



PARLIAMENT OF TASMANIA

LEGISLATIVE COUNCIL

REPORT OF DEBATES

Wednesday 28 September 2022

REVISED EDITION

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Wednesday 28 September 2022

The President, **Mr Farrell**, took the Chair at 11 a.m., acknowledged the Traditional People and read Prayers.

REQUEST FOR INFORMATION

[11.02 a.m.]

Mr VALENTINE (Hobart) - Mr President, is it possible for me to ask the Leader about a question that is actually on the Notice Paper? Is it in order, or not?

Mr PRESIDENT - It is not normally in order.

Mrs Hiscutt - Ask it outside the session.

Mr VALENTINE - Just in terms of the progress of it.

Mr PRESIDENT - You could ask outside the session, that would be appropriate.

Mr VALENTINE - I will do that.

STATUTORY HOLIDAYS AMENDMENT BILL 2022 (No. 40)

Third Reading

Bill read the third time.

SUSPENSION OF SITTING

[11.03 a.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move-

That the sitting be suspended until the ringing of the Division bells.

This is for a continuation of the climate change briefing.

Sitting suspended from 11.03 a.m. until 11.41 a.m.

HOMES TASMANIA BILL 2022 (No. 35)

In Committee

Clause 11 as amended -

Function and powers of Homes Tasmania

[11.43 a.m.]

Madam CHAIR - The question is that clause 11 as amended be agreed to. Leader, do you have an answer?

Mrs HISCUTT - I do. I have an answer to 11(2)(f), the member for McIntyre who asked yesterday about consultancy services. This clause gives the power for Homes Tasmania to provide expert advice to others and does not rule out whether a charge for services applies.

Examples of types of services may include the provision of housing data and market research. Homes Tasmania is being set up to have the skills and knowledge which is expected to be valuable to other entities, such as councils. The provision of consultancy services must align with the purposes of the act.

Ms ARMITAGE - My questions are regarding 11(1)(b), to develop plans for the strategic acquisition and development of land for purposes, and it goes on. 'Strategic acquisition' - is that buying the odd block in already developed - ? Could I have clarification on the strategic acquisition?

Mrs HISCUTT - We did discuss that yesterday with a question that came from the member for Hobart, but we will see if we can find the answer again.

Ms ARMITAGE - I had it written down and overnight I have forgotten it.

Mr Valentine - It was compulsory acquisition that I was interested in.

Mrs HISCUTT - Basically, strategic acquisition fits into a broader plan and is in response to demonstrated need.

Ms ARMITAGE - I actually do not think it answers my question and the member for Hobart was saying it was to do with compulsory acquisition.

Mr Valentine - Whether it was, I am not sure I got the answer, sorry.

Ms ARMITAGE - I am actually asking what strategic acquisition is. As I said, is it in already existing areas that you buy certain houses strategically, or is it to do with places like Huntingfield and Technopark, when you divide up between community housing and others? If you could explain, because I do not believe the answer was fully covered yesterday.

Mrs HISCUTT - Strategic acquisition is for the needs of the people who are there at the time. There may be a higher incidence of aged care, for example, where they build those sorts of strategic plans, or it could be low socio-economic people who need the extra help. It depends on the needs of the people as to where the development is happening, as to the strategic plan that is developed for that area.

Mr WILLIE - I will take up the fight for my seat buddy here. The question is, what sort of interaction will there be between the consultants and the skills-based board and how much reliance will there be on consultants? We have heard the virtues of this skills-based board where there is going to be expertise running the show. Now we have this clause in the bill to engage consultants. How will that interaction work and how much reliance will there be on consultants?

Mrs HISCUTT - It is an operational question. The board has a governance structure. Consultants are for advice, such as economic analysis; things like architects; planners; engineers; building surveyors as and when required that the board cannot do themselves. I should imagine if you are needing an architect's opinion or designs that would have to be a consultant, but it is not anticipated it would be used a lot. It is as and when required.

Ms ARMITAGE - A little extra clarity on my question, is it compulsory acquisition? The strategic acquisition, will it be compulsory acquisition or can it be?

Mrs HISCUTT - Yes, it is dealt with later in the bill, at clause 38, which refers to the powers of Homes Tasmania to acquire land in accordance with the Land Acquisition Act 1993.

This clause is similar to section 11 of the Homes Act 1935.

Mr WILLIE - Some more clarification please, Leader. Will Homes Tasmania be providing consultancies and also engaging consultancies? Will they be contracting out their services to other organisations, and will they also be contracting third parties to do work for them?

Mrs HISCUTT - I have a piece of paper here that was delivered yesterday and I will read through it again. The provision is to provide a power to do so, if and when needed. It does not necessarily set up an expectation that the Homes Tasmania will or must provide consultancy services, but that it can. At the moment they do engage some of those specialists I spoke about earlier, the architects, or planners, or engineers, but that is currently as and when needed.

Clause 11 as amended agreed to.

Clause 12 -
Delegation

[11.50 a.m.]

Mr VALENTINE - Madam Chair, I want absolute clarity here. Could this clause allow Homes Tasmania to hire a third-party real estate firm to manage things, and that might include property not sold or let to eligible persons? The public sector could be dealing with anyone in the street.

Mrs HISCUTT - The delegation arrangements for Homes Tasmania reflect how things operate at present, and make no substantive change. They can only delegate within the organisation, so the answer to your question is, no.

Mr VALENTINE - Thank you. I wanted that clarification.

Ms RATTRAY - Madam Chair, in relation to clause 12(1). Obviously, this is the same as what already occurs. However, given the extensive powers and functions of Homes Tasmania, can I have a couple of examples of where:

- (1) Homes Tasmania may, by instrument in writing, delegate, to a person who is specified in the instrument, the performance or exercise of any functions or powers of Homes Tasmania under this Act or any other Act ...

I am interested in some examples of where this extensive delegation of powers might occur, or would occur?

Mrs HISCUTT - I can see that there is information on the way, Madam Chair.

The delegation is mostly financial - for example, the power to enter into contracts, and the power to employ people, and signing leases. Or it can be an example of grants under the value of \$5 million. It is that sort of delegation.

[11.53 a.m.]

Ms RATTRAY - Madam Chair, why would Homes Tasmania delegate the power to sign leases? Why would Homes Tasmania not have the lease themselves?

I want to be comforted that we are not hiving off the responsibility that Homes Tasmania will have in this regard. That is my first question.

I am also interested in where it says that:

... (other than this power of delegation and the power to borrow money) ...

So - no borrowing. I am assuming, and I want that confirmed, that any borrowing of money is something that the board has responsibility for. I am interested in that as well, because otherwise, what is the point of having a board?

Mrs HISCUTT - Madam Chair, it is to ensure that it can be operational. Team members within the organisation are signing leases, so it is still Homes Tasmania. Without this delegation, every single item would need to go to the board and it is why we currently delegate so the organisation can operate efficiently. By delegating powers to the CEO and the senior executives, these types of administrative matters can operate with the appropriate controls in place. It is only delegating powers to within Homes Tasmania. It is so that the board does not have to meet every time there is a contract to sign. The CEO could be appointed to do that sort of thing, so it is within Homes Tasmania. Talking about borrowing, the controls about borrowing are in Part 5 but cannot be delegated.

Ms RATTRAY - So, Homes Tasmania has a CEO. Do I understand that the CEO is delegating here or is it the board delegating for a start? Why would the CEO not be signing off on contracts? I would have thought a contract would have to be signed by a CEO. I understand that there needs to be a delegation of power because no-one is immortal. The CEO could get hit by a bus and things still have to move on, I understand that. I am interested

in why it would not be delegated to the CEO then. It says 'to a person who is specified in the instrument'. Some more clarity about that would allow me some comfort.

Mrs HISCUTT - It is because you have an executive sitting there with the CEO. Like you say, if something does happen to the CEO, a senior executive can also be appointed to sign off on those things while we wait for the CEO to recover. The delegation of powers goes to the CEO and the senior executive, to be able to sign on behalf of Homes Tasmania.

Ms Rattray - While the Leader is on her feet, the delegation powers are going to be very narrow.

Mrs HISCUTT - Yes, it will be specified in the instrument and it will be to the CEO and senior executive members.

[11.57 a.m.]

Mr VALENTINE - For further clarity, I hear what you say that it can only delegate within the organisation, but this actually does not say that the person specified in the instrument has to be in the organisation. It has to be in the instrument, but anyone can be put in the instrument, depending on who is putting it there. Where is the protection to make sure it is somebody within the organisation?

Mrs HISCUTT - This is consistent with the current act and it is consistent with how things are done in other acts.

Mr Valentine - It is on the record.

Clause 12 agreed to.

Clause 13 -

Homes Tasmania to comply with Treasurer's Instructions

[11.58 a.m.]

Mr VALENTINE - Subclause (2):

- (2) The Treasurer, by notice in writing to Homes Tasmania, may modify the application to Homes Tasmania of the Treasurer's Instructions referred to in subsection (1).

What sort of modification is envisaged here? The Treasurer's Instructions are there for a reason. Why would we be wanting to operate outside the Treasurer's Instructions in this regard? I am interested to know what sort of circumstance would require that.

Mrs HISCUTT - It is the power of the Treasurer to consider where this is appropriate. Currently they are not bound by the Treasurer's Instructions. An example may be that they may want to seek an exemption to buy units in the market place where Homes Tasmania cannot go through a tender process for this, so they will need an exemption to do that. It is to allow better flexibility.

[12.01 p.m.]

Mr VALENTINE - Where those Treasurer's Instructions are modified, is that notified to parliament in any way, for transparency, that that has occurred? Given the fact that Treasurer's Instructions are very important things, and the Treasury is keen to make sure that departments follow the advice of Treasury, I am interested to know where it may be reported that this change has taken place.

Mrs HISCUTT - The Treasurer's Instructions have never been subject to parliamentary scrutiny, so in this bill they are not either. However, they are published on the Treasury website for all to see.

