7 gigawatts - or thereabouts. A wind farm in that part of the world would have a capacity factor of around about 45 to 50, potentially, so a three-gigawatt wind farm would have an output of 1.5. It would be getting close.

**Mr GARLAND** - Getting close to that 200 per cent?

**Mr DUIGAN** - Getting close to 200 per cent.

**Mr GARLAND** - To the target in one place.

**Mr DUIGAN** - If you build it out to that scale.

**Mr SHELTON** - Minister, we've heard already today there are issues out there around approval pathways for renewable energy developments. Can you provide comment on what the government is doing to address these concerns and how the Renewable Energy Approval Pathway initiative will help accelerate new energy projects?

**Mr DUIGAN** - I have no doubt that the renewable energies pathways which we have spoken about and lightly touched on will have the effect of making renewable energy projects

more deliverable here in Tasmania because it seeks to take those largescale renewable energy projects through the major approvals process. We know that one of the main hurdles behind any development can be the complexities which are centred around the approvals pathway and migrating through the loop assistant and so on.

REAP also brings more resources to agencies to improve the process and support proponents to navigate the approvals pathway. REAP was identified as an outcome of the renewable energy assessment process review and an action of the government's renewable energy coordination frameworks.

Components of the REAP include the establishment of a major renewable energy project and case management function in state government, comprised of a dedicated case management officer for each project and a cross-agency team to facilitate a more integrated and coordinated pre-assessment process; development of sector-specific renewable energy information requirement guidelines for the major projects process; more resourcing for regulatory agencies, including the Tasmania Planning Commission, the EPA and Aboriginal Heritage Tasmania, because we know those are potential bottlenecks; and a coordinated pre-assessment process, including assisting proponents to navigate landowner consents such as reserve activity assessment processes ahead of formal entry into the major projects process.

None of this, importantly, will seek to reduce or dilute or remove any of the robust assessments of land use, Aboriginal heritage, environment, threatened species or related infrastructure, but will simply seek to make it an easier path through those approvals processes.

**Ms FINLAY** - Minister, I want to go back to Tasmania being able to meet this interim target, and the question from Mr O'Byrne before about the next wind farm that you see being up, operating and generating energy into the network. You mentioned Port Latta as maybe operating by 2027-28, but that has a very small number of megawatts, so it's not going to meet your target. What other projects do you see will be generating renewable energy into the grid before 2030?

**Mr DUIGAN** - What I'd say generally -

**Ms FINLAY** - Not generally.

**CHAIR** - Order.

**Mr DUIGAN** - I would reiterate that a message I hear often from proponents that I talk to is their desire for their projects not to be used as footballs and be unduly brought into the public realm as they continue to do work behind the scenes.

**Ms FINLAY** - This is a positive conversation, minister. Or it could be.

**CHAIR** - Order.

**Mr DUIGAN** - I appreciate that, but I want to acknowledge the fact that I have been asked on several occasions not to be too prescriptive in naming up certain projects in political conversations. Generally, there are a number of prospective solar generation opportunities which are emerging as being potentially shorter in their lead time to deliver and quite

prospective here in Tasmania. We have three of those that I would point to as being likely candidates for being up and generating inside the 2030 interim target window.

**Ms FINLAY** - With significant megawatts to meet the target?

**Mr DUIGAN** - Yes, with significant megawatts. All of those projects are in that niche of the 228 solar megawatt scale.

**Ms FINLAY** - I acknowledge that nobody wants to be used as a political football, but there is still an opportunity for you to speak positively about Tasmania's opportunities with renewable energy into the grid. In the conversations I have, one of the things I hear from people is that they're disappointed about the lack of urgency from government to be able to meet its targets. Tasmania's reputation rests on your ability to actually deliver renewables and maintain Tasmania's reputation.

Just in the last couple of weeks we saw South Australia take that peak from Tasmania. If you go and have a look at anywhere that you can get the information - I've sought information from [openelectricity.org.au](http://openelectricity.org.au) - in terms of the trending of Tasmania's position relative to other states, it's really clear that from around 2005, Tasmanian's position has flatlined, and in fact now is trending down. The other states are aggressively investing in renewables and in firming, and are able to see what is required to continue to be able to deliver renewables. Our position is flatlining and trending down.

If we can't do the work that is required to meet not just these targets - set the targets aside - but to meet requirements from industry and members of our community, let alone electrification, let alone attracting new investments, we will miss the boat with this and Tasmania will be worse off. It will have economic implications and community implications for us.

In restating your lack of willingness to aggressively support Port Latta or Whaleback, one of the other things that I want to ask about is the ABEL Energy Project at Bell Bay and other opportunities at Bell Bay. We've asked this question of you before in parliament. I would like to understand what is limiting your commitment to delivering water to Bell Bay in order to bring on renewable projects in that region?

**Mr DUIGAN** - It's one of the very core considerations of this government. We have a -

**Ms FINLAY** - Consideration isn't action.

**Mr DUIGAN** - No. We signed in January this year a grant fund with the federal government to deliver a green hydrogen hub at Bell Bay. That is a very prospective thing for Tasmania to be investing in. It is centred around the notion of delivering common-use, shared infrastructure to the green hydrogen hub at Bell Bay. There is a quantum of state funding. There is more than \$11 million from the state committed in this Budget and the next. There is \$70 million of federal funding tied to that commitment, and we would see the full scope of the Tasmanian green hydrogen hub being built out with commercial opportunities offered to our project partners.

In terms of delivering on our green hydrogen hub, I know you like to propagate the narrative of there being nothing happening, but that is not true. We have some key milestones

for that, as you would expect, that we need to meet, and we are continuing to meet those milestones.

**Ms FINLAY** - The question was specific around water infrastructure.

**Mr DUIGAN** - Which is obviously one of the components that would be required to be delivered for a green hydrogen hub.

**Ms FINLAY** - I know that another fellow member of the Committee and I spent hours, in fact you could say days, providing the instrument for you to deliver water to Bell Bay through the water amendment bills last year. It was about community management, but it was also about -

**Mr DUIGAN** - Another action of government?

**Ms FINLAY** - Yes, but that was in November last year. It was urgent. It was rushed through to the parliament. There was a sense then that there was this pop-out-of-nowhere announcement from two ministers, the Minister for Primary Industries and the Minister for Energy, that came out of nowhere and took people by surprise. They rushed through the work of the bill to the parliament. We sat into the early hours of the morning each day when we were dealing with this because it was an urgent matter in order to secure these projects and deliver water to Bell Bay.

That was November last year. You secured this money in January this year. It's now September, nearly October. There are a number of proponents that would wish to develop at Bell Bay and that would see Bell Bay as an opportunity. What they're reading is that you weren't able to secure Fortescue, you weren't able to secure Origin and you weren't able to secure Woodside. They've all left because of a lack of infrastructure and support in that area. You have projects there that would be able to advance if they had a commitment of water.

You have the instrument; you have the ministerial opportunity to deliver that. What is now holding you up from doing that? In the other portfolio discussion that I've had with the Primary Industries minister this morning, it is also beneficial to the farmers of the Tamar Valley. What is stopping you from executing the instrument that we put in place last year - not this year - to deliver industrial water to Bell Bay?

**Mr DUIGAN** - As you may or may not be aware, projects like that actually take some time and some scoping, and there is a quite a bit of work to do. The legislation needed to be passed in order to enable some of the scoping work to be done in terms of Milestone 3 - Design and Economics for Water Infrastructure for the Green Hydrogen Hub. Initial design and cost modelling for the water infrastructure led by TI is now complete, with this work informing advice for TI's next milestone which will be Milestone 5. TI have completed capital cost modelling, hydraulic design works and optioneering work to internal P90 cost estimates with external cost valuation processes underway. Financial modelling has also been completed to determine debt and risk scenarios for constructions to government. In-principal water pricing has been developed for combined industrial irrigation water supply options. These are not things that just emerge and because you pass something in the parliament, it doesn't mean that all of a sudden water is flowing at Bell Bay. There is a long lead time -

## PUBLIC

**Ms FINLAY** - Can I ask you for clarification? Are you committed to delivering water to Bell Bay through the industrial arm of the irrigation project through the Tamar Valley? Yes, or no? Because you haven't actually answered that question - ever.

**Mr DUIGAN** - We have passed legislation as a government to enable that to occur. We have met our milestones under the guidelines of the green hydrogen hub funding agreement with the federal government. We are on track and we are committed to our vision to deliver hydrogen. Tasmania is a substantial producer and consumer of hydrogen.

**Ms FINLAY** - Yes, but are you committed to delivering the water through the industrial irrigation?

**CHAIR** - Order, Ms Finlay. Mr Bayley has the call.

**Mr BAYLEY** - On the hydrogen hub, and particularly Paladin Hydrogen. Paladin is the proponent of a contentious coal mine on the east coast, lease number 4M/2012, and wants to use that coal to create hydrogen. The company has previously indicated that it has been receiving support from the Rockliff government to find a site for the hydrogen plant component of the project. Can you explain and confirm if government's been providing any assistance to Paladin or to HardRock Coal Mining?

**Mr DUIGAN** - For detail on that, I will potentially ask the CEO of ReCFIT to detail whether he's had conversations there.

**Mr BOWLES** - We understand that they are exploring the potential for Tasmanian coal resources to be used in their production of hydrogen. That is a commercial prospect that they are pursuing. I would add that the Tasmanian or the ReCFIT hydrogen strategy, including the Tasmanian Green Hydrogen Hub strategy, is focused on green hydrogen from renewable sources. ReCFIT's focus is on projects that are sourced from renewable sources.

**Mr BAYLEY** - The question then is, is anyone giving Paladin or HardRock Coal Mining assistance?

**Mr BOWLES** - I understand that, over a period of about two years, there have been some meetings across different parts of government, but as far as I'm aware, there has been no more proactive assistance than that.

**Mr BAYLEY** - Just to be clear, it sounds pretty clear and I welcome that you're absolutely rejecting that basically coal-fired hydrogen could be considered green. Would this kind of project be excluded from the Bell Bay Green Hydrogen Hub as a result? Have you had that conversation and made it abundantly clear that this company, if it is going to fire its operations with coal, isn't welcome in a Bell Bay Green Hydrogen Hub? It shouldn't have access to the infrastructure resources we have just been talking about and, really, we should be telling it that it's got no place in Tasmania at all.