Mr Valentine - The Instructions are, but every time this -

Mrs HISCUTT - It does not happen anywhere else. No, they are not, but they are published on the website.

Mr Valentine - So it is an Estimates question.

Mrs HISCUTT - Yes, it is an Estimates question.

Mr Valentine - Thank you.

Mrs HISCUTT - Oh yes, and of course they have audits to assess that it complied.

[12.03 p.m.]

Ms RATTRAY - In regard to the Treasurer's Instructions and the changes and it has been outlined how that would work and what circumstance that would be required in, I am interested in what consideration the Treasurer would take into account of the Ministerial Statement of Expectations? I know it is only in draft form at this point in time but I presume that it will stay pretty much as it has been presented to members. Do they have to consider what is in that Ministerial Statement of Expectations before there are any modifications or changes to the Treasurer's Instructions?

Mrs HISCUTT - Basically, it is a matter for the Treasurer with advice from the Treasury, but they would consider all relevant information, including the minister's expectations.

Ms Rattray - That is a definite?

Mrs HISCUTT - You would hope that they... yes, they would consider all information.

Ms Rattray - Is that a definite?

Mrs HISCUTT - Yes, that is a definite.

Clause 13 agreed to.

Clause 14 -

Homes Tasmania Board

[12.05.p.m]

Ms RATTRAY - A series of questions here, if I might, Madam Chair? Obviously, there has been some indication from Government they are going to have seven board members, is that correct? Or is it still no fewer than five?

Mrs HISCUTT - It is here, seven.

Ms RATTRAY - There could be no fewer than five, maximum of seven. Can we have some estimated cost of establishing the board? Also, there is an intention from the second reading speech contributions that they are expected to meet monthly, but no boards meet in January, so that is not monthly. That is 11 times per year. I expect they would be able to ad hoc as required. I know it has here in subclause (2):

- (a) the relevant knowledge and skills to ensure that the functions and powers of Homes Tasmania are performed and exercised appropriately; and
- (b) commercial skills and experience; and
- (c) skills and experience in the provision or management of housing and homelessness services.

Where does it talk about homes, as a home? Commercial skills in the housing area - I am not necessarily sure anyone who builds hotels or offices are necessarily going to be good at building houses or have that expertise. I am interested in why commercial skills were cited, given this is not necessarily what I would call a commercial operation. Those few questions to start with.

Mrs HISCUTT - I will start with the skills of the board, while we get some figures for you. One of the skills of the board does not necessarily have to be how to use a hammer and nails, as you would be aware. They need to have the knowledge, the skill and the experience in the areas of social housing and homelessness service delivery, strategic planning and land development and commercial activities. The board will also have the power to establish committees who advise the board on specific matters as required. They are the skills the board will need. They do not necessarily need to know how to build houses, as the member for Huon used to. They need to have those skills and knowledge on who needs a house, where they need a house and the service deliveries to the homeless. Plus, planning and development.

We were hurriedly looking for some costs for you. I will seek that advice. With regard to fees, the board has been sized by the Department of Premier and Cabinet under category D, which is governing, which is critical. The chair role has been determined at a maximum of \$60 749.00. Directors have been determined at a maximum of \$34 080.00. The board must meet at a minimum of six times per year. The bill sets a maximum of seven board members, bringing the total board costs to \$231 149.00.

Ms RATTRAY - That would not include travel costs, though? Overnights and expenses, that would be an addition to their actually stipend? It is going to be more like \$300 000. If it is an interstate chair or board member, then that increases considerably. I might be wrong, but it is more likely to be about \$350 000 a year for the board establishment, in the order of

meeting, maybe six times a year, maybe 11 times a year. We will see. Please tell me if I am wrong. I think I will be right.

Mrs Hiscutt - It is the member for McIntyre's assumptions.

Ms RATTRAY - Yes. I think I am on the money. With 14(3):

- (3) The Minister may appoint a Homes Tasmania director to be the chair of the Homes Tasmania Board (the *Homes Tasmania Board chair*).

I want the Leader to walk me through the minister's thinking in regard to this because there has been considerable criticism - some of it from this House - about the number of boards we have in this state, but particularly, the number of board appointees from outside the state.

I understand the skills expertise. I am not reflecting on that, I am asking what the minister is thinking in regard to this. There is an important aspect here, when you are establishing another board from a government who said that they were going to actually decrease the number of boards we have in this state.

Mrs Hiscutt - Madam Chair, this allows a board director to be appointed as the chair and not an operational employee within Homes Tasmania.

Ms Rattray - That is the minister's thinking?

Mrs HISCUTT - Well, it brings someone from the board to be the chair, as opposed to someone from outside the board, not being a chair.

[12.12 p.m.]

Ms WEBB - Sorry, that made no sense whatsoever.

- (3) The Minister may appoint a Homes Tasmania director to be the chair of the Homes Tasmania Board (the *Homes Tasmania Board chair*).

Presumably that is the way the chair is appointed. It is by a minister appointing them. That is all that it is clarifying. I presume by exclusion, there is no other method by which the chair of the board will be selected and appointed -.

Mrs Rattray - - from around the table.

Ms WEBB - Yes. Simple as that, really. Anyway, onto my question.

Mrs Rattray - Thanks for that clarification, member.

Ms WEBB - Are the Homes Tasmania board members bound by the State Service Code of Conduct, or if not that, another standard or Code of Conduct that would provide accountability when they are undertaking their role on the board?

Mrs HISCUTT - The board is not subject to the State Service Code of Conduct. Staff are and that is set out in Clause 22.

The minister sets expectations of his board and the Tasmanian Government has a board policy that guides board expectations.

Ms WEBB - Can I clarify the broader board policy or board expectations that are set for any government boards? Does that involve a code of conduct by which members of this board could be held to account? Please clarify that for me.

A further question, while we are figuring that one out. I am looking at subclause (2) of the clause, with (a), (b) and (c) sitting under it. I am interested in the ordering of that - (a) makes sense as the first thing in that list. These are things that in aggregate the board has to have in terms of skills and experience:

- (a) the relevant knowledge and skills to ensure that the functions and powers of Homes Tasmania are performed and exercised appropriately;

I am very interested - because it sends a message - that the next thing on the list is:

- (b) commercial skills and experience;

The final thing on the list is:

- (c) skills and experience in the provision or management of housing and homelessness services.

What is the thinking in the ordering of that, and why was commercial put above housing and homelessness experience in servicing of housing and homelessness?

Mrs HISCUTT - No, the policy does not have a code of conduct for boards. The relevant minister is responsible for the operation of boards reporting to them.

The order, as you described there - (a), (b) and (c) - there is no one skill that is more important than the other. It is the way they are listed. They have to have 'and, and, and,' so they have to have all three, (a), (b) and (c) so there is no -

Ms Webb - No, I asked about the thinking of the ordering, why was it ordered that way?

Mrs HISCUTT - It was probably the way it went. There is no meaning in the order. All clauses are equal and all members have to have (a), (b) and (c). I cannot answer your question because there is no order. It is just what they need.

Ms WEBB - To clarify, all members do not need (a), (b) and (c), what the clause says is that in aggregate the board has to encompass those -

Mrs HISCUTT - Yes, that is correct.

Ms WEBB - To come back to the code of conduct though, and I guess this now has broader implications, because it is beyond just this board, but perhaps any board established by the government. There is no code of conduct that applies to these boards, including this one. The minister is responsible for them behaving well. Does that mean that if someone had a complaint about behaviour, or conduct of a board member - such as the one proposed here, or any other government board - that they would take it to the minister, and that is assessed by the minister? If that is the case, is the minister the one who is assessing a complaint about conduct and the minister is then able to decide on the consequence or outcome, and any particular censure, or otherwise, for a person on a board? I am interested in this. It is an interesting gap.

We know there is a lot of talk about codes of conduct lately, in all sorts of governance situations and about strengthening things up. I am thinking about the local government sector, for example, and strengthening things. We know that complaints can happen about behaviour and people can meet the expectations about behaviour that are there for them. So, this is basically a ministerial discretion to respond and hold members to account on a board for whatever behaviour may be complained about. Can you confirm that, and confirm it in relation to this board; and if that is true, then by extrapolation to other government established boards?

Mrs HISCUTT - The minister is ultimately responsible, so the complaints would be managed with advice, depending on the circumstances at the time, as done across the State Service and yes, the minister is ultimately responsible.

Clause 14 agreed to.

Clause 15 -

Function and powers of Homes Tasmania Board

[12.18 a.m.]

Ms RATTRAY - Madam Chair, this is about the functions and powers of the Homes Tasmania board. Subclause (3) states:

- (3) The Homes Tasmania Board may delegate, by written notice, any or all of its functions or powers under this Act, other than this power of delegation, as specified in the notice.

So, it can delegate all its powers. I am interested, because one of the roles and responsibilities of the board is to establish the annual performance objectives of the Homes Tasmania CEO. If you delegate that to the CEO, then they are in charge of their own annual performance objectives. I am interested in why such a huge delegation power is made when you have a look at the powers and the functions of the board, or in this case the functions of the board. If you do not have the right CEO in place, but their annual performance objectives are being somewhat clouded by the CEO actually undertaking the work - this might not happen, but it says here that it can, or that is my understanding. If I am wrong, I am happy to be challenged on that, but that is how I am reading it. I am interested in such a broad delegation power, because it says 'any or all of its functions or powers under this Act'. I want some explanation about why that is necessary. If you tell me it is in the existing bill, I will be somewhat surprised.

Mrs HISCUTT - It connects back to clause 12, to ensure that it is operational at a practical level. The board remains accountable for its functions even if delegated to the CEO.

Homes Tasmania will need to have the ability to delegate powers and functions to enable clause 12 to work. Without this delegation, powers do not work. It is an enabling provision to allow clause 12 to work. It is carried over from the current Homes Act.

[12.22 p.m.]

Ms RATTRAY - Thank you for that clarification. I am still struggling to understand when it is the annual performance objectives of the Homes Tasmania CEO, why would that need to be delegated? It does say 'any or all'. Why would that, especially, not be taken out? Who is going to have the accountability here? If it is not the board, what is the point in having a board? If the board is not going to be considering the annual performance objectives of the Homes Tasmania CEO, then I do not understand what their role is. I understand the other delegations; they are not going to be signing off on contracts, I get all that. But, this is the CEO. This is the person who is implementing the minister's expectations, and the expectations of all Tasmanians now, if this passes as it is. This is going to be building 10 000 homes. We are all going to be housed once this is put in place. I do not understand how that function of the board could be delegated.

Mrs HISCUTT - The delegations do not shift accountability. The board is still accountable. It is still accountable for its roles and functions ultimately, and they will have to answer if anything goes wrong; or the minister will, because he is ultimately responsible. However, the delegations do not shift accountability. The board is still accountable for the decisions that they make, which are their roles and functions.

Clause 15 agreed to.

Clause 16 -

Appointment of acting director

[12.24 p.m.]

Ms WEBB - I have an amendment to move in my name. Clause 16, page 35, subclause (2), paragraph (a).

Leave out "his or her".

Insert instead "the director's".

It is a straightforward one. I found it quite interesting that I am quite sensitive to gender things when it is just male mentioned instead of both; but funnily enough, it is the first time it has jumped out at me that it is inappropriate to say his or her, because we no longer recognise gender as being binary and for those of us who have teenagers in our lives, we all know that very soon down the track it is accepted that we do not use a binary iteration of gender in anything. There is a lot of 'they' and 'them' coming through high schools at the moment. Before too long in this place and many other places, in entities such as this, we need to accommodate a non-binary gender. So that is what this amendment, and many others that are yet to come, which we will not have to necessarily take time talking about when we get to them, taking out the gender binary language and replacing it with non-gendered.

Mrs HISCUTT - The proposed amendment removes references to individuals and replaces this with the relevant roles such as 'the director'. The approach is accepted throughout all the amendments of this nature that the member for Nelson will put forward.

Amendment agreed to.

Clause 16 as amended agreed to.

Clause 17 -

Director must disclose interest

[12.25 p.m.]

Mr VALENTINE - We look at 17(1), disclosure of interest. It is quite straightforward. However, then I look down at (2)(a) and it says:

- (a) in respect of a contract for goods or services supplied by Homes Tasmania if those goods or services are ordinarily supplied by Homes Tasmania and are supplied on the same terms as they are ordinarily supplied to other persons in the same situation; or

and it talks about it being a State Service officer, that then (1) does not apply. So I think to myself -

Ms Rattray - Inside knowledge.

Mr VALENTINE - Well, presumably it is because a Homes Tasmania director might be a third-party provider to Homes Tasmania products. Should that not be made known to the board, that they are actually providing a product so the board is able to assess the circumstance? Really, it is almost self-assessment. It allows a director to not divulge to the board, it is self-assessment. 'You know, I do not think I have an interest, so I am not going to say anything.'

Ms Rattray - Because we have been providing these services and goods for however long.

Mr VALENTINE - Yes. It concerns me.

Mrs HISCUTT - I will read all of this to put this into context. The directors must disclose the nature of any material, personal interest in matters being considered, or about to be considered by the board. The duty applies in all matters except where there is an interest that only arises because the director is a State Service officer or employee, or where the matter relates to the contract of goods or services ordinarily supplied to the authority, which is the question for the member for Hobart.

Where a director discloses a material personal interest in a matter, they must not be present during deliberations on the matter or take part in any decisions in relation to the matter. The minister may remove a director from the board if they fail to disclose a material personal interest. The disclosure obligation is enforced by way of a fine.

This is typical of most boards. I see it when I go to council meetings. I have seen the member for Hobart actually do it, declaring an interest and leaving the room. This is the process for how it will work. If a board member is supplying a good, or is the supplier of goods, he must stand and excuse himself, declare his interest, and exclude himself from the decision of the board at that time.

[12.29 p.m.]

Ms WEBB - I am not sure that is entirely clear from what the Leader has said. I want to follow it up to clarify it further. The way I read it is that because we are subclause (2), it says subclause (1) does not apply, as in, they do not have to declare an interest, if in (a) - and I am going to paraphrase it - if they supply goods and services to Homes Tasmania on the same terms, the same cost, that they supply it to other people, they do not have to declare the interest.

Somebody could be there on the board. They could be a provider of goods and services to Homes Tasmania. An item could come up in a meeting that related to that sort of thing. They do not have to disclose that they provide goods and services to Homes Tasmania then, if they are also providing those same goods and services on the same terms to other people, which I find highly problematic. That should still be disclosed. Disclosing does not necessarily mean that you even necessarily have to step out of the room; it could just be disclosed and noted. You could still actually participate in the discussion and decision with that disclosure in place. Why would we give this exclusion here? If I have misunderstood that, I am happy to be corrected but the way that I read that is -

Mr Valentine - That is exactly my point.

Ms WEBB - Yes.

Mrs HISCUTT - We have this the wrong way around, Madam Chair. If you read it, it is supplied 'by' Homes Tasmania, not 'to' Homes Tasmania. Are we on the same page here? It is goods that are supplied 'by' not 'to', so there is no benefit there.

[12.31.p.m]

Mr VALENTINE - It might be Homes Tasmania supplying goods -

Ms Webb - Either way.

Mr VALENTINE - That they actually got from the director.

Ms Webb - Who knows?

Mr VALENTINE - Am I thinking of this the wrong way around? Why is it in there otherwise? It obviously applies to the directors. It is about goods that the director provides. A supplementary on this, the same with the State Service officer, in respect of an interest that arises only because the Homes Tasmania director is also a State Service officer.

State Service officers can have businesses outside of the State Service if permission is granted to do so. It has happened quite a bit, in my experience of 42 years in the State Service. Just because they are a State Service officer does not mean that they should not be declaring that a business they are connected to is supplying goods and services to Homes Tasmania.

Ms Rattray - It might be through a family member.

Mr VALENTINE - It could be. I want some good clarification about this. It does concern me.

Ms Rattray - It is Tasmania, we are all related.

Mr VALENTINE - It is a contract for goods and services by Homes Tasmania, it is not supplied by Homes Tasmania.

Ms Webb - It is, but either way, it is a financial interaction.

Mr VALENTINE - It is supplied by Homes Tasmania, it is a contract.

Mrs HISCUTT - We keep coming back to the goods and services supplied by Homes Tasmania. If you have a director who is in the business of normally supplying a good or a service, has been for yonks or however long -

Mr VALENTINE - Door locks.

Mrs HISCUTT - Door locks? We are struggling to understand what service issue you are referring to.

Mr VALENTINE - I do not know, pick one.

Mrs HISCUTT - That would be to Homes Tasmania, not by Homes Tasmania.

Mr VALENTINE - No.

Mrs HISCUTT - Are you saying Homes Tasmania is going to supply door locks to someone?

Mr VALENTINE - Well, it might provide equipment or goods to third party builders for some particular purpose.

Mrs HISCUTT - We are not thinking this is practical, but we think you are trying to - we are struggling here a bit. I will seek more advice.

Ms Webb - The only goods and services Housing Tasmania is going to provide are land, or buildings or consultancy.

Mr Willie - Property development services.

Ms Webb - Property development services.

Mr Valentine - Who knows?

Ms Webb - It should be disclosed.

Mrs HISCUTT - We think we have drilled down to what you are looking for. Let us move past the door locks.

We are talking about - the bill says, 'supplied by Homes Tasmania if those goods or services are ordinarily supplied'.

So, if you were to have - hopefully this example is right - if you were to have an architect who is on the board, if all of a sudden there is a new contract for architectural work that comes out, he would have to declare an interest and leave the room.

However, if this architect had been supplying drawings for the last five years, in his ordinary business, to Homes Tasmania, that would not be seen as a conflict, because he is already an approved supplier.

Ms Webb - That is not what it says.

Mrs HISCUTT - As part of their duties.

Ms Webb - That is not what it says.

Mr Valentine - So the board never finds out if that is the case. That is the point.

Mrs HISCUTT - It has to be relative to their duties on the board, because if you do have an architect on the board, that is expertise that you want to extrapolate information from. So, it has to be that it is supplied by Homes Tasmania in ordinarily doing that.

It has to be relative to the duties of the director and it has to be part of their duties, which is why they are on the board.

Ms Webb - It does not say that.

[12.37 p.m.]

Ms RATTRAY - I appreciate that the Leader is doing her best to explain these circumstances here, but it is actually getting worse, because you are going to have a director of the board supplying services to Homes Tasmania who then is going to supply them elsewhere. I mean, people will see that as an advantage.

Mrs HISCUTT - While the member is on her feet, that is not what we are trying to say. We are going to take the time now to get the right set of words for the members. While the member is on her feet, I will say that again. We will take the time now to write out the right set of words to clarify.

Ms RATTRAY - It appears to me that, as I said, it is getting worse, if you have a director - and I understand the skills part, but they should not have any involvement in providing services.

Mrs HISCUTT - That is why they are there, because they are skilled. Anyway, we will take time to -

Ms RATTRAY - I will see if I can sort the watch out while you sort -

Ms Webb - It is not even about their services anyway.

Mrs HISCUTT - We are talking about a skills-based board. So by virtue of the type of skills that the board will have and that the government wants them to have, there is an expectation that directors will provide their expertise as part of the ordinary duties as board

members. If their skills are used not in relation to their Homes Tasmania duties, then they must disclose it. Otherwise, if their skills are used in direct relation to their duties, as is expected, then they do not need to declare a conflict of interest in delivering this duty. This is based on other boards' legal structures. That makes a bit more sense when you have the time to think about it.

[12.43 p.m.]

Ms WEBB - The statement makes sense, yes. Unfortunately, it does not relate to what the wording in the clause says. So, let us get back to that, shall we? Because the exemption of not having to disclose, here in (2)(a) - and I was incorrect when I first got up to speak on this, but the principle of what I was raising still stays the same, though, even with the correction.