**Mr BOWLES** - The work that we're doing to provide multiple-use infrastructure into Bell Bay for the Green Hydrogen Hub will be designed around green hydrogen proponents - one or more - that are sourcing from renewable sources.



## PUBLIC

In terms of access to that infrastructure for other uses, including non-hydrogen uses or other industrial uses, that would be a matter to determine in the future.

**Mr DUIGAN** - The advice that I have here is, for hydrogen proponents to be eligible to participate in the Tasmanian Green Hydrogen Hub, they will need to be able to verify their green credentials, and this is especially important for international export.

**Mr BAYLEY** - How do you define that though? With respect, minister, we don't have a lot of confidence in the Tasmanian government's judgment when it comes to their sustainability and what is green and what isn't. What's the definition there? What's the line that it crosses? Would you accept coal, in part, as being a contributor in the energy mix?

**Mr DUIGAN** - I would say that it's difficult to find the green credentials in coal.

**Mr BAYLEY** - I welcome that.

**Mr O'BYRNE** - I'll give you the tip: don't bring a piece of coal to parliament.

Minister, my question is about the REAP program, the Renewable Energy Approval Pathway. It was lovely to hear the response to the member for Lyons. It was announced last year, but I understand that project officers who are allocated under that program are still yet to be appointed. Is that correct?

**Mr DUIGAN** - We are working in our first 100 days of government this time around to stand the REAP capability up through ReCFIT. I note that the Budget commits a substantial amount of funding, \$14.4 million over the next four years, for REAP. To provide an update on the status of REAP and where we are with that in staffing those positions, I'll pass to the CEO.

**Mr O'BYRNE** - Just to clarify, it was an announcement last year, so it's probably something that's not in the purview of the 100 days.

**Mr BOWLES** - ReCFIT, as at the end of June, had 26.4 FTEs in the energy and renewables division; within that division there are a number of staff who are involved in working directly with wind and solar proponents. That includes me as acting CEO and the Executive Director, Sean.

We have a major projects facilitation team. That team has - I'm just seeking the exact number now - around nine staff already. That included staff that did the policy work to establish REAP. Those staff are already working with proponents. The exact headcount for the major projects team is 11. On the case management function, we're just about to go to market for two more dedicated case managers to support that work.

**Mr O'BYRNE** - So, the roles that were announced under REAP, as you pronounce it, the Renewable Energy Approval Pathway announced last year, they haven't been filled yet? You just said you're going to market on two roles; is it a part of REAP?

**Mr BOWLES** - There are two new roles. There are existing staff in ReCFIT that were effectively doing that work, and what the Budget commitment allowed us to do is create new roles with new funding.

## PUBLIC

**Mr O'BYRNE** - But they're the ones that were announced last year, correct?

**Mr BOWLES** - But funded from this year.

**Mr O'BYRNE** - They were announced but not funded?

**Mr DUIGAN** - It is important to recognise that in the budget process this year, there is funding for those to allow for nine new FTEs across a number of agencies and regulators, as explained by the CEO. Engagement is underway, with prospective projects to trial the case management function. I'm pleased to confirm today that we have dedicated staff in all key agencies specifically to facilitate the Bell Bay Wind Farm located near George Town, and Cattle Hill Wind Farm located in the Central Highlands and more projects will be added over time, once the process is tested and refined. I note that Whaleback Ridge Wind Farm continues to receive coordination services through the Office of the Coordinator-General.

**Mr O'BYRNE** - Just to confirm, the two positions you announced, you're about to go to market on? That's what I heard.

**Mr BOWLES** - Yes, correct.

**Mr O'BYRNE** - Thank you.

**Mr GARLAND** - When considering the need or desire for generating additional power in Tasmania and the need to supply the National Energy Market through additional interconnectors, such as the proposed Marinus Link, it is important to consider whether or not other states will need or demand energy from Tasmania. Can you guarantee that other states will need, demand or use energy from Tasmania?

**Mr DUIGAN** - Other states will continue to need and demand energy. I think that's pretty clear. What we've got in the coming decade is the shutting down of around 20 gigawatts of coal generation up the east coast of Australia. That is going to require a very large mobilisation of renewable energy, or energy of some form or other, to make that shortfall of 20 gigawatts. I wouldn't propose that Tasmania sets out to provide base load generation for other jurisdictions in the National Energy Market (NEM). I don't think that's where we need to be, but certainly variable renewable energy sources do require firming. That is absolutely true and will remain the case.

Currently firming is typically provided by way of coal, but increasingly through gas fire generation. Tasmania's opportunity is to access those firming and markets in the NEM. Deep storages give us great opportunity there.

**Mr GARLAND** - If all the potential renewable energy generation is realised in offshore energy zones and onshore locations in the east Australian states, would that risk Tasmania energy exports? Have you and your department considered this scenario? What would the impact be on Tasmanians if this very real possibility occurred?

**Mr DUIGAN** - The missing piece in the renewable energy story in most jurisdictions, as they grapple with this, is that notion of deep storage. That is, as I say frequently, Tasmania's profound opportunity that we have deep storage, deep renewable storage. There is the chance for us to find a highest and best use for deep storage as the situation evolves.

**Mr GARLAND** - Pardon my ignorance, but what is deep storage?

**Mr DUIGAN** - Deep storage is renewable energy storage that has a timeframe of more than a few hours. So, batteries in the current grid scenario typically offer two maybe sometimes four-hour duration and then they're spent. If you don't get some more renewables or some gas or coal to charge them back up, then you've got a problem. Tasmania's hydro system offers storage durations of a much greater length than hours.

**Mr SHELTON** - Minister, Marinus Link has already been discussed and it's obvious that the government is committed to the Marinus Link. I would appreciate if you go over the benefits that it would bring again. What are the benefits of the new Marinus Link ownership arrangements?

**Mr DUIGAN** - Thank you. The government is committed to Marinus Link. Its delivery is a central feature of our renewable energy vision, underpinning the development of new on-island renewables and providing energy certainty for the growth of Tasmanian industry and putting downward pressure on prices for customers. Marinus is expected to unlock over \$1.3 billion in economic activity and 1400 jobs in Tasmania. Economic modelling has been very clear that wholesale energy prices in Tasmania will be lower with Marinus than without.

The June 2024 Integrated System Plan released by the Australian Energy Market Operator (AEMO) still has Marinus as an actionable project with the availability to provide significant benefits to the NEM. Marinus Link will help to unlock the development of new on-island renewable energy generation. Marinus means we can import low-cost renewable energy, such as the highly variable wind and solar from Victoria and South Australia, allowing more water to be held in storage here in Tasmania.

Tasmania has a once in a generation opportunity to take advantage of the nation's energy transition and the strength of our hydro-electric system. As coal is retired it can provide more of the reliable dispatchable base load as required and this will create even more value for Tasmania and Tasmanians who own hydro.

Marinus Link Proprietary Limited is making excellent progress with key procurement milestones reached with contracts executed for the two key elements of the project. A contract with Hitachi Energy for a high voltage direct current technology and a contract with Prysmian PowerLink to design, manufacture, supply and install the cable system for Stage 1 of Marinus Link.

The Marinus Link Board has advised that the timing for Marinus Link stage 1 final investment decision will be May 2025. Becoming a minority shareholder in Marinus Link does not reflect the lesser commitment to the project, rather, through this new arrangement, the Tasmanian government has been able to lower the risk of this very large project to Tasmanians.

**Ms FINLAY** - I want to thank you for your answers to the questions in the previous round around Bell Bay. You gave more information than you had previously in the parliament around where you're at with meeting your milestones. One of the things we discussed was the amendments to the legislation last year. The second reading speech indicated that the minister - the minister for Primary Industries, I acknowledge - but the minister, when satisfied of the delivery of industrial water to Bell Bay, would declare that. That was one of the steps in the

## PUBLIC

process to delivering that. What I'm trying to clarify from your earlier answers is, are you committed to delivering the water to Bell Bay through the combined Tamar Irrigation Scheme and industrial water infrastructure? Is that on the table as a commitment?

**Mr DUIGAN** - I believe it's not controversial to say that, at this point in time, as we contemplate delivering water to Bell Bay, that the combined delivery and the augmentation of the Tamar Trans 3 Irrigation Scheme looks to be the most cost-effective and efficient way to deliver industrial scale water into Bell Bay. In all these things I'm not about closing any doors. If there are other options that become available at some time, I'm happy to entertain them. At this stage, the most prospective way to deliver industrial scale water to Bell Bay is through the TI scheme.

**Ms FINLAY** - Thank you for confirming that. Are you able to confirm whether the minister has provided an order for that?

**Mr DUIGAN** - I would need to check with my department on the status of that.

**Ms FINLAY** - Are you happy to take that on notice?

**Mr DUIGAN** - I am happy to take that one on notice.

**Ms FINLAY** - I'm happy that you do to take that one on notice. I appreciate that. In terms of Bell Bay, you just outlined the amounts of \$11 million and \$70 million that's being invested there. I'm interested to understand which of each of those allocations of funds has already had expenses recorded against it and for what purpose?

**Mr DUIGAN** - Again, it's a level of detail probably that I don't have in front of me, but I'm happy to ask the CEO or Sean to provide some detail around that.

**Mr BOWLES** - In terms of the Tasmania Green Hydrogen Home Project funding, so far the profile of funding was for 2023-24, \$0.05 million for the Tasmanian government, \$5.8 million for the Australian government. For the current financial year, our budgeted figure is \$11.3 million for the Tasmanian government and \$8 million for the Australian Government.

**Ms FINLAY** - They're allocations. My interest is, for what purpose will they be expended and if there's been any other funds called against those balances?

**Mr BOWLES** - For phase 1, and this is aggregated across a two-year period, last year and this year. It's \$4.1 million has been allocated for water; \$0.8 million for transmission; \$6.9 million for market activation hydrogen projects; \$1 million for industry engagement and communications; and \$2.2 million for the project costs including staffing and support.

**Ms FINLAY** - Thank you. If I can unpack those numbers a little: \$6.9 million for market activation, can you detail for me what that might look like?

**Mr BOWLES** - Under the grant deed that we have with the Australian government, there was a requirement to pursue a hydrogen vessel project. There was \$6.5 million allocated to that and the remaining is for other market activation projects. We're in the early stages of investigating that hydrogen vessel project and that will be subject to further reviews as we go through our stage gate.