It says it does not apply:

- (a) in respect of a contract for goods or services supplied by Homes Tasmania if those goods or services are ordinarily supplied by Homes Tasmania and are supplied on the same terms as they are ordinarily supplied to other persons in the same situation;

That is Homes Tasmania supplying goods and services. Homes Tasmania is supplying goods and services, not the director, not the board member.

So, is this in the sense that if Homes Tasmania are supplying goods and services to a board member, is that what we are talking about here? Or are we talking about them supplying them broadly? We are talking about when a director does not have to disclose their interest. This does not make sense to me.

What goods and services are we talking about here when it comes to being supplied by Homes Tasmania? Who are we talking about them being supplied to in this clause? Is it in the case of them being supplied to a director? We could have a director whose company buys land, buys buildings, has contracts for sale of whatever it might be with Homes Tasmania. My presumption would be that if that was the case, and if that came up as a matter for discussion in a board meeting, that would have to be disclosed.

Setting aside the answer you previously gave, which does not relate to this (2)(a), I want a full explanation on the record of what (2)(a) means.

Mrs HISCUTT - This legal drafting is based on advice from OPC to ensure the governance structure works. It is the same as other boards and it was the same as what went through when we did the TasTAFE bill. We are advised by OPC that this is a standard for boards and it has been used before.

Ms WEBB - I asked for an explanation of what it means.

Mrs HISCUTT - I gave that explanation earlier.

Ms WEBB - No, you did not.

Mrs HISCUTT - We have an example. This could apply to when a director who is a tenant or buying a home under MyHome and there is no conflict if the terms of those services are on the same terms as others.

[12.47 p.m.]

Ms WEBB - What would be the case if the director is a tenant, maybe they have leased a whole big facility from Homes Tasmania and then something comes up in a meeting that relates to tenancies of that type? Is this the case that if tenancies of that type are offered to others on the same sorts of terms that tenancies are offered to the director, for their tenancy, in the meeting, the director does not have to declare that they have an interest in that? Because their receipt of goods or services is on the same terms under which it is supplied to others.

It seems extraordinary we would not expect a director to disclose an interest there if they have a direct financial relationship with Homes Tasmania. I am asking for further clarity there.

Mrs HISCUTT - Your scenario, when you read the clause, it says, if they 'are supplied on the same terms as they are ordinarily supplied to other persons in the same situation'. If it is the same terms and they are ordinarily supplying that, the -

Ms WEBB - No disclosure?

Mrs HISCUTT - The minister may remove a director of the board if they fail to disclose a material personal interest. However, according to this section here, if it is the same terms as is ordinarily supplied to other persons, then it is the same situation.

Ms WEBB - We are not going to see if they are getting favours.

Madam CHAIR - The question is that the clause amended stand part of the bill.

The Committee divided -

AYES 11

Ms Armitage
Mr Duigan (Teller)
Mr Edmunds
Ms Forrest
Mr Gaffney
Mr Harriss
Mrs Hiscutt
Ms Howlett
Ms Lovell
Ms Palmer
Mr Willie

NOES 3

Ms Rattray (Teller)
Mr Valentine
Ms Webb

Clause 17 agreed to.

Clause 18 -

Homes Tasmania Board to notify the Minister in certain circumstances

[12.53 p.m.]

Ms RATTRAY - Madam Chair, in regard to clause 18, Homes Tasmania Board to notify the Minister in certain circumstances, and I note in:

- (a) significantly affect the ability of Homes Tasmania to comply with -
 - (i) any Ministerial directions that are in force; or
 - (ii) a statement of expectations; or

which we know is in draft form and we are going to get to that a bit later. It is all 'significant', and there is significant in each of these clauses, (a), (b), (c), (d). What is going to be significant enough for the board to notify the minister? Is it the fact they are going to be 1000 houses short of the target? Or is it the fact there is no timber and it looks like we are going to come unstuck here, minister, and we are not going to be able to meet that expectation around the build, the number of builds? We are not able to make any inroads into the housing waitlist. I am very interested in some extra detail about that 'significant' before the board needs to notify the minister. I am not saying that the minister will not have their finger on the pulse. Also, I expect that the minister has to be informed in writing.

Mrs HISCUTT - A specific 'significant' means consequential or worthy of attention and material impact. There will be ongoing discussions with the minister on a regular basis. However, if for example, there was a large disaster - something like a flood - and Homes Tasmania lost thousands of houses that they would need to repair and find all of those people homes, then of course we would expect the minister to be notified. It would be a significant thing - floods, people needing rehoming quickly, that sort of thing.

[12.56.p.m]

Ms RATTRAY - My scenario is that we are not going to meet the targets that have been put out by the government of the day for Homes Tasmania to meet. That is not a fire or a flood. You also cited the fact that there were no inroads made into the housing waitlist numbers - is that not considered significant by the Government? I would have thought that would have been a significant reason to notify the minister in writing that those expectations are not going to be met. I understand discussions but I expect that there would be something more formal than 'it looks like we are off track, minister and we are not going to meet your government's targets.' Can you talk me through why the only sort of event that you have cited is a catastrophe? That is bigger than significant.

Mrs HISCUTT - The member is on the right track. If targets were not going to be met, this would be worked on with the minister at the time. If there was going to be a significant shortfall in meeting those targets, then a formal notification may be appropriate. The notification is part of good governance.

Clause 18 agreed to.

Clause 19 -

Chief executive officer

[12.58 p.m.]

Madam CHAIR - Member for Nelson, I invite you to do all three amendments at once.

Ms WEBB - Thank you, Madam Deputy Chair. Three amendments relating to clause 19, moved in my name:

First amendment, page 38, subclause (4).

Leave out "he or she is".

Second amendment, page 38, subclause (4).

Leave out "his or her".

Insert instead "the Homes Tasmania CEO's".

Third amendment, page 38, subclause (5).

Leave out "his or her".

Insert instead "the Homes Tasmania CEO's".

It is the same rationale from last time, I do not think I need to repeat it.

Mrs HISCUTT - Madam Deputy Chair, it is the same answer from the Government as last time - it is not policy shifting, it is good work.

Mr PRESIDENT - The question is -

That the amendments be agreed to.

Clause 19 as amended agreed to.

Clause 20 -

Powers and functions of Homes Tasmania CEO

[12.59 p.m.]

Ms WEBB - I have similar amendments for clause 20:

First amendment, page 39, subclause (3).

Leave out "his or her".

Insert instead "the Homes Tasmania CEO's".

Second amendment, page 39, subclause (3).

Leave out "him or her".

Insert instead "the Homes Tasmania CEO".

Mr PRESIDENT - The question is -

That the amendments be agreed to.

Clause 20 as amended agreed to.

Clauses 21 and 22 agreed to.

Clause 23 -

Statement of expectations

Mr VALENTINE - I am interested in the seat -

Sitting suspended from 1.00 p.m. until 2.30 p.m.

QUESTIONS

Cat Management - Multiple Cat Permits

**Ms WEBB question to MINISTER for PRIMARY INDUSTRIES and WATER,
Ms PALMER**

[2.31 p.m.]

In regard to the Cat Management Act 2009 and the issuing of multiple cat permits, MCPs, can the Government advise:

- (1) what is the expected processing time for applications to be assessed from the time of application to final decision;
- (2) why are we yet to see the issuing of any MCPs;
- (3) how many provisional multiple cat permits have been issued for:
 - (a) individual applicants, and
 - (b) organisational applications;
- (4) to date, how many applicants have been required to publish a notice in accordance with section 16B(3) of the act, advising of their intention to hold an MCP;
- (5) in regard to any objections raised in response to the publication of a notice advising of the intention to hold an MCP under section 16B(5) and (6) of the act:
 - (a) who has standing to raise an objection to the issuing of an MCP; and
 - (b) on what basis, or against what criteria would such objections be assessed;

- (6) are both individual and organisational MCP applicants expected to be subject to site inspections as part of their assessment;
- (7) who is responsible for undertaking site visits required for MCPs, and how many have been completed to date;
- (8) are both individual and organisational MCP holders expected to be subject to random compliance checks; and
- (9) who will be responsible for undertaking random compliance checks of MCP holders?

ANSWER

I thank the Member for her question.

- (1) As a general rule, the following time frames would apply: four to six weeks for initial assessment and issue of public notice; two weeks for display of notice; six weeks for consultation with relevant council; two weeks for final checks; four weeks for any site visits; plus any delays in the provision of evidence that may occur on a case-by-case basis.
- (2) There are several reasons why multiple cat permits (MCPs) have yet to be issued. These include considerations such as: the process and systems have had to be developed and established; a considerable amount of time has been invested in liaison and communication with applicants and stakeholders on the process, and their abilities to meet the conditions of the permits; it takes applicants considerable time to collect and provide evidence of being able to meet the new requirements under the act, e.g., containment of cats to the property and the compulsory microchipping and desexing of all cats; and there has been a large volume of applications.
- (3) The answers are as follows:
 - (a) there have been no individual MCPs granted to date, as applications are still being assessed;
 - (b) there have been no organisational MCPs granted to date, as applications are still being assessed.
- (4) To date, 53 applicants have been required to publish a notice.
- (5) A person who owns property, or resides within 200 metres of the boundary of the individual property to which the permit relates may make an objection under section 16B(5),

The criteria for assessment of objections include:

- an objection must come from a person who owns property, or resides within 200 metres of the boundary of the individual property to which the permit relates;
 - an objection must be in writing;
 - an objection must set out the reasons for the objection;
 - an objection must be provided to the secretary of the Department of Natural Resources and Environment Tasmania within 14 days after a notice is published, or the general manager of a municipal council if the application is made to them;
 - concerns about nuisance, e.g. containment to property;
 - concerns about condition of housing for cats;
 - any concerns raised by council;
 - concerns in relation to animal welfare;
 - potential convictions under relevant legislation;
 - accuracy of information provided in an application; and
 - ability to comply with conditions of permit.
- (6) All organisation will be subject to site inspections as part of their assessment. Individuals will be subject to site visits on the basis of being identified as having a high risk of being unable to meet the conditions of the MCP.
- (7) If an application for MCP has been made to the secretary of NRE Tas, Biosecurity Tasmania is responsible for any site visits. If an application for an MCP has been made to the general manager of a municipal council the relevant council has the responsibility for the site visit. No site visits have been undertaken by Biosecurity Tasmania to date.
- (8) Yes.
- (9) If an application for an MCP has been made to the secretary of NRE Tas, Biosecurity Tasmania is responsible for any compliance checks. If an application for an MCP has been made to the general manager of a municipal council the council has the responsibility for the compliance checks.