**Ms FINLAY** - Can I ask at this point, is the vessel project one that a private proponent is already delivering and that you're seeking to support? Is that something that has already been underway and commitments were given or is that a new project for a new vessel?

**Mr BOWLES** - It would be a new project, yes.

**Mr BAYLEY** - Thank you, Chair. Minister, I want to talk about onerous contracts and for the record, onerous contracts are where the government directs one of your businesses to enter into a contract that has unavoidable costs to be fulfilled that exceed the economic benefits expected to be received. You've done that in the past to kind of, I guess, shore up the economics around a couple of wind farms.

In June 2023, the Tasmanian government committed to buying energy from an offshore wind farm. The Equinor-backed plans to develop offshore wind of up to two gigawatts in Bass Strait off the coast of northeast Tasmania won the backing of the government and through a commitment you committed to sort of source green power to put into the Bell Bay Hydrogen Hub and green ammonia.

Has the government undertaken to enter into a power purchase agreement with Equinor and, if so, what are the terms?

**Mr DUIGAN** - The Tasmanian government has MOUs with two offshore wind providers, Wind Equinor and Wind Energy Bass Strait Offshore Wind Energy (BOWE), and is continuing to work with those proponents on what promises to be a pretty exciting development for Tasmania given our level of natural resource out there in Bass Strait where you can rely on 10, 15 knots of breeze most days.

No, we haven't signed any power purchase agreements. There are no contracts in that regard and no onerous contracts to the early part of your question. Certainly, we're continuing to work with both of those two offshore proponents, noting that the Tasmanian offshore wind zone has not yet been declared by the federal minister. We are hopeful that that will happen in the coming months, but it's not within my remit of control. I note that in the budget there is \$5 million allocated for the development of a services hub at Bell Bay, the port of Bell Bay, which stands as a very likely contender to be a services delivery hub for offshore wind not only in Tasmania but in northern Bass Strait as well for the Victorian rollout of offshore wind energy, which is probably a little further advanced than we are here.

**Mr BAYLEY** - Thank you. I appreciate you probably don't want to go into the exact details of the MOU, but what are the kind of things it covers and does it sign you up to a commitment to enter into a power purchase agreement or one of the GBEs at least to enter into a power purchase in the future? Have you made that commitment to those two proponents?

**Mr DUIGAN** - These are non-binding MOUs that have been signed between the government and the offshore wind proponents TasRex and Equinor to further the development of offshore wind energy projects in waters off Tasmania. My understanding is that both of those MOUs are publicly available and can be found on the ReCFIT website if anyone is interested to have a look at those. We are supportive of people wanting to develop offshore wind in Tasmania.

## PUBLIC

**Mr BAYLEY** - Would you rule out going into a power purchase agreement?

**Mr DUIGAN** - No.

**Mr O'BYRNE** - Minister, with some of the wind farm projects, you said they were erupting out of the ground -

**Mr DUIGAN** - No. I said they don't just erupt out of the ground.

**Mr O'BYRNE** - Well clearly, they don't under this government. It's glacial. Even you must be frustrated with the time it is taken to get some of these projects up. What impact will the efficiency dividends have on ReCFIT and EPA that will further diminish the government's ability to get these erupting out of the ground?

**Mr DUIGAN** - I would point to the extra resourcing that will be delivered and has been delivered into ReCFIT through the REAP process, as I pronounce it.

**Mr O'BYRNE** - That we haven't appointed yet.

**Mr DUIGAN** - But, there is more capability being added to the department to perform the functions. Also, as is contained in the detail of that program, further resourcing being allocated to EPA, Aboriginal Heritage and our regulators to help with that. I'm not expecting to see any backward movement in terms of getting these things through the approvals process. We are seeking to accelerate.

**Mr O'BYRNE** - ReCFIT is ring-fenced from efficiency dividends?

**Mr DUIGAN** - No. ReCFIT and the department will be expected, I'm sure. I will throw to the secretary to outline how he will seek to find those efficiencies, but I wouldn't expect that they will be ring-fenced.

**Mr LIMKIN** - As the minister said, the 2023-24 Budget does include an efficiency dividend for the Department of State Growth which ReCFIT is part of. The efficiency dividends are \$2.6 million in 2024-25, \$5.1 million for 2025-26, increasing through a structural reduction of \$7.7 million in 2026-27. The department will achieve these efficiencies through a combination of efficiency measures and scaling back or ceasing non-core activity or non-priority activities that are either not of the highest strategic priority or have been replaced by election commitments.

I do want to make a point that the department has recently undertaken an internal realignment. This process is separate from efficiencies dividends, however, by its very nature, we are finding operational efficiencies through this approach.

Our approach as a collective executive has been to deliver a simpler, more efficient operating model that delivers the government's priorities and our core services as a department to the Tasmanian community. Several of the strategies that we have identified to meet the efficiency dividend across the department are -

Combining functions and service delivery areas to implement leaner operational models.

Reviewing how we administer programs, for example grants through our capital program, to ensure that they deliver values to the Tasmanian community and consider process improvements and systemisation processing to ensure that they are efficient.

Reducing operational expenses, suppliers and consumables, including marketing and consultants, accommodation, and ICT costs including telecommunications, travel and postages.

And managing our workforce to ensure that the resources are targeted to our highest priority areas.

I do want to be clear to the committee that the department does not have a formal vacancy control in place and so the strategies I've outlined are how we are going to manage it as a department.

**Mr O'BYRNE** - If you could answer my question in terms of ReCFIT, will its resources be reduced?

**Mr LIMKIN** - As I said to you, Mr O'Byrne, we are managing this on a department basis. Our strategies are what I have outlined to manage this on a department. ReCFIT is part of the department.

**Mr O'BYRNE** - There's no details there.

**Mr LIMKIN** - The strategies I've outlined is how the department is managing those efficiencies that the government has asked us to find.

**CHAIR** - We are going to have a short 5-minute break. We will resume at 3.35 p.m.

**The Committee suspended from 3.30 p.m. to 3.38 p.m.**

**CHAIR** - The first question will go to Mr Garland.

**Mr GARLAND** - Alternate energy sources: other than windfarms, can you detail what other alternate renewable energies can be used locally to provide us with additional power? Have there been any feasibility studies into tidal? Given that tidal movements globally are absolutely minuscule and we've got sufficient both ends of Bass Strait, which I think should be looked at.

**Mr DUIGAN** - Thank you. I think it is a fascinating area of interest and it's the time to be looking at all these sorts of things to see whether they stack up. Certainly solar, as I was saying to the member across the table from me. I think Tasmania has got some fairly prospective solar proponents and we would say that the pathway and the lead time for solar projects isn't as long as wind. Solar energy is viable here in Tasmania. It is something we're actively considering and have projects on the table. Hydro Tasmania has a suite of improvements and upgrades and maintenance works that it is doing to its existing fleet to derive more energy from the same amount of water in storage. Noting that anytime you do work on hydro plants it tends to be some big numbers, but here in the state, we need to continue to invest

in our hydro assets. They've served us well for a long time, but we've got to spend a few bucks on keeping them up and going and delivering as best as they can for Tasmania.

In terms of tidal energy, I had a briefing from a gentleman who was running a hydro kite. They installed these things in the Faroe Islands in the northern hemisphere. Hydro kites, which are tidal energy generators, they look quite prospective. He was interested in Banks Strait and looking at an opportunity to generate energy for Flinders Island and reduce diesel energy cost there.

Small scale hydro is something else that I potentially should mention. I was really pleased to go and have a look at Cumberland Hydro out on the west coast recently, which has a one-megawatt, small scale hydro plant in a fairly contained small storage environment, and it does a good job as well. There are lots of things that we look at and that one particularly is feeding into the grid.

**Mr SHELTON** - Minister, could you please outline to the committee the vision for the Bell Bay Hydrogen Hub? What actions are being taken to build our capacity to deliver this, and to get the settings right for further investment?

**Mr DUIGAN** - I note that we have spoken at some length about the Bell Bay hydrogen or Tasmania's green hydrogen, and note that it is a team approach that we're taking. ReCFIT is leading the project, working with TasPorts, TasNetworks, TasWater, Tasmania Irrigation in the Bell Bay Advanced Manufacturing Zone to deliver the hub over the next four years.

This week \$2.435 million in a funding agreement was executed with the Bell Bay Advanced Manufacturing Zone for it to deliver multiple bodies of work against three key work streams. Those are local industry and business, jobs, skills and workers and community engagements. These are important early capability building activities, and knowing how well BBAMZ is plugged in, it is appropriate that they do that. Bell Bay is perfectly placed to be a world class green hydrogen hub with its established port infrastructure and highly experienced skilled workforce. The project is expected to inject over \$1.2 billion into the local economy and generate around 740 jobs, providing work for local skilled trades like concreters, plumbers, fitters and electricians.

In terms of things that are happening, I would ask Mark Bowles, CEO, to make some further comments.

**Mr BOWLES** - The other key point I would make is that earlier this year, we've appointed the Director for the Tasmanian Green Hydrogen Hub. That was a dedicated position, and we managed to recruit an ex-Tasmanian working in South Korea with Austrade and previously the energy sector into that role. Since that time we've recruited a number of key procurement and industry engagement positions into the roles as well.

**Ms FINLAY** - That was a good question; thank you very much. In the breakdown that you provided, you gave some insight into the \$6.9 million allocated into Bell Bay. There was \$2.2 million for project costs. I'm interested in if there's any crossover between these funds and the Bell Bay Advanced Manufacturing Zone. Are the funds that you just mentioned for them new money from a different source, or is that out of the collective funding that we were previously talking about?



## PUBLIC

**Mr DUIGAN** - Certainly. That's out of the same pool of funding. That's out of the Hydrogen Hub funding. Just while you're looking there, Ms Finlay, I would offer these documents taken on notice from the morning session on the divo and the Three Capes Tracks. I have those documents to provide.

**Ms FINLAY** - So, that \$2.435 million that's just been allocated to build by Advanced Manufacturing, where does that come out of the breakdown that you gave previously?

**Mr BOWLES** - That's included in the engagement and communications amount that I mentioned. It was \$1.04 million for phase 1 and for phase 2 it's \$3.5 million. The commitment to the BBAMZ is a multi-year commitment that comes out of that line.