Social Housing - Data

Ms WEBB question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Ms HISCUTT

[2.38 p.m.]

I ask, resubmitting the questions asked in parliament on Thursday 8 September 2022, which were not fully answered, as the answers provided did not disaggregate data as requested for each of the last five years. The question resubmitted is:

- (1) How many houses have been constructed for social housing in each of the local government areas (LGA) of Hobart, Glenorchy, Clarence and Kingborough in each of the last five years, reported by:
- (a) the LGA the home has been built;

- (b) the number of homes in each that have been constructed to Silver Level of the LHDG and Gold Level and above of the LHDG; and
- (c) the number of new homes in each that replace social housing properties that were demolished; and
- (d) the net gains of the number of social housing properties in each over the time period?

ANSWER

I thank the member for her question. Hopefully, we will satisfy your answer this time. The answer is very heavy in data, therefore if it is acceptable with the member, I seek leave to table the response and have it incorporated into *Hansard*.

Ms Webb - While you are there, before you do that, are you able to confirm it is disaggregated for each of the last five years, which was the issue the first time?

Mrs HISCUTT - Yes, it is. It starts with Table 1: New social housing dwellings - in each of the past five years by accessibility standards - Clarence, Glenorchy, Hobart -

Ms Webb - Thank you.

Leave granted.

See Appendix 1 on page 85 for incorporated document.

Housing - Rapid Rehousing Program Data

Ms WEBB question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Ms HISCUTT

[2.40 p.m.]

Resubmitting the questions asked in parliament on Thursday 8 September 2022, which were not fully answered, as the answers provided did not disaggregate data as requested for each of the last five years.

In regard to each of the Rapid Rehousing programs (Family Violence, Mental Health and Prisoner), and in each of the past five years:

- (1) How many households have exited the program?
- (2) Of the households that exited the program, how many were:
 - (a) single-person households;
 - (b) couple households; or
 - (c) family with children households?

- (3) Of the households that exited the program, how many exited into:
- (a) a private rental tenancy;
 - (b) public or social housing tenancy;
 - (c) crisis shelter or temporary/transition accommodation tenancy; or
 - (d) homelessness?
- (4) Of the households that exited the program:
- (a) how many were evicted from their Rapid Rehousing tenancy; and
 - (b) of those households that were evicted, please provide the reasons for eviction pursuant to section 42 of the Residential Tenancy Act 1997, and the number of evictions correlating to each reason?

ANSWER

I thank the member for her question. Unfortunately, the data provided in the previous answer is not able to be disaggregated by year because of historic data quality issues.

The issues include that the Rapid Rehousing program rents properties that are privately owned and therefore the Government is restricted on what data it can enter into our existing systems. Work is underway to address this in both the medium and long term but it will not resolve the historic issues.

We cannot add any additional context to the answer provided previously. I am sorry about that.

Protection of Biosecurity Status

Mr WILLIE question to MINISTER for PRIMARY INDUSTRIES and WATER, Ms PALMER

[2.42 p.m.]

Your Government states it is focusing on the issues concerning Tasmania, one being that you are protecting our biosecurity status from foot-and-mouth disease (FMD) and other incursions.

In your update to the lower House in August, you said that:

A series of scenario-based exercises would take place this month.

It is great that Biosecurity is undertaking these discrete exercises. However, has the state undertaken a comprehensive, whole-of-system scenario to test all the resources, partnerships and variables required to protect Tasmania?

ANSWER

I thank the member for the question. It is important to note that Australia continues to remain free of foot-and-mouth disease, which is thanks to the robust biosecurity measures that are protecting Australian and Tasmanian borders.

While the Australian Government advises that the risk of an incursion remains low, we know that the impact of FMD coming into our country, and into our state, could be absolutely catastrophic. We have worked very hard on our national border, as the first line of defence, where I have strongly advocated to Australia's Agriculture minister, Murray Watt, for the most rigorous protections possible to be maintained at that border.

As a government, we are doing everything we can to make sure we make the most of that stretch of water, and add another layer of protection around our state.

In addition to Tasmania's existing biosecurity controls, including inspectors, x-rays and detector dog teams, we have taken additional action in deploying the equivalent of 10 additional biosecurity officers at our major points of entry. The additional staff are checking all returning travellers and providing educational material to those who declare as having recently travelled to Indonesia and Bali.

This is something that we have been working very hard on, and advocating with mainland colleagues to ensure that Tasmania is as safe as possible. That has included measures that have gone to the exercises that have been held, not only here in Tasmania, but also exercises across Australia. Taking a closer look at that, foot-and-mouth disease is a category two disease under the Emergency Animal Disease Response Agreement, for response cost sharing.

There are longstanding national preparedness arrangements in place for emergency animal diseases including foot-and-mouth disease, and all states and jurisdictions, as well as the relevant industries, have signed up to the national Emergency Animal Disease Response Agreement.

Biosecurity Tasmania staff participate in a broad range of national policy discussions for foot-and-mouth disease, including Australian Veterinary Emergency Plan (AUSVETPLAN), vaccine banks and the national action plan for foot-and-mouth disease.

I should also add that that includes lumpy skin disease, which is also a threat for us across Australia.

For the benefit of members, the AUSVETPLAN is the national agreed approach for emergency animal disease incidents in Australia. It includes: manuals relating to specific diseases including foot-and-mouth; agreed policy and supporting technical information for an incursion response; operations manuals relating to such issues as livestock standstills and disposal of animals; and job descriptions for those involved in an incident.

The Department of Agriculture, Fisheries and Forestry will also be undertaking a national foot-and-mouth disease exercise later this financial year, which will be an important preparedness exercise for all states and territories.

Pharmacies - Smoking Product Licences

Ms ARMITAGE question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.46 p.m.]

- (1) Given that legal and regulated vaping products are classified as therapeutic products, why are Tasmanian pharmacists still required to pay \$1218.90 in order to obtain a smoking product licence?
- (2) Regulatory amendments in other states have been made to ensure pharmacies dispensing legal and regulated nicotine vaping products are not required to pay fees or obtain licences. Why is Tasmania the only state in Australia to charge such a fee for pharmacies that stock legal and regulated nicotine vaping products?
- (3) What is the policy objective of the regulatory framework that establishes the existence and operation of smoking product licences in Tasmania? Does the impost of such a requirement on pharmacies dispensing quitting aids make sense, in light of this objective?
- (4) Is the Government considering proposals to require entities that sell other smoking cessation tools, such as nicotine patches and gum, to obtain the \$1218.90 smoking product licence?
- (5) Will the Government commit to removing the requirement for Tasmanian pharmacies to obtain a smoking product licence and the fees associated with such a licence, to ensure that they can continue to provide high-quality care to patients and to ensure that more Tasmanians quit the deadly habit of smoking?

ANSWER

I thank the member for her question. The answers are interesting.

- (1) There are currently no nicotine vaping products approved by the Therapeutic Goods Administration (TGA) and registered in the Australian Register of Therapeutic Goods. A product may only be registered as a therapeutic good when the product sponsor has provided sufficient high-quality evidence to the TGA to confirm the product is manufactured at an acceptable standard, is safe and efficacious. To date, vaping products do not have sufficient evidence of quality, safety and efficacy to be registered as a therapeutic good by the TGA. Pharmacists do not pay \$1218.90. A licence to only sell e-cigarettes cost \$612.
- (2) Tasmania has been a leader in Australia in developing statutory controls that limit access to tobacco and other smoking products. Prior to the change to TGA systems to permit pharmacies to dispense nicotine e-cigarettes under prescription from a doctor, Tasmania had a requirement that non-nicotine e-cigarettes could only be sold via a licensed smoking product retailer. The licence did not extend to nicotine e-cigarettes because they were an illegal product except under certain prescribed circumstances. Due to the limited research regarding the safety and efficacy of

e-cigarettes as smoking cessation aids, the Tasmanian Government wants to closely monitor the uptake of these unproven products. Maintaining a requirement for pharmacies, along with other smoking product retailers, to hold a licence to sell smoking products, allows this to happen.

- (3) While smoking remains the number one cause of preventable illness and death in Tasmania, sustained action over many years has reduced the prevalence of smoking. A robust licensing system for smoking product sales is a key element to Tasmania's strategy to reduce the prevalence of smoking. The Tasmanian Government continues to assert that the use of e-cigarettes should not be encouraged, particularly in relation to young people. There is limited evidence that e-cigarettes can support quit attempts. Identified health risks of e-cigarettes include addiction, poisoning, seizures, burns and lung injury. Research shows that non-smokers who use e-cigarettes are three times as likely to go into smoking combustible tobacco cigarettes as non-smokers who do not use e-cigarettes.

As mentioned, due to the limited research regarding the safety and efficacy of e-cigarettes as smoking cessation aids, the Tasmanian Government wants to closely monitor the uptake of these unproven products. Maintaining a requirement for pharmacies, along with other smoking product retailers, to hold a licence to sell smoking products, allows this to happen.

Recent changes to the scheduling of nicotine by the Therapeutic Goods Administration (TGA) provide a pathway that may be used by people who smoke to access e-cigarettes containing nicotine via their doctor to support their quit attempts. These approaches will still limit access to e-cigarettes with nicotine but encourage people seeking to stop smoking to consult with their medical practitioner.

- (4) Nicotine patches and gum are not smoking products and therefore are not regulated through the Public Health Act 1997.
- (5) In line with changes announced by the Therapeutic Goods Administration in October last year, Tasmania has provided an avenue for people who smoke to access e-cigarettes containing nicotine on prescription from their doctor. While doctors can prescribe these products, the RACGP guidelines advise that they are not recommended as a first option for quitting smoking. Tasmania will continue to monitor the evidence base in this space. No steps are being taken to remove the requirement for smoking product licences in pharmacy settings.

Environmental-Economic Accounting - Approach

Ms Webb question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.51.p.m]

With regard to the common national approach to Environmental-Economic Accounting, can the Government please:

- (1) Confirm that the Tasmanian Government formally endorsed the common national approach to Environmental-Economic Accounting at the meeting of Environment ministers on 28 July 2017 and also reiterated this commitment at the seventh meeting of the Environment ministers on 27 April 2018.
- (2) Detail whether and if so, how, Environmental-Economic Accounting has been developed and implemented in Tasmania since those national Environment ministers' meetings, including, but not limited to any training, implementation and ongoing auditing practices developed.

ANSWER

- (1) At the meeting of the Environment ministers on 25 November 2016, Environment ministers from around Australia agreed to collaborate on a common national approach to Environmental-Economic Accounting (EEA). I can confirm that at the meeting of Environment ministers on 28 July 2017 ministers endorsed the objectives of a common national approach to EEA and the free and open sharing of environmental data. At the meeting of Environmental ministers on 27 April 2018, it was agreed to take action on a range of nationally significant matters which included, but was not limited to, commitment to the recently agreed approach to national Environmental-Economic Accounting. It should be noted that the Australian Government was also engaging natural resource management organisations and academia regarding EEA and the Tasmanian Government provided in-kind support through these organisations.
- (2) In April 2018, the Australian Government and all state and territory governments agreed on a national strategy and action plan, the strategy to implement EEA across Australia. The strategy sets out how a common national approach to the implementation of the United Nations System of Environmental-Economic Accounting will provide coherent and integrated data for decision-making by governments, business and the community. The strategy encourages public and private decision-making that results in a balance between economic, social and environmental outcomes. The Tasmanian Government has met outputs of the strategy by agreeing on a national set of priorities, establishing collaboration and governance arrangements, making the environmental data publicly available and allowing free and open sharing of data between jurisdictions, for a suite of important environmental assets.

MOTION

Government Administration Committees A and B - Appointments

[2.55 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council)(by leave) - I move -

That the member for Nelson, Ms Webb, be appointed to serve on Government Administration Committee B, and the member for Pembroke, Mr Edmunds, be appointed to serve on Government Administration Committee A.

Motion agreed to.

HOMES TASMANIA BILL 2022 (No. 35)

In Committee

Clause 23 -

Statement of expectations

[2.57 p.m.]

Mr VALENTINE - I will restate the question. Is the statement of expectations only provided to Homes Tasmania after the expiration of the 10 sitting days after it is tabled in the House?

Mrs HISCUTT - The minister signs it and provides it to the board, which means it is in effect at that point, then it must be tabled for noting by parliament.

Mr VALENTINE - With that sequence, if parliament then deals with it, decides to debate it or do whatever else it can do when it is tabled, any actions that Homes Tasmania might take prior to any parliamentary consideration might be detrimental to Homes Tasmania if indeed there is some action that the parliament decides to take.

Mrs HISCUTT - It is just for noting by parliament. It is the same as an annual report.

Mr VALENTINE - Thank you.

Clause 23 agreed to.

Clause 24 -

Ministerial directions

[2.59 p.m.]

Mr VALENTINE - When you read on page 44, under subclauses (4), (5), (6), (7) et cetera, for the purposes of transparency, how is parliament informed of the minister's directions apart from when there is an objection? This section deals with processes when there is an objection to a ministerial direction. Then that is tabled, laid before each House of Parliament in five sitting days, when there is an objection. When does the parliament learn of ministerial directions that do not have objections?

Mrs HISCUTT - There is no difference to a current minister directing a department, but the direction is not publicly available. It is just a mechanism for the minister to know what is going on and to have a say if need be.

Mr VALENTINE - I take it that parliament really is only interested in parliament being informed when Homes Tasmania has an objection to a ministerial direction that the minister delivers. If you can understand what I am trying to say, it seems a little odd, but anyway it is what it is and I do not know that we can change it.

Madam CHAIR - I am not sure there was a question there, was there?

Mrs HISCUTT - There was not.

Ms WEBB - The directions are not gazetted, for example, they are not put on the public record. Are they discoverable? Could they be RTI'd, or found in that sort of way if someone was wanting to see the directions given by the minister to the Homes Tasmania Board?

Mrs HISCUTT - They are not gazetted, but they are RTIable.

Ms WEBB - One further thing, will they be put in say, an annual report by the Homes Tasmania Board at the end of a year, so we could see that way through scrutiny what directions were given, yes after the fact, but at least a record of it.

Mr Valentine - Or Estimates - we can ask questions.

Mrs HISCUTT - The answer is included in clause 26, where it comes to the annual report.

Ms ARMITAGE - I am still finding it a little confusing - the minister makes a direction and the board disagrees with the direction under subclause (6) and it is not amended or revoked, the minister has then caused a copy of the direction to be laid on the table, but the board still has to follow the direction. A decision is not made. It is not an arbitrary. Even if they disagree, they can state they disagree but they still need to follow the direction of the minister, even though it is laid on the table of parliament. Why is it laid on the table of parliament if a decision cannot be made by parliament as to the direction?

Mrs HISCUTT - This provides a mechanism for recourse, and you should imagine there would be discussions after that between the minister and the board just to see what the issues are.

Ms ARMITAGE - I am concerned with the comment that there 'should be.' I am wondering what the situation actually is.

Mrs Hiscutt - Well, that is the situation. It provides a mechanism for recourse.

Ms ARMITAGE - There can be, and the parliament can overturn the direction of the minister, or not?

Mrs Hiscutt - No. It is between -

Ms ARMITAGE - I understand that, but it is being laid before each House of Parliament within five sitting days after the receipt of the objection, but nothing can happen. I am wondering whether the parliament, you are talking about recourse was the purpose, but there is no recourse, because the board obviously has to follow the direction of the minister. All we know is that they have done it, but still have to follow it.

Mr Valentine - Transparency.

Ms ARMITAGE - I know it is transparency, but I found it confusing.

Ms Rattray - Interesting.

Ms ARMITAGE - Interesting, yes.

Mrs HISCUTT - Yes, the member for Hobart is right, it is just a good governance mechanism that allows recourse as necessary.

Clause 24 agreed to.

Clause 25 -
Corporate Plan

[3.05 p.m.]

Ms WEBB - A question on this clause related to 25(2)(d). This is a list of things that are in the draft corporate plan, and it reads:

- (d) the targets to be met by Homes Tasmania in achieving its objectives, policies, programs and financial plans and the criteria for assessing the achievement of those targets.

It is really pleasing to see that there. I wanted a little bit more understanding about what is expected in terms of the sorts of targets, the sorts of matters that will be subject to targets. Obviously, there will be some financial ones that would be good to know about, but also any that are non-financial. Also, the way I read it, criteria for assessing achievements sounds like some outcomes measurements. Can you provide me with some information about whether there will be outcomes measurements involved in that?

Who will be consulted? How will targets be set? Who will be involved in setting the particular targets that are included in these plans?

Mrs HISCUTT - That would be set out in the ministerial statement of expectations, and it is certainly good practice to include KPIs in corporate plans. For example, the housing strategy will guide the policy that sets targets. The strategy is being currently developed in consultation with the sector and community.

[3.09 p.m.]

Mr VALENTINE - A question on subclause (1) which talks about a draft corporate plan in respect of a period of at least three years and yet the housing plan is looking at 10. Why it is so small, that three-year corporate plan? I appreciate there is a difference between the corporate plan and the housing plan, correct me if I am wrong. Why would it not be five, maybe? You would have your ducks lined up.

Mrs HISCUTT - The housing strategy is 20 years. The corporate plan will provide the actions for Homes Tasmania and it is a rolling plan. It is done every three years and looked at until it gets to the end of the 20 years, and hopefully the objective will be there. It will be reviewed every three years and updated. However, the housing strategy is the 20-year term.

[3.10 p.m.]

Ms RATTRAY - Madam Chair, I am following on from the question from the member for Nelson, about the targets to be met by Homes Tasmania in achieving objectives, policies, programs and financial plans. The response that the Leader provided was about meeting the ministerial expectations. In the draft on page 7, it says 'develop and enhance transparent reporting against KPIs to maintain trust and confidence of the Tasmanian public'.

Who is developing the KPIs here? It is in the minister's expectations, but it only refers to reporting against them. I cannot see where it talks about who develops the KPIs that are going to be the targets that are going to be met by Homes Tasmania. Some further explanation around that would be very much appreciated, Leader.

Mrs HISCUTT - The government of the day is responsible for setting policy, including KPIs. Targets are based on the policy. The Government will be doing that and the bill sets out the structure, not the policy.

[3.12 p.m.]

Ms RATTRAY - What is the time frame around that? Will that be immediate?

Mrs HISCUTT - Are you asking when will the KPIs be done?

Ms RATTRAY - Yes, when will they be available? I would have thought that they would be part of the statement of ministerial expectations. I am quickly looking at the pages, and please direct me to them if they are here and I have overlooked them. I am interested in what is the process, and what is the time line around that process, and are they going to be included in the statement of ministerial expectations? We only have the draft at this point.

Mrs HISCUTT - The Government already has policies and targets, that is including the 10 000 homes by 2032, for example. KPIs will be agreed with the board, once it is in place and required in the statement of expectations. So, that will be updated. This is a draft sample that you have in front of you.

Ms RATTRAY - When the statement of ministerial expectations is completed, will that be in there or will it not initially be included in there? If you have to wait for the board to get established and then they have to have their meeting and they might only meet once a month, if that, because they only have to meet six times a year - are we initially going to have this statement of ministerial expectations without the KPIs or are they going to be included right from the outset? If not, why not?