**Ms FINLAY** - Over how many years is it? How is it broken down?

**Mr BOWLES** - Three years.

**Ms FINLAY** - Over three years. Initially you said \$2.435 million, that's in one year, and then you said \$1.04 million and \$3.5 million. Can you break it down for me over those years?

**Mr BOWLES** - The \$2.4 million is the total grant value, and how that's apportioned across time will depend on them meeting milestones.

**Ms FINLAY** - Okay, great. I thought I heard you say the industry piece of the previous money that you allocated, there was \$1 million there for that for comms and industry engagement. Then you said, just now, \$1.04 million and \$3.5 million, which doesn't add up to \$2.435 million.

**Mr BOWLES** - That budget line covers other costs as well, in addition to the BBAMZ.

**Ms FINLAY** - Right, so it's not all. What I'm trying to understand is so I can be clear, there are multiple amounts of money being allocated to the Bell Bay Hydrogen Hub and there's the Bell Bay Advanced Manufacturing Zone, and I've often wondered how those things intersect and how money is going to Bell Bay Advanced Manufacturing Zone and where those ones come from.

**Mr DUIGAN** - There is \$11.9 million of state government funding and \$70 million of federal government funding into the Bell Bay Tasmanian Green Hydrogen Hub and then -

**Mr BOWLES** - Certainly in the BBAMZ funding, we are cognisant of the activities that the BBAMZ undertakes for State Growth in other areas, for example, jobs hubs and things like that. We do work with our colleagues to ensure that those different grant deeds are complementary.

**Dr WOODRUFF** - Minister, in the Climate Change Action Plan, you committed to developing a whole-of-government policy framework to embed climate change into government decision-making by mid-2024. Has that been done?

**Mr DUIGAN** - The action plan sets out our agenda for action on climate change through to mid-2025 and supports Tasmania's transition to a low-emissions economy in line with our target to maintain net zero greenhouse gas emissions or lower from 2030. In addition to the

## PUBLIC

delivery of the legislative measures under the *Climate Change Act 2008*, \$14 million has already been allocated to deliver programs over two years. There are 98 actions across all areas of government, with more than 60 already underway.

Key actions include our emissions reductions and resilience plans, which are currently open for public consultation across a range of sectors, noting the transport ERRP has been released; and significant investment of more than \$250 million in climate change activities across government departments, demonstrating a commitment to a coordinated whole-of-government response to climate change.

I will ask Mark potentially to provide some further detail.

**Mr BOWLES** - We are progressing the framework to build capability and embed climate change considerations into whole-of-government policy. The next steps involve analysing agency baseline information to understand current considerations for climate change in decision-making. That includes plans, policies and strategies, and introducing education material to enable agencies to include climate change considerations into their risk assessments. I note that the climate risks report is also due this year and that will influence our thinking about how to plan ahead for climate change actions.

**Mr DUIGAN** - I'll just ask the secretary to add some detail in there.

**Mr LIMKIN** - Dr Woodruff, I have written to each of my secretary colleagues asking them to help the department and the Climate Change Office meet this commitment. The secretaries have been asked to nominate a senior executive to sponsor this work so that we are leading from the top and that all secretaries are committed to implementing this commitment through our agencies. It's an ongoing conversation that we have had and will continue to have to make sure we deliver on the government's commitment.

**Dr WOODRUFF** - Minister, you're progressing a framework, I've just heard. It was due to be completed by mid-2024; when do you expect the framework will be in place?

**Mr DUIGAN** - I would ask the CEO to provide the detail of when he would expect that to occur.

**Mr BOWLES** - We need to ensure that we're engaging with all of the other agencies, so that does make it difficult for us to commit to a time frame, but certainly our objective would be to have our draft work completed in the first half of next year.

**Dr WOODRUFF** - Okay. Because the Climate Change Action Plan was a legislated instrument, so you have overshot it and so that will be some time.

My second question is in relation to your draft Land Use Change and Forestry Emissions Reduction and Resilience Plan. It mentions as a future opportunity supporting the forestry industry to look into the use of biomass and biofuels. It doesn't explicitly say that the native forest industry will contribute to biofuel production, but it also doesn't state that only the plantation sector, industry or forest residues would be used. Will you confirm that it won't include carbon-storing native forests as part of the biomass?

## PUBLIC

**Mr DUIGAN** - I would be looking for advice here, potentially out of the Climate Change Office - Sarah.

**Ms RUSSELL** - At this point in time, we've identified a whole range of opportunities through our research and consultation phases. The feedback we've received at this time is that these will be plantation-based residues, but it's still being scoped at this point in time.

**Dr WOODRUFF** - Okay. The strategy itself is silent on this, but it's the intention of the department to pursue biofuels that come from the plantation industry and not from the native forest industry?

**Ms RUSSELL** - That's my understanding, yes. But, again, it's a future opportunity. We're publicly consulting on it at this point in time and we'll work through scoping that program in more detail. It's identified as a priority -

**Dr WOODRUFF** - So, the Burnie and ABEL Energy and Powerfuels in Bell Bay, those two e-fuel facilities that are planned, are not planning - or using as part of their modelling for their business case - to rely on native forest biomass for their fuel production?

**Mr DUIGAN** - No, it's my understanding that both of those e-fuel facilities would be using plantation forest residue in the first place, so carbon that is currently not being utilised in a productive stream and plantation forest woodchip as a second stage.

**Mr GARLAND** - Tasmanians are concerned about the rise in their power prices over the past 10 years. It would seem this is largely to do with the price fluctuations in the National Energy Market which impact the network charges.

A number of submissions to the Joint Select Committee on Energy Matters have raised a suggestion of investigating disconnecting Tasmania from the NEM and regulatory structures, reducing the fluctuation in the price for Tasmanians and reducing their power bills, but maintaining the physical connection to the NEM through Basslink.

Is this something your department has looked into or is looking into?

**Mr DUIGAN** - The first thing I would say about power bills in Tasmania over the last 10 years, and it may not feel like it in the current cost-of-living circumstances in which we find ourselves but increases in the price of power bills have not kept up with the pace of inflation. They go at about half the pace of inflation. The government, in actual fact, has done a very good job of keeping a lid on power prices here in Tasmania. That's the first point I'd make.

We are, via Basslink, connected to the National Electricity Market (NEM) and that is a physical link that flows both ways. In today's market, in 2024, maintaining a link to the National Electricity Market pricing is necessary to ensure our energy security and keep delivering lower prices. As we contemplate last financial year, which was the driest in terms of hydro storages in 90 years, and we had in concert with that, a period of very low wind, we had what's known as a wind drought. Being connected into the NEM does give us a good degree of electricity security here in Tasmania, especially as we rely on renewable energy sources and wind and rain to fall in the state.

I think we will continue to be. We're looking at further interconnection into the market rather than less and I would point to Tasmania having the lowest regulated power prices in the country. Also, moves we've made this year through renewable energy dividends and so on, where hydro profits have been directly attributed back to the customer base in Tasmania as a way of managing and delivering Tasmanian energy prices to Tasmanians.

**Mr SHELTON** - Minister, can you please provide an update on the first Climate Change Activity Statement, which provides a summary of the government's deliverables on climate change activities over the last year? Can you also outline some of the actions achieved that reduce emissions and build resilience to a changing climate?

**Mr DUIGAN** - Yes. I'm pleased to announce the release of the first Climate Change Activity Statement, which includes a description of Tasmania's action to reduce greenhouse gas emissions and adapt to the impacts of climate change over the past financial year. Tasmania's climate change legislation requires the statement to be prepared every year and tabled in each House of parliament.

The Climate Change Office in Renewables, Climate and Future Industries (ReCFIT) coordinates a whole-of-government approach to climate change action, supported by our \$250 million investment across government. The first statement will report on actions from Tasmania's Climate Change Action Plan 2023-25. We know that not one single action will target climate change and that it is obviously an integrated issue and that's why we're addressing it right across government and various sectors of our economy. Since launching Tasmania's Climate Change Action Plan last year, 97 of the 98 actions are now complete or underway and one action was discontinued, the Emissions Reduction Loan Scheme. That was discontinued because of federal government grants.

Some of the climate change activities delivered across government in the last 12 months include: half-price fares for public transport, including the River Derwent Ferry Service; \$4.5 million to local government through the Better Active Transport grant program; \$8 million Green Hydrogen Price Reduction Scheme towards Countrywide Hydrogen's \$60 million commercial green hydrogen refuelling network; \$4 million toward a large-scale trial of *Asparagopsis* feed supplements to cut emissions from livestock; \$20 million over 4 years to expand the River Derwent Ferry Service with three new terminals; an additional \$900,000 over 3 years to expand the Land Care Action Grants program to support Tasmanian landholders into carbon markets; construction of the new Dulverton Organics Treatment Facility supported by \$9 million of grants funds from the Tasmanian and Australian governments; \$300 million Tasmanian green hydrogen hub project at Bell Bay funded by both the Tasmanian and Australian governments; consultation on a proposed approach to phasing out single-use plastics to inform legislation development over the next 12 to 18 months; Energy Saver Loan Scheme, which provided more than 4100 no-interest loans toward the purchase and installation of energy efficient products and upgrades in Tasmanian households.

The government is also preparing emissions reduction and resilience plans across six Tasmanian sectors and these plans will help Tasmanian businesses, industry, and the community reduce emissions and assist in the transition to a low-emissions economy while building resilience.

Chair, I am very pleased to table our first Climate Change Activity Statement of 2024.

**Ms FINLAY** - Staying at Bell Bay and in response to a question earlier by Mr Shelton, as I understand it, in the Budget, there's \$5 million over three years for the Renewable Energy Services Hub. Unfortunately, my response to that is we often seem to be in a position - or you often seem to be a position - which is sort of a little bit of too little, too late. I want to fully understand what that \$5 million is intended to achieve. We just saw in the last few days that Geelong have announced \$500 million to create an offshore wind terminal. As I said earlier, the other states around Australia seem to be very aggressive in terms of chasing their generation and their renewable capacity. We have known for a long time that these opportunities in south-east Australia, Bell Bay does need significant upgrades to be able to meet that demand. What are you intending to deliver over three years with the \$5 million? Won't that be too late to capture that opportunity in Tasmania?