Mrs HISCUTT - At the moment we cannot give you a date or time for when the KPIs will be there, because they still have to be discussed and we have to get the bill through first. However, all of that will be discussed. There is going to be an establishment phase for this organisation. We want to get it up and running as soon as possible, and then the KPIs will be set amongst all of that. You were talking about where the KPIs will physically sit. Will they be in the ministerial statement?

Ms Ratray - You said they will be, once they are developed.

Mrs HISCUTT - I will clarify that. The statement of expectations and corporate plan. That is where they will be.

Ms Ratray - Not the ministerial statement, is that right?

Mrs HISCUTT - For clarity, the KPIs will be in the ministerial statement of expectations and the corporate plan.

Ms Ratray - But not initially.

Mrs HISCUTT - They have to be sorted first.

Clause 25 agreed to.

Clause 26 -

Annual reports

Mrs HISCUTT - I have a Government amendment to move to this clause. Page 47, subclause (2), paragraph (c), subparagraph (iii).

Leave out the subparagraph.

Insert instead the following:

- (iii) each project, for the development of land or buildings, or both, in relation to which Homes Tasmania had, during the financial year, entered into a contract, or other arrangement, under which Homes Tasmania is to expend an amount that is more than the prescribed amount or \$8 000 000, whichever is the higher amount;

Madam CHAIR - Before the Leader continues, you said 'had' rather than 'has' in the fifth line down.

Mrs HISCUTT - Has? What did I say?

Madam CHAIR - Had.

Mrs HISCUTT - Had. Do you want me to read it again?

- (iii) each project, for the development of land or buildings, or both, in relation to which Homes Tasmania has, during the financial year, entered into a contract, or other arrangement, under which Homes Tasmania is to expend an amount that is more than the prescribed amount or \$8 000 000, whichever is the higher amount;

Speaking to that amendment, this amendment has been proposed to address concerns about the oversight of major projects. Clause 26 requires Homes Tasmania to prepare an annual report at the end of each financial year. The annual report is one of several accountability measures in the bill. The annual report will detail the authority's performance in relation to its corporate plan. The annual report must be tabled in parliament and made available on the Homes Tasmania website.

As currently drafted, this clause requires that the annual report must include: financial statements prepared pursuant to clause 32 of the bill; the Auditor-General's report in respect of the clause 32 financial statements; details of each ministerial direction given to the authority, and the action taken in response; details of the ministerial statement of expectations in force

during the relevant period and action taken by the board in relation to the statement; a summary of the corporate plan in force during the relevant period; a report on the target to be met by the authority in achieving its objectives, policies, programs, and financial plans; each partnership, trust, or joint venture entered into under clause of this bill; and any other information the minister has requested.

Madam Chair, the amendment seeks to add an additional requirement to this clause to further enhance the accountability measures. The amendment will require Homes Tasmania to include in its annual report details of high-value projects. As currently defined, these are projects worth \$8 million or more, as may be prescribed in regulations.

I ask for members' support for this.

Amendment agreed to.

[3.19 p.m.]

Mr WILLIE - Madam Chair, this is a question concerning Estimates scrutiny. We have had assurances from the minister that Homes Tasmania can appear at Estimates committees as normal.

My question here is, when we are scrutinising Homes Tasmania in the Estimates period, is it just about the appropriation that might come from the Public Account to Homes Tasmania, or is it all functions of Homes Tasmania, including the annual report and other measures of scrutiny? That is my first question on this.

Mrs HISCUTT - And other sources of income.

Mr WILLIE - Yes, other sources of income, the whole lot. Not just the appropriation from the Public Account.

Mrs HISCUTT - It is exactly the same as all other statutory authorities, which can have their operation scrutinised in budget Estimates and you can ask any question you like.

Mr WILLIE - My next question is under the financial management framework, what is Homes Tasmania going to be classed as? Will it be a public non-financial corporation or will it be a government sector agency, a bit like TasTAFE was when it was a statutory authority? If I could have some clarity about how it will be classed under the financial management framework.

Mrs HISCUTT - The authority will be an entity in the public non-financial corporation, the PNFC sector. The main functions of the PNFC is to provide goods and services that are predominantly market, non-regulatory and non-financial in nature and are primarily funded through revenue from sales to consumers of these goods and services. In the case of Homes Tasmania, this will be rent collected from tenants. The PNFC sector comprises entities that are government-owned and includes the majority of Tasmanian government business enterprises and state-owned companies, though Homes Tasmania will be neither a GBE nor a state-owned company.

The PNFC sector is a diverse portfolio of entities ranging in size and operating on a variety of commercial markets, including the energy sector, port operations, transport and

forestry. Other examples of PNFCs include, Metro Tasmania Pty Ltd, Tasmanian Networks Pty Ltd and the Port Arthur Historic Site Management Authority. As a PNFC, Homes Tasmania will retain all earnings within its structure to reinvest back into its activities, i.e. it will not pay any dividend to government. Therefore, the structure ensures all funds are used for the purposes of the act and are not transferred for other purposes. Additionally, Homes Tasmania will continue to receive all existing funding, which is currently disclosed in the budget papers under output group 3, housing services. These funds will transfer from the Department of Communities Tasmania to the new authority with future budget allocations made as grants to the authority.

In short, the new authority will receive all housing-related funding previously allocated to the Department of Communities Tasmania.

[3.24.p.m]

Mr WILLIE - This is the crux of my question. If we look at public non-financial corporate sector organisations, we have organisations like Aurora, Hydro Tasmania, Macquarie Point Development Corporation - which does appear at the forward Estimates, I will give you that - Metro Tasmania, Port Arthur Historic Site Management Authority. You have mentioned these, Leader. Private Forests Tasmania, Public Trustee, Sustainable Timber Tasmania, Tasmania Irrigation, Tasmanian Networks, Tasmanian Ports Corporation, TasRail, Tasracing, TT-Line Company. All we have here -

Mrs HISCUTT - Some of these are GBEs.

Ms RATTRAY Perhaps - yes, but they are still PNFCs.

Ms Webb - GBEs fit under that classification.

Mr WILLIE - Yes, some are GBEs, but they all fit under this category. All we have is an assurance from the minister that they will be able to appear before Estimates as usual. What is stopping a minister, in say two years time, from saying, 'They are actually classed this way and all of these other entities appear at GBE Estimates and your committee can have them once every two years.' Just like the rest of them. There is no assurance apart from the minister's word. He may not be the minister in future, there may be a new minister. He or she may decide to change the arrangement. My question is, what assurances do we have around scrutiny in Estimates?

Mrs HISCUTT - Statutory authorities are under the budget Estimates process. I do not really understand what you are saying, because that would mean any of the others would not have to appear. This is budget Estimates scrutible - you can, and it will, and who is going to change it?

Mr Willie - The point I am making is all we have is an assurance from the minister that they could say it is classed like these other ones and that is how we are going to deal with it in the future.

Mrs HISCUTT - I am not going to get into debates.

Mr Willie - Well that means less scrutiny from the upper House because they will only appear before a committee once every two years.

Mrs HISCUTT - It is the same as all the other GBEs that are out there.

Mr Willie - Yes, which is less scrutiny.

Mrs HISCUTT - Sorry, yes, not GBEs - so it is under the Tasmanian financial management framework, which sets out how it works.

Mr Willie - Which is the point I am making, because I talked about some of the others and how they are dealt with with scrutiny.

Mrs HISCUTT - The Tasmanian financial management framework sets out that statutory authorities are subject to scrutiny under the budget Estimates process. That is how the financial structure of government works and Estimates is the scrutiny process and that is the way it will work.

[3.27 p.m.]

Ms RATTRAY - Madam Chair, all of us, perhaps aside the newest member here, are very clear about how the Estimates process works and that is the concern here. That because of the Estimates process there is very little time, certainly not to forensically examine an annual report, given we have to take into consideration every other area of funding and line items that the Government allows scrutiny for through that process. Having it as a GBE, or in the GBE process - I know it is not a GBE, but when you name up PAHSMA and the likes of some of those other organisations that do fit in under our scrutiny we already have for the GBEs and state-owned companies (SOCs), now would be a much better arrangement. However, unfortunately it is only every two years we get an opportunity to provide that scrutiny. We are between a rock and a hard place here because it is such an important area. How do we provide that scrutiny?

Ms Webb - Scrutinise the appropriation in budget Estimates and do GBEs to scrutinise the annual report.

Ms RATTRAY - It probably needs to be both, otherwise we are not going to have the appropriate time. Time is so scarce. That nine hours flies because the ministers do not just have the one portfolio area, as we well know. If you can get two hours for housing that is probably a fairly large time package to be able to provide the scrutiny. It is not adequate for this level of commitment for scrutiny and certainly when it comes to an annual report to be able to have those people in front of the Legislative Council committee arrangements. I know there is no question there, Madam Chair; it is really expressing some concern. I ask the Leader if there would be some consideration about how the proper scrutiny of this new proposed entity is going to be effective and appropriate?

Mrs HISCUTT - It is the same as the scrutiny that is applied to the Department of Communities Tasmania now, and this does not change that. It is the same time available as is currently. It is not a GBE, it is every year at budget Estimates. It is the same as a department. I am informed that it will be every year, like a normal budget Estimates with departments. Not to mention that when the annual report comes out, we can put it on our Notice Paper and discuss it. Members can ask questions anytime they like during question time. However, it is every year, not every second year.

[3.31 p.m.]

Ms RATTRAY - Thank you, Leader you are providing the answers to the questions being asked that have been provided to you. However, the questions under Communities Tasmania were when the minister was directly responsible, and it was not outsourced to Homes Tasmania, where there is a CEO and an executive team and then on top of that you have a board structure. How do we ask? We do not get the chairman of the board to come in. Is that how it is going to work, the chairman of the board, the CEO, the minister - they all come and they are here for half an hour, if we are lucky, to scrutinise that and every other aspect of providing homes and facilities for people? It will not be enough. I hope you agree.