**Mr DUIGAN** - Two lots of the \$5 million are around the state government's funding to activate the federal government's \$70 million grant funding to deliver the green hydrogen hub as I understand it and with a further \$5 million for the development of Bell Bay as a services hub. I am going a little bit off the top of my head there, but I will pass to Mark to give you some further details on that, noting, and I think it is important to keep reiterating, particularly in the realm of hydrogen, which is not just a greenfield development - but it is a greenfield industry - and there are demonstrated challenges in other jurisdictions around the country. Tasmania knows and understands that, and we are well placed to be a significant player and we are doing the groundwork to progress that. I will pass to the CEO to make more comments around the specific areas of funding you identified.

**Mr BOWLES** - The Renewable Energy Services Hub is being designed to complement and enhance the investment that's already happening at Bell Bay as part of the hydrogen hub work. It expands that vision from beyond hydrogen production for export into servicing both the offshore wind opportunities that are already emerging rapidly on the Victorian side of Bass Strait as well as the potential for Tasmanian offshore wind projects as well as utilising the Bell Bay port as the hub for the growth in onshore renewables. This builds on years of work and investigation and investment by TasPorts who will be a cornerstone tenant of the hub. To be clear, the hub isn't necessarily an exact physical location. It's about building Bell Bay's reputation as a hub for services for those wind farms.

One of our first initiatives last week, was to hold a webinar for interested industry players not only in the renewables industry, but in adjacent industries such as construction, engineering, services, and research and development. We had 130 attendees at that workshop. What we're very conscious of is building a strategy and designing a strategy with the industry and really being informed by what industry seems to be the opportunity rather than government running too far ahead on its own. We are being very deliberate in a series of further workshops that we will hold in person in Bell Bay and around the state.

What is emerging is that, while the focus of the hub will be in Bell Bay, it is a statewide opportunity and will plug into the maritime capability we have in the south and other investments that we have in the north west in terms of training.

**Ms FINLAY** - On that, what I haven't been able to glean out of that answer is when will there be a final position on what needs to happen to have a services hub that is servicing offshore and onshore wind? By what year do you expect to have a final position so that you can start? I know that you said it is not necessarily physical, but there will be physical works

required to do to attract in that opportunity, when do you believe that work will change from planning to delivery?

**Mr BOWLES** - By the end of this year we intend to start market activation around attracting interstate and international offshore wind developers to Bell Bay and start to undertake business matching activities. We'll also be working with Tasmanian businesses on identifying opportunities to enhance their own capability through grant programs and incubation programs. Our intention is to have a costed strategy to the minister early in the new year.

**Dr WOODRUFF** - Minister, the *Climate Change Act* is currently being reviewed, which is what's required under legislation. When do you expect the review to be completed?

**Mr DUIGAN** - We expect the review to be completed in 2025, understanding it is one of the requirements of the act. While we are doing that, as the previous minister committed to, reviewing the governance around the act, that is work that will be completed in line with the time frame that is required and completed in 2025.

**Dr WOODRUFF** - There have been significant delays on implementing the results of reviews of the act in previous years under your government. Once the review's completed, can you please tell us what time next year you expect that will be, 2025 is a long time, will you commit to implementing the results of the review within six months?

**Mr DUIGAN** - I'm happy to report that it is my understanding that the review will commence during the course of this year and be completed next year. The terms of reference are currently in draft as I understand it.

We will look at the at the review, we will support its undertaking. I won't make commitments here at this table, but I certainly expect to be acting in light of the findings of the review.

**Dr WOODRUFF** - You didn't answer the question about whether you do it within six months? Not what you'd act on, but the timeframe for action.

**Mr DUIGAN** - I don't think I will weld myself to a timeframe here at this table without understanding what the advice and the contents and nature of the review gives me, but I expect to be acting on the contents of the review.

**Dr WOODRUFF** - There is public consultation around the last review and there'll be public consultation for this review as well? A major call for Tasmania from the last public consultation was that we have emission targets for each industry sector, not just guidelines, which aren't bringing us to the place that we need to be as a state. Will you commit to implementing targets at the next round of changes to the act?

**Mr DUIGAN** - I think what I will do is point to what is a very clear, unambiguous target of net zero or lower by 2030. That is a target that this government has identified and is committed to. Noting that we will need to consider substantial reforms in our economy and our businesses in order to enable us to continue to claim net zero beyond that time.

In terms of public consultation on the independent review of the act, it will be undertaken for at least five weeks. This means that all Tasmanians will have the opportunity to provide feedback on climate change governance arrangements in Tasmania. We would be interested to hear what Tasmanians would like to see reflected in the climate change act.

**Mr SHELTON** - This season's been rather dry up until the recent rains, minister. As a farmer, I really noticed that. That has significant effect on our storages and so forth. Can you please provide an update on the effectiveness of the Energy Security Risk Response Framework in managing this extended dry period?

**Mr DUIGAN** - Thank you, Mr Shelton, and it was a topic of thought that was occupying much of my thinking not that long ago as we flirted with the prudent storage level in our Hydro. Storages in Tasmania, as you pointed out, experienced drier than average conditions over the previous 12 months. The month of May, for example, was amongst the three lowest yields recorded for Hydro Tasmania's catchments dating back to 1924, so, 100 years. In fact, last financial year, 2023-24, was the second driest recorded by Hydro Tasmania.

Pleasingly, the Energy Security Risk Response Framework implemented by the government worked effectively. The framework consists of two key energy and storage triggers, the prudent storage level (PSL) as the early indicator to modern water storage, and the high reliability level (HRL) sits at the top of the energy security reserve. The HRL ensures that even if Tasmania experienced very dry weather in a six-month break, and a Basslink outage, we would still have enough energy and storage to maintain Tasmanian supply.

With the recent dry weather, storage levels were, as I mentioned, very close to the PSL. Due to the long-range forecast indication of below-average rainfall, Hydro Tasmania began proactive management of its water in storage. This involved higher imports from Basslink and the proactive operation of gas generation from the Tamar Valley Power Station. Despite this, gas generation was less than 2.5 per cent of Tasmania's total generation last financial year and I'm pleased to report that while storage levels were very close to PSL, we did not cross into PSL.

As of Monday 16 September 2024 Hydro Tasmania's total storages were 45.8 per cent, total energy and storage measured against the Energy Security Risk Response Framework for September. This means that storage is 8.7 per cent above PSL and 16 per cent above a high reliability level. I think that's probably a reasonable place to leave that.

It was a very good demonstration that the framework does work well. It was a particularly dry period, as I mentioned, also not a very windy period. The system got a run. We flirted with PSL and we got nowhere near HRL, but I am pleased to say the system worked and we have now, to some extent, sailed out of the danger zone.

**Mr SHELTON** - I'm sure, minister, you would have been disappointed. The floods created some problems for certain communities, but from the Hydro's storage perspective, it was a great thing. The reality is that it's a shame to see all that water going out to sea when we would love it in our dams.

**Ms FINLAY** - Minister, just confirming on the information provided about the Bell Bay services hub, and that may not necessarily be a physical thing. Can I clarify that that means there's no intended upgrade to support infrastructure at Bell Bay?

**Mr DUIGAN** - Certainly not. As part of the Tasmanian Green Hydrogen Hub, TasPorts is one of the key partners in that project and we would see in the full development of the Tasmanian Green Hydrogen Hub - TasPorts, on commercial terms, doing port development and infrastructure development, noting that \$5 million for the services hub, while it is welcome funding to scope that, isn't a large quantum of funding when it does come to port infrastructure developments. Certainly, around the Tasmanian Green Hydrogen Hub, TasPorts and port infrastructure developments are an aspect of that and I'm happy for Mark to provide some more detail.

**Mr BOWLES** - Through the minister, we understand both the Tasmanian Green Hydrogen Hub and the Renewable Energy Services Hub to be key commercial opportunities for TasPorts. They're in a good position to capture the revenue from the activity there and that work has been progressed on the basis that they will be funded commercially by TasPorts. Much of the focus of the work that we do for the Renewable Energy Services Hub is trying to understand how we can best support private industry.

**Ms FINLAY** - Yes, okay. Thank you for the clarification. Can I just move on now to a different scale of energy production? I'm interested in new strategies around rooftop solar. I wonder if you can disclose the current percentage of available rooftop solar in Tasmania and what your plan is to see that activate and grow.

**Mr DUIGAN** - Currently, my understanding is that rooftop solar provides around 3.3 per cent of Tasmania's total energy generation, so it is not insignificant. In terms of one of the key initiatives from government to support the installation of rooftop solar, the Energy Saver Loan Scheme has been absolutely pivotal in that. There is a funding amount of \$50 million in that scheme, and rooftop PV has been the most frequently taken up opportunity through that scheme. That has been a real enabler of rooftop solar throughout Tasmania.

**Ms FINLAY** - And a target? What you're hoping to get that number to as a percentage of generation?

**Mr DUIGAN** - As a percentage of generation - and again I speak off the top of my head, I think the 3.3 per cent mark is where we are at - I am happy to pass to ReCFIT to talk about where we see the opportunity in the future to get that number.

**Mr BOWLES** - Through the minister, there's certainly a strong organic demand from households for rooftop solar. Of course, that's balanced by the sun resource for different households. It's important to note that for Tasmania, given the predominance of the availability of hydropower, we will never be in the situation of, say, South Australia, that is heavily reliant on rooftop solar and that level of over-reliance has its downsides as well. We would argue that a strong base of domestic supply from hydropower is a good thing, supplemented by those other variable sources.

**Ms FINLAY** - Thank you. I suppose that leads to my question, is there a plan for rooftop solar in terms of setting a target and seeking to incentivise more? I recognise that the hydro is valuable as that base, and we've got other as well, but where we can diversify and decentralise energy for users at the site, that's important. Is there a strategy and is there a target to increase that percentage and what is that target?



**Mr DUIGAN** - Again, I would point to the Energy Saver Loan Scheme. I know it's not a target, but it is a large quantum of funding and it has been predominantly used to deliver rooftop solar to Tasmanians and that loan scheme continues. For people wishing to install rooftop solar on their homes, there is a very helpful government initiative to facilitate that.

**Ms FINLAY** - I appreciate that but my question is more - are you satisfied that 3.3 per cent is the number that is always going to be in Tasmania or do you have a target to increase that? Is there a strategy in place, yes or no? And if there is, what is the target percentage of -

**Mr DUIGAN** - I would say in terms of strategy, what we have got is a way to incentivise. I would say that - and now I understand that that's not necessarily what you want to hear - but what we are doing is making it easier for Tasmanians to install solar in their home.

**Ms FINLAY** - I suppose you would appreciate that unless you set targets things, you can't measure the benefit of it. Yes, you've got a fund, people can apply for it and - what? For Tasmanians, where we're talking about transmission infrastructure, where we're talking about wind infrastructure, where we can actually generate and use power on site, it's a positive thing. Yes, there are other states that are doing it and they don't have the base of hydro, but I'm interested if you do have a plan on what percentage of our energy will be rooftop solar? It sounds like there isn't a plan, but there is the grant. Is there a target?

**Mr DUIGAN** - There is incentivisation for people to install -

**Ms FINLAY** - But not towards a focus -

**Mr DUIGAN** - rooftop solar.

**Ms FINLAY** - that classic focus. If you don't have a target, you don't know what you're aiming for. there isn't one. Can I then ask about community batteries in terms of the number of community batteries that you're intending to see or hoping to see in Tasmania and whether there's a plan or a strategy around that? I know you've got a trial.

**Mr DUIGAN** - Certainly, there are a number of large-scale battery proponents in the state at the moment and community batteries are an important aspect of supporting the growth of renewable energy sources. They are a shared solution that benefits both the local neighbourhood and wider community, and benefits include allowing more solar connections without expensive network upgrades and can allow households to share the electricity produced from solar panels within a local area and help with network quality.

The 2024 Integrated Systems Plan released by the Australian Energy Market Operator suggests that the future national electricity market will need both batteries and longer-term storage and it is work that is happening, particularly at the national level. The Australian government's Community Batteries for Household Solar program is providing support to their development, including grant allocation as part of the first round of funding to TasNetworks for six batteries in Tasmania. TasNetworks have been successful in applying for two grants under the Community Batteries for Household Solar program and will be installing two 100 kilowatt to 250 kilowatt community batteries in Shorewell Park [ok] and Glebe Hill. As a successful applicant, TasNetworks is responsible for the installation, connection and operation of these batteries at two sites.

I'd be happy to –

**Ms FINLAY** - It's current though, but is there a plan beyond that first step? No plan.

**Dr WOODRUFF** - I think Ms Finlay's got a really important point. We've just seen the extreme events and with people being out of power for weeks at a time, it's incredibly concerning. Whilst we all think it's fantastic to have the large battery that Hydro represents, the reality is that when poles and wires go down we need to move as much as possible into a diversified energy generation system. Will you be developing targets under the next climate action plan [or 'Climate Change Action Plan'] around the rooftop solar and community battery systems installation in Tasmania?

**Mr DUIGAN** - What I would point to is, again, the Energy Saver Loan Scheme which supports the installations of batteries -

**Dr WOODRUFF** - We've heard that.

**Mr DUIGAN** - Yeah, I know, but it is important and it is an absolute action of government that is seeing many more batteries installed than would otherwise be the case. I think that is important.

The notion of consumer energy resources is an important and emerging issue, or rather an opportunity for jurisdictions around the country, around the rest of the world, and here in Tasmania as well. Obviously, electric cars provide fantastic energy storage opportunities and getting those plugged into the grid and charging those from solar is a great opportunity.

There is a great deal of work happening at the national level through ECMC and progressing those conversations, noting that there are potentially rule changes and things of that nature that need to occur to enable those things to happen and for network operators to tap into existing community energy resources.

We have a scheme in place that has been very successful in getting more rooftop PV, more batteries installed in Tasmania. As I mentioned in answer to my last question, TasNetworks is currently engaged in the community battery space. There are a number of grid-scale battery proponents looking to set up in Tasmania. A very active space is how I would describe it. As a government, we need to be understanding and participating, where possible, in those developments.

**Dr WOODRUFF** - What I'm hearing from you is a really kind of hands-off, laissez-faire market - a kind of 'do its own thing' approach and individualised solutions. What we need in a climate-change, increasingly volatile environment is governments that will be directive and solve some of the tensions.

One of the tensions that's been sitting there for over a decade is between TasNetworks and solar users. What we have are missed opportunities. Obviously, we need to find a way of ensuring that TasNetworks is funded for the poles and wires part of the distribution. That is a public good and everyone should be paying towards that. However, that is stopping targets, like a real focus from government on community-level electricity generation.

When poles and wires go down from far away, communities are cut off. This will happen again and again, more and more frequently. Will you investigate this, as the minister, to look at creating some targets so it's not just left to businesses and community to kind of come along, but actually direct what's going on in Tasmania? When you have islands and far-flung communities cut off for weeks at an end, will you work towards a solution so that doesn't happen next time?

**Mr DUIGAN** - Thank you, appreciate that. I would point to substantial work that is happening at the national level, and Tasmania is a party to that work that is going on around these sorts of conversations. In terms of targets and so on, Mark, is there anything you would like to add in terms of what ReCFIT is saying/doing in this space?

**Mr BOWLES** - In addition to what the minister's already spoken about, the primary target that we're working towards is the Tasmanian Renewable Energy Target (TRET). We are very conscious, in terms of the activity we do, not duplicating what federal agencies are doing. The Australian Renewable Energy Agency (ARENA) is a source of funds for community batteries, and we're aware that there are six proposed community batteries seeking ARENA funding. That is something that we will certainly be monitoring, and continue to look at how that rolls out. They're in addition to the batteries, the grid community batteries that TasNetworks are trialling as well.

**Dr WOODRUFF** - Minister, Parents for Climate, from the north west, have a question for you. It's about the solar panel rollout and whether the government would extend that to childcare centres, with the costs of savings being invested to Tasmanian public schools and childcare centres. Will you extend that rollout?

**Mr DUIGAN** - I will have to take some advice on this, around the rollout.

Yes, that is a project, I'm advised, that is been handled by the department of Education. It is not something that I have any detail or real visibility on, but yes, it sounds like a good program.

**Dr WOODRUFF** - They've also asked a question relating to climate change emissions reduction. Will you commit to ending all household gas connections and directly investing in home energy upgrades for low-income houses, to help them pay bills, help with cost-of-living pressures, and reduce emissions that are going to the climate as well? Do you have a plan to do that?

**Mr DUIGAN** - Certainly, we have a gas strategy, which was released in the early part of this year, which looks at Tasmania's gas use and the opportunities that exist there. One of the things I would point to is our existing gas network, which is relatively young in age and does lend itself very nicely to blending with green gases, particularly green hydrogen. There's some work happening there; we could - potentially out of Bell Bay, where gas comes ashore in Tasmania - see green hydrogen being blended into our LNG and gas supply through the state and that is an opportunity that exists.

**Dr WOODRUFF** - Isn't the opportunity to stop using gas for Tasmania? I mean, we are the state that's lauded as - we don't need to use gas in Tasmania. We've got electrons produced by hydro, we can we can convert. We don't need to cook on gas, we can cook on electricity

that's produced from renewable sources. Isn't that the opportunity for Tasmania in a climate emergency?

**Mr DUIGAN** - Yes, look, I think we need to be a little bit pragmatic. I'm not sure that too many people are going to be thanking me for coming in and chopping off their gas connection to their homes.

**Dr WOODRUFF** - The people who had their houses underwater with the floods last week might be really happy that you're taking it seriously.

**Mr DUIGAN** - Yes, and we are, we're looking at positioning Tasmania as a very significant producer of green hydrogen, which will be the next gas that we are using at scale. We are taking it seriously. Banning new gas connections is not part of the strategy. The strategy recognises the importance of gaseous fuels, which we need to recognise in Tasmania's energy mix -

**Dr WOODRUFF** - No-one needs to do that in Tasmania 2025. You don't need gas to cook your food.

**Mr DUIGAN** - and incorporate gas into decarbonisation pathways, including options for locally produced hydrogen, renewable methane or biogas. One of the key considerations of transition is the notion of fair and just, and we need to be very careful that we don't do things that necessarily disadvantage one cohort of the community.

**Dr WOODRUFF** - An implausible scenario in this situation. That is just ludicrous.

**Mr SHELTON** - Just following on from my previous question when we talked about the weather events of the last 12 months. In the recent months we've had significant rain and then the storms came along which, as Dr Woodruff has mentioned, affected many communities around the state. Could you just explain to the committee what assistance is being given to those communities that were affected during that storm event?

**Mr DUIGAN** - Yes, it was a really significant storm event and I have noted that on Thursday 19 September TasNetworks achieved a great milestone in restoring our last outage caused by the late August storm damage. At its peak, 47,000 customers lost power and overall 200,000 connections have been restored during that time. I understand there are there are some still some individual households with further work to be done before they can have power restored in terms of having privately owned poles and things of that nature.

I would like to take this opportunity to publicly thank the people who were impacted by the storm for their understanding. We empathise with them and it was it was a challenging time. I note that the government did provide a number of supports in terms of emergency food grants of \$350 for outages of longer than 72 hours, and temporary living support grants of \$2000 per household where the principal place of residence had been without power for more than seven days or is uninhabitable due to damage.

I am aware of at least one circumstance where, I think, \$6000 was paid out in that grant funding to a particular household. It's a pretty tough time for all of those people. I take the opportunity again to thank all the TasNetworks staff, the contractors and the people from interstate that got us back on line.

## PUBLIC

**Ms FINLAY** - I'm keen to just explore North West Transmission Developments a little. Prior to the announcement we broke it down into two stages, when it was a complete project -

**Mr DUIGAN** - Marinus?

**Ms FINLAY** - North West Transmission Developments.

**Mr DUIGAN** - Oh, sorry.

**Ms FINLAY** - I'm wondering what the final cost estimate was before you broke it down into two projects.

**Mr DUIGAN** - I think the latest numbers I have are \$950 million and \$550 million. That is, stage 1 is \$950 million and stage 2 is \$550 million.

**Ms FINLAY** - That's since you have broken it down into two stages. I'm just wondering what the estimates were for the complete project.

**Mr DUIGAN** - Yes.

**Ms FINLAY** - At the moment prior to your breaking it into two.

**Mr DUIGAN** - I would be relying on my memory. I don't think I want to rely on my memory, sorry. Are you happy for us to take that one on notice?

**Ms FINLAY** - If there's anyone who has the memory, it's helpful for my next question.

**Mr DUIGAN** - I'm happy to say as I recall, I believe it was around \$1.4 billion in total.

**Ms FINLAY** - Yes, thank you. What I am interested in is before the project was broken down into two stages, there were particular qualities of the project that would mean then that elements became redundant and you could actually take down within an existing easement and then rebuild one of the sections. At that point, there had been a whole lot of community engagement, landholder engagement concerns, whatever, for that. As I understand it, now that the project is being done in stages, the area that would have been able to be redeveloped within its easement now will no longer be because it has to be live and then a new one. The easements will have changed, meaning disruption to landholders. That will come with a whole lot of extra costs, more land, more impact, more concern. You said currently it's \$950 million -

**Mr DUIGAN** - For stage 1.

**Ms FINLAY** - For stage 1 and \$550 million for stage 2. What have been the increasing costs attributable to stage 1 had it been done in the first section versus now, because of that extra, easement and that sort of thing?

**Mr DUIGAN** - The detail contained in that question is probably one for TasNetworks. However, having said that, ReCFIT might have some understanding. In terms of easements, I know that, as you have articulated, it has become somewhat more complex to deliver the project in that staged way. Easements I think have been temporarily widened, but TasNetworks is still

in the procurement phase, as I am advised. It is a question that sits best there in GBE scrutiny, and I guess they are still in procurement.

**Ms FINLAY** - On that project, has the final pathway of the line and the final engineering of the line been completed? There are some concerns being expressed to me, particularly with my primary industries background I have an interest in primary producer land but in any landholder, that they are being asked to enter into agreements now and consider the impact on them prior to the end of the project being clear. At what point will the final pathway and the final impact of that project be known? Do you feel that it is reasonable that there is lots of work going on with landowners at the moment where they are expected to enter into agreements, but we don't actually have the final project lined up?

**Mr DUIGAN** - Again, I think that is me entering into areas which are really quite specifically in the realm of TasNetworks and I think I would have to push those to GBE scrutiny committees.

**Ms FINLAY** - Perhaps I could ask a question of you then in the context of that. In reimagining the project, realigning the project with the easement changes, the delays as opposed to having to do this again, and then the cost increases that are likely to occur because of that, at what point would that concern you as minister in terms of the delivery of the project, the current estimates, and the final reality of the cost of the project and the impact on those landowners?

**Mr DUIGAN** - I think what I would say is, the timing of the North West Transmission Developments is critical, in concert with the delivery of stage 1 of Marinus. As a government, and me as minister, we are doing a lot of things to ensure we have visibility around the timing and doing things to coordinate our efforts very closely. We are hyper-aware that these projects need to be delivered together.

Working things out with landowners is ongoing. There is still a substantial piece of consultation. There are TasNetworks land agents out there talking to landholders on a daily basis, as I understand it. It's important to note that the notified corridor is not necessarily the easement that will be acquired by TasNetworks. But, again, I'm getting into the realm of talking about things - Hang on.

TasNetworks are engaging with landholders. Easements will not be registered unless the project receives all approvals and construction of the electricity infrastructure commences.

So, I guess, that's interesting.

**Dr WOODRUFF** - Stop me if this question has already been asked because I haven't been in the committee the whole time. Hydro Tasmania has said it will spend \$1.6 billion to maintain 10 power stations and five dams over the next 10 years. Can you please provide an itemised list of the power stations and dams, and the expected expenditure on each of them?

**Mr DUIGAN** - Yes. I am obviously aware of the large-scale maintenance job ahead for Hydro Tasmania. Again, I fear we are in the GBE realm, particularly as these are very much Hydro-specific projects. I will ask my team at ReCFIT if they have that detail to add.

## PUBLIC

**Dr WOODRUFF** - I certainly hope that you do for such a large expenditure.

**Mr BOWLES** - We don't have that detail at hand.

**Dr WOODRUFF** - Can I take it on notice?

**Mr DUIGAN** - No, I won't because it is absolutely Hydro Tasmania. It is a GBE question.

**Dr WOODRUFF** - It's \$1.6 billion of taxpayers' money, you're the minister for Energy, you're the shareholder minister. I think it's fair that we have that information here in budget Estimates. I'm not going to get fobbed off to GBEs on this.

**Mr DUIGAN** - I will see what I can find in here. I don't have a breakdown and I will seek to hold the line, through you, Chair, that that is a question for GBE scrutiny.

**Dr WOODRUFF** - I want that on notice, please. That's \$1.6 billion of taxpayers' money. Why don't you, as the shareholder minister, have information about that? You have the information; you can get the information. Ten power stations, five dams; this is critical infrastructure for Tasmania. It's \$1.6 billion. I want to take it on notice. It's outrageous that you would fob that off until GBEs. Parliament has not even decided who's going to appear this year in GBEs. It's not even necessarily the case that Hydro would appear.

**CHAIR** - Dr Woodruff, thank you. I've heard what you've got to say.

**Dr WOODRUFF** - I'm waiting to -

**CHAIR** - No, please let me speak. I cannot direct the minister to answer the question in a particular way or to do as you are requesting. If the member is not satisfied with the response, you can ask a further question or raise it as a matter of concern in the committee's report. I would suggest you ask another question or I will give the call to -

**Dr WOODRUFF** - Hold on. I would like to ask another question because the minister hasn't answered anything yet. He's withholding incredibly important information from Tasmanians. Are you concerned about the fact that there's going to be 2.5 per cent less going into Tasmania's dams a year because of global heating? Is that something that you have taken responsibility on yourself as climate change minister - well, as the minister having responsibility for climate change, for Energy? What conversations have you had with Hydro about diversification? Is there a plan to diversify energy generation on the back of that reality that's facing us all?

**Mr DUIGAN** - Hydro Tasmania obviously takes great interest in hydrological flows and rainfall into Tasmania and has very substantial dataset around that particular question. They hold a great deal of expertise in that regard. I point to the government's Tasmanian Renewable Energy Target commitment of doubling our on-island generation by 2040 as a way of mitigating that risk and diversifying our portfolio of energy generation opportunities in the state. Renewable energy generation is largely weather-dependent, and spreading our risk profile is a good thing to do.

**Dr WOODRUFF** - What about for Hydro? This is Hydro's generation capacity, Hydro's income-raising capacity. It is expected there will be 2.5 per cent less inflow per year on average. That's a massive reduction over time. What conversations have you had with Hydro about them diversifying their energy production?

**Mr DUIGAN** - Hydro Tasmania is already a holder and an investor in wind-generating assets in the state. We have rewritten the Hydro charter to refocus Hydro on delivering more generation in Tasmania, returning to its foundation principles of delivering jobs and economic outcomes for Tasmania. I think we would see and expect Hydro to be a more active participant in the bringing on of new generation in Tasmania, whether as an off-taker or as an investment co-partner, things of that nature. We have had a fairly substantial reset of the Hydro Tasmania position.

**Mr SHELTON** - Action on climate change is an integrated issue. Can you explain how the government is supporting the local community to tackle climate change and get involved in climate action?

**Mr DUIGAN** - Yes, I would be pleased to. Climate change is a very large issue but the impacts are often felt very locally. Recently, I was pleased to launch the Climate Change Action Grants Program which is providing \$350,000 toward tackling climate change at a local level. Grants range from \$2000 to \$20,000 and are open to Tasmanian organisations such as local government entities, community groups and not-for-profit organisations to support a wide range of climate change-related initiatives and projects around the state. Some of the simplest and best ideas to address environmental issues locally come from the community, so these grants will help support locals driving action in their own neighbourhoods.

The grants program is a great opportunity for Tasmanian communities to get involved in climate action. The program offers grants for projects that meet one or more of the following objectives:

- Improving information and knowledge sharing, including providing accessible and useful information about climate change.
- Educating or raising awareness about the impacts and opportunities of a changing climate.
- Reducing emissions, including practical targeted on-ground community action that supports behavioural change and social innovation.
- Building resilience to the impacts of variable and changing climate, including stronger social connections to increase resilience to future climate-related shocks and stresses, or supporting vulnerable community members to prepare for climate impacts such as extreme weather or energy and food insecurity.

The types of projects that could be funded include community clean-up events; climate change education project programs; energy efficiency initiatives; and projects that build community resilience to climate change. Applications opened on August 15 and will close on 27 September. I encourage anybody who has a local community group who is active in that space to reach out.

**Ms FINLAY** - Minister, I am wondering, since you made the announcement to divide the project into two stages, whether you've reflected on that at any point and decided that it



would have been better to keep the project as a whole? And whether you're likely to return to that position where you deliver the whole project, instead of in stages?

**Mr DUIGAN** - I note that transmission builds and transmission development is very tightly governed by national regulators and so building transmission that doesn't pass a ReCFIT or an investment test or a net benefit test for the community is very difficult to do.

What I would say in relation to particularly north-west transmission, that scale of project with one Marinus cable would be problematic from a regulatory point of view. I'd be interested if ReCFIT had anything further to say on that matter.

**Mr BOWLES** - That part is correct and one of the key focuses that we have with all these transmission projects is to optimise and provide the lowest possible cost to consumers. That's a key factor while providing the necessary resilience and capacity in the system.

**Ms FINLAY** - If I can move to the announcement that you made prior to updating the charter about, I think the language was 'unleashing' hydro and enabling the capacity for them to invest on island generation. You had a cap in that announcement of 300 megawatts. I'm interested to understand why there was a cap included in that and why you landed at 300 megawatts?

**Mr DUIGAN** - Three hundred megawatts is regarded, particularly in the solar generation space. Typically, we see a lot of solar farms and I'm not exactly sure of the reason, but there is a reason for a 288-megawatt solar farm. That's in part, reason for the cap, noting that wind projects are already exempt under the regulation. We wanted to be able to capture those prospective solar proponents particularly, and understanding that there are a number of wind proponents as well with projects that would fit inside that cap and as a signal to those people, that was a reason for that.

**Ms FINLAY** - Do you have any earmarked projects for Hydro to use to activate that?

**Mr DUIGAN** - In terms of what Hydro's role is, as I have said, we have done a substantial amount of refocusing of Hydro; asking Hydro to be a more active participant in the support and bringing new generation on island, whether that's having Hydro build its own new generation potentially by way of wind or solar, or partnering with other entities, or providing PPAs or firming agreements. That's where we would say Hydro is Australia's largest generator of renewable energy. It has a lot of expertise on board and we see it as a key asset for Tasmania in activating the space.

**Ms FINLAY** - I hope that you'd recognise that there's been a bit of a theme through today. Obviously, this interim target is front of mind and that's being able to bring on generation. We need it now. We don't have enough generation for all the things that we're hoping to do and that we currently do in Tasmania let alone bringing this new investment.

We've gone through a number of projects where there are opportunities to activate those to bring them online, and you did provide this opportunity for Hydro to actively invest. Whether it be in wind or solar themselves, PPAs or firming, I'm yet to hear of anything that is advancing specifically in bringing on new generation. I did ask for an outline of how you're going to meet that interim target year on year and where you thought there would be projects that would be operating and putting new generation into the network.

I suppose my question is, do you have a plan with Hydro as a minister? Have you generated a plan on how they're going to utilise that opportunity? Is there a plan to bring on any generation from Hydro to help meet that interim target?

**Mr DUIGAN** - Hydro is working on a number of its maintenance and upgrade facilities that will add capacity to its existing fleet -

**Ms FINLAY** - Not enough to meet the interim target.

**Mr DUIGAN** - But important progress that needs to be made. As you talk to, particularly, those solar proponents we're talking about, they will reference conversations they're having with Hydro as being very important to the ongoing viabilities.

**Ms FINLAY** - Yes, but there is a shared concern that we're not going to meet that interim target. I think that whatever can be done to do that is important, given that we seem to be flatlining, not advancing. I've heard you mentioned Port Latta and I say this positively, but it's a small amount of megawatts. There are some other projects and increased productivity of our existing assets through Hydro, small megawatts. What is actually going to come on-line to deliver that interim target? I acknowledge that some of the solar farm projects could, but I believe there's a collective desire for more effort, more urgency, and a willingness to get on with it because there is a concern that we're not going to meet that target.

**Mr DUIGAN** - I hear that, and I understand that is a perception, particularly as we know the long lead times. It feels like we come back year on year and talk about these things. It doesn't mean that progress isn't being made. I again point to large-scale wind farms that are in Major Projects.

**Ms FINLAY** - They're not going to stand up in time.

**Mr DUIGAN** - But they are large, they are big dial-shifting projects. There are still large solar projects for Tasmania, which I think would have the shortest lead time. They are continuing to progress, continuing to have productive conversations with Hydro Tasmania, among other energy entities in the state, continuing to move forward. I understand that people would like to wave the wand on all these things, but we need to be -

**Ms FINLAY** - I don't think they are asking to wave the wand. I think they are asking for very particular action.

**Dr WOODRUFF** - Our reporting to the national carbon accounts under the land use, land use change and forestry sector includes the carbon emission withdrawals of forests in Tasmania, balanced with the emissions produced by forestry in Tasmania. How much does the forestry sector emit in the logging and burning process annually, plus annual emissions from bushfires? If you can give me the last five years, that would be fine.

**Mr DUIGAN** - Thank you. It might take a little bit to find that detail. Secretary, have you got something in front of you there? No, you don't. So we're looking for total emissions out of -

## PUBLIC

**Dr WOODRUFF** - No, the total emissions are already in the report in the national carbon accounting process, but it's a combination of both what is sequestered and what is emitted. I'm looking to -

**Mr DUIGAN** - You just want the emission number?

**Dr WOODRUFF** - Yes, because the sequestration is the other part of that.

**Ms RUSSELL** - We have a couple of really detailed appendices at the back of our greenhouse gas emissions report which identify land use and land use change by sub-sector and shows where there's been positive emissions and negative emissions. Those sub-sectors are in both the report and there's a description as well in the other sub-sector, but as to adding it up right this second, no, I can't respond to that.

**Mr DUIGAN** - Does that that give the detail you are seeking to find?

**Ms RUSSELL** - I'm just getting a little bit of advice coming through around that.

**Dr WOODRUFF** - Real-time advice as we're talking. We'll just talk a little bit longer. It would be helpful if the minister could point directly to that information, or if it's not there, provide the information on notice. Do you want to wait for that advice? I'll move on to another question. Or can I take that on notice? What's the best thing to do?

**Mr DUIGAN** - We'll take it on notice and try to get it back to you before the close of the proceedings.

**Dr WOODRUFF** - Yesterday, you suggested I ask you this question here today. Do you have any advice on the 39,000 ha of additional forests in the Future Potential Production Forest (FPPF) land that the government is planning on going into logging? Has there been an estimate of that land area and the carbon emissions that would be released? I understand that would need to be part of the process that Parks would need to give to the Minister for Business, Industry and Resources.

**Mr DUIGAN** - Other way round.

**Dr WOODRUFF** - Business, Industry and Resources would need to give to you. I'm assuming that the Climate Change Office would need to provide the information to Parks about the values of that estate. Do you have information about what the carbon emissions would be if those 39,000 ha were logged?

**Mr DUIGAN** - The Department of State Growth is working through the preliminary steps required to undertake the conversion of Future Potential Production Forest land under the *Forestry (Rebuilding the Forest Industry) Act 2014*. Under the act, an assessment of conservation values needs to be undertaken, as has been discussed. This has not yet been undertaken. The minister, Mr Abetz, is in the phase of obtaining detailed information under section 7.2 of the *Forestry (Rebuilding the Forest Industry) Act*. Let me see. No, it hasn't yet been written.

**Dr WOODRUFF** - So, it hasn't happened yet?

**Mr DUIGAN** - As this is a legislative process, I'll be making a decision based on my obligations under the relevant act. Emissions from land use, forest change and forestry emissions is attributable to multiple factors. No, it's this process, sorry: emissions are reported in accordance with international frameworks. The data is calculated and is the responsibility of the Australian Government. The Climate Change Office analyses the specific data relating to Tasmania on a yearly basis and presents findings within the annual greenhouse gas report, as referenced by Sarah Russell. The Climate Change Office monitors and evaluates impacts of all greenhouse gas emissions produced on-island, including land use, land use change and forestry. The data is used to inform initiatives and actions that will lower our emissions and build resilience. It's also used to identify the greatest opportunities for emissions reductions and is reflected in the Emissions Reduction and Resilience Plans.

Tasmania's managed forest estate has a role to play in reducing Tasmania's emissions by sequestering carbon out of the atmosphere and storing it in wood products, while also providing a renewable low-emissions alternative to emissions-intensive building materials.

So, a legislative process. Data calculation is the responsibility of the Australian Government.

**Dr WOODRUFF** - But you still have to provide the information to them, so will you be doing an assessment of those emissions for the 39,000 ha? It's one of the requirements you just read out. The legislative requirement is to monitor the impacts. One of the impacts would be 39,000 ha being released for logging and burning. That would be a source of emissions.

**Mr DUIGAN** - Sure, and I will be committing to whatever is legislatively required.

**Mr SHELTON** - Minister, what progress is the government making on domestic activation to foster a new hydrogen industry? How important is the Green Hydrogen Price Reduction Scheme for this?

**Mr DUIGAN** - I am pleased to speak to this one. The Tasmanian Renewable Hydrogen Action Plan was released in March 2026. Our strategy for the development of a renewable hydrogen industry in Tasmania includes a \$50 million Tasmanian Renewable Hydrogen Industry Development Fund to kickstart the industry. The Green Hydrogen Price Reduction Scheme announced on 25 October 2023 allocates \$8 million from the development fund to stimulate green hydrogen supply and demand. Countrywide Hydrogen was announced as the successful applicant on 13 May 2024. The first phase of the project is to construct a hydrogen production and refuelling facility in Brighton, which will produce up to 800 tonnes per annum of green hydrogen.

Once the Brighton facility is established, Countrywide wants to expand production and refuelling facilities to the north and the north-west of the state. This will see the major road freight routes in Tasmania being serviced by a reliable hydrogen supply. The funding agreement between the state and Countrywide has been executed and Countrywide is well advanced with site planning for two of its locations. Countrywide is also in discussion with various end users.

That is a really positive move in Tasmania that we will have a refuelling network of hydrogen so that anyone who wants to run hydrogen trucks and buses can do so.

## PUBLIC

**Ms FINLAY** - In the current cost-of-living crisis - and I know that we share a community - we are hearing stories of people through winter turning off the lights, not having their heating on, going to bed early because they are not able to afford the current tariffs that we have. In Tasmania, we are blessed by having special heating tariffs. In reading the tariff structure explanatory statement, the tariff reform strategy specifically says that it is about changing behaviours. We know that there are many older people and other people in the community who are worried about the impact of prices of power and already changing their behaviours - not buying groceries, not buying medications - in order to pay for their things.

In that, it outlines that there is an intention to remove the special residential tariff for heating. I am wondering how you are going to communicate that to the community. I am not sure that people are aware of this and it's something that they do hold dear because it does indicate that in a domestic setting there is relief for the use of hot water and heating.

**Mr DUIGAN** - Yes. As part of the rollout of advanced electricity meters, which have now reached over 77 per cent in Tasmania, which is well ahead of other areas in the country, together with time-of-use tariffs, it seeks to give consumers greater control over their power bills. Importantly, we must recognise that in Tasmania existing Tariff 31 and Tariff 41 will be grandfathered. If you are on those tariffs -

**Ms FINLAY** - This is what I am saying.

**Mr DUIGAN** - you will be able to continue on 31 and 41.

**Ms FINLAY** - For how long?

**Mr DUIGAN** - In an undetermined period of time. We have seen in other jurisdictions the roll-out of time-of-use tariffs that have caused some degree of angst. I acknowledge that. We have been very firm with our energy retailers here that tariffs 31 and 41 be grandfathered. There is potentially an issue if you are changing or building a new house.

**Ms FINLAY** - And moving into new premises.

**Mr DUIGAN** - I'm not sure.

**CHAIR** - The time for Estimates for the Minister for Energy and Renewables has expired. The committee will adjourn until 9.00 a.m. in the morning. Thank you, everybody.

**Dr WOODRUFF** - Thank you, Chair. Good job.

**The Committee adjourned at 5.09 p.m.**