Mrs HISCUTT - The minister remains directly responsible for Homes Tasmania. Typically, the CEO and chairman of the board are present at Estimates and the minister can call whoever he or she needs to support them in responding to budget Estimates scrutiny, as is currently done.

[3.33 p.m.]

Ms WEBB - Madam Deputy Chair, will the minister commit to both? Of course, budget Estimates is about the appropriation in the budget. There will be an appropriation for Homes Tasmania under this act, which we should rightly be able to scrutinise the budget when the minister is there. However, as we know, the whole point of this bill is to establish an entity which can apparently do much more, and differently, than the department has been able to do to date. That is the whole point of this bill, we have been told.

Therefore, all of that activity, particularly the activity that generates its own revenue for this entity and the activities it undertakes as consultancies and all sorts of things, are not currently being done by the department; that is more like the entities that we scrutinise through GBE Estimates at the end of the year. We do it at the end of the year because it is not long after their annual reports are tabled and we are able, in a timely and in-depth way, to scrutinise all activities of those entities. This entity fits in both those processes and there is absolutely no reason the minister should not - right here, to give us confidence - confirm that both will be available as scrutiny mechanisms for Homes Tasmania, should it pass.

Will you have the minister consider that and make the commitment for us?

Mrs HISCUTT - Madam Deputy Chair, doing both is not a decision for the minister. He cannot commit to that. Under the Tasmanian financial management framework, which governs this, it would not be appropriate for this body to appear at GBE hearings.

[3.35 p.m.]

Ms FORREST - I will make a few comments on this. I suggest some of the advice the Leader may have received was perhaps a little confusing and, perhaps, not entirely accurate. I want to clarify some points.

A statutory authority, which Homes Tasmania will be - if it is established - will have its budget allocation in Budget Paper No. 2, Volume 2, along with all the other statutory authorities. That means there will be opportunities, under the appropriate portfolio minister, which at the moment is Mr Barnett, for the relevant committee - currently Committee B - to scrutinise Homes Tasmania and their budget allocation.

This is the first question the member for Elwick asked, and he is quite right, in my view.

Mr Willie - A bit like TAFE used to be.

Ms FORREST - Yes. There will be other revenues, and you can try asking questions at that point. You may get answers, but if it is asked the minister will probably rightly say, that is a matter for Homes Tasmania.

I expect, as with some other statutory authorities that turn up to budget Estimates, that the CEO and the chair would be in the room, to answer questions like that. If they are not, they ought to be.

So, there will be a level of scrutiny at budget Estimates, but the time constraints would make that short, and not necessarily entirely effective, as Estimates are our process for assessing the budget, the appropriation the Government made to a particular entity, agency, whatever.

To say that it sits in a public non-financial corporation, I suggest, is a misrepresentation, because that is the government business and state-owned companies that are non-financial. The financial ones are TASCORP and MAIB. There are only the two of them. Anyway, they are definitely the financial ones. The others are public, non-financial corporations who turn up at GBE scrutiny, whether they are a state-owned company or they are a GBE.

I do not think it actually fits in the GBE scrutiny, because it is a statutory authority which has a budget allocation, and other capacities for making money. So, we then rely on our other committee structures, which are really important, and should not be overlooked.

We have, in this case, Government Administration Committee B. They can call them in every couple of months if they wanted to, to give account of how they are spending, what money they have made from consulting, or whatever they want to ask.

We also have the Public Accounts Committee. They can pull them in, and it does not have to be a full-on inquiry. They can pull them in, ask them the questions, send them on their way. You can do that on the record. We can have a public hearing, in the Public Accounts Committee, that is not part of an inquiry, as such, because we have the capacity to do that. We can publish that, and then that scrutiny is public for all to see.

So, there are those mechanisms. The Public Works Committee may be involved if there is a big investment to be made in the building of new houses.

Mr Valentine - I do not think we get those under the current structure, so why would we get them under this?

Ms FORREST - I am saying there is a mechanism there. There may be. I am not sure about that. I am not as familiar with the Public Works Committee as you are, but certainly, the other committees are. Public Accounts, and Government Administration Committee B.

Mr Valentine - I appreciate that.

Ms FORREST - We could establish a select committee to look at it. .

I do not consider we should get too hung up on whether Homes Tasmania appears at budget Estimates - which they will, because they will have a budget allocation in Budget Paper No. 2, Volume 2.

Whether they appear at GBEs - the GBEs are for the government businesses and state-owned companies, as defined under the GBE act, or operating under the Corporations Act, which is the state-owned companies.

I am not sure I would be quite so concerned about this. I know the member for Elwick's first question was a very relevant question, and I am not sure he got an adequate answer to that. So, I want the Leader to address the question, when Homes Tasmania, as a statutory authority, fronts up to budget Estimates with the minister there, will the minister be willing to answer questions - either himself, or with his CEO or chair answering questions through the minister - related to the money that they have spent, used, acquired, that is not their budget appropriation. That is the question that should be answered in regard to budget Estimates. There are other avenues for scrutiny that are well understood in this parliament.

Mrs HISCUTT - The scrutiny process in Estimates is the same process as currently. Housing Tasmania receives revenue from sources other than the budget, but questions are still asked in relation to their total expenditure. Government has always been willing to answer questions in relation to these matters and there is no intention to change that. The Department of Treasury and Finance has advised that this a public non-financial corporation that is responsible for the Tasmanian financial management framework. This incorporates GBEs and statutory authorities. The important element of this is that it is a statutory authority. Chair, I thank you for your experience and comments.

Clause 26 as amended agreed to.

Clause 27 agreed to.

Clause 28 agreed to.

Clause 29 -

Borrowing from Treasurer

[3.41 p.m.]

Ms WEBB - I wanted quick confirmation this clause is identical, essentially, to the one from the current Homes Act. It is just that there is no change to that clause. Could you confirm that for me?

Mrs HISCUTT - Yes. The clause is delivered and adapted from section 8 of the Homes Act and will allow Homes Tasmania to continue to borrow money from the Treasurer, like the Director of Housing could.

Clause 29 agreed to.

Clause 30 -

Borrowing from a person other than the Treasurer

[3.42 p.m.]

Mr VALENTINE - On page 53, (5) and (6) deal with a guarantee subject to conditions, if any, determined by the Treasurer, and payment or repayment that is required under a guarantee is payable from money provided by parliament for the purpose. When considering such a circumstance, is it expected that that payment will come from the funding vote for Homes Tasmania's line item in some way? Or is that extra over and above what Homes Tasmania's vote is?

Ms HISCUTT - It is extra because it says here it is provided by the parliament for the purpose.

Mr VALENTINE - I appreciate it is provided by parliament, but if it is made, it may well then move on to be adjusted in the Homes Tasmania vote, in the following year. I am interested to know what is expected there. Is it expected that Homes Tasmania will eventually have to foot that payment?

Mrs HISCUTT - It is just an appropriation.

Mr VALENTINE - Okay, thank you. It is not going to have an impact on them in other words.

[3.44 p.m.]

Ms RATTRAY - Some of us who have been around here a while had many years where we sat through the budget Estimates process and we were told each year how much interest we were paying on money that had been provided by the federal government, 30, 40 years ago. That build had happened, not only in our state, but in other states, and some states were able to have their debt extinguished, and eventually, in time, Tasmania also had its debt extinguished. Under the leadership of Jacquie Petrusma as the minister for Housing, she was able to finally get that debt extinguished.

I am interested in whether the Government sees that we might be heading down that path again, where there is a significant amount of money borrowed from the federal government and then there is that noose around the neck of Homes Tasmania as there has been in the past. It seemed like a really good idea at the time. We know while ever that debt had to be continually paid, that came out of the allocation that was provided by government every year. That went off the top of their money straightaway and it meant that there was very little maintenance done for a long time. Houses got really tired. In the end a lot of houses were sold off because it was the only way that they could ever be brought up to a standard that was becoming acceptable around the state.

What are the Government's thoughts on that? It has happened in the past. Given that there is a considerable housing shortage right across the nation, whether the government of the day might well be generous and say, 'Well, here is a bucket load of money, take the money' but the repayment interest on that becomes a noose around the neck of Homes Tasmania - should this bill pass - as it did in the past for Housing Tasmania.

Mrs HISCUTT - I cannot really enter comment into your future musing as to what may or may not happen, except to say that Homes Tasmania will have responsibility to ensure sound financial management. Decisions on borrowing need to be balanced against capacity to repay and their overall responsibility to deliver housing and housing services. Further to that, with

the funding already committed in the budget papers and across the forward Estimates period, together with the retention of income derived from public housing rentals, Homes Tasmania has a solid income stream to finance its ongoing operations.

However, it is conceivable that instances will arise where access to additional funding sources would be beneficial, particularly with regard to facilitating the delivery of innovative new supply initiatives. The clause enables Homes Tasmania to access funding sources, such as the National Housing Finance and Investment Corporation (NHFIC) to support future capital developments where access to such funding would be desirable, efficient and effective.

As with all decisions of the board and Homes Tasmania more generally, any decision to borrow would need to be taken with due consideration for the purposes and principles as set out in the bill, under clauses 3 and 10. Finally, where Homes Tasmania seeks to borrow funds from an entity other than the Tasmanian Public Finance Corporation, approval must be secured from the Treasurer before this can occur.

[3.48.p.m]

Ms WEBB – I am looking for clarification in terms of the similar clause in the existing act and then the one that we see here. My read is that they are basically the same. Can you clarify if there are any extensions or alterations to the powers for borrowing from persons other than the Treasurer here than we have seen in the current act?

Mrs HISCUTT - With regard to what is the same, clause 30 that we are dealing with now, is derived and adapted from section 8A of the Homes Act. It allows Homes Tasmania to borrow from persons other than the Treasurer, as the Director of Housing could.

What is new with this, is that unlike section 8A of the Homes Act, this clause allows borrowing from the Tasmanian Public Finance Corporation without the Treasurer's approval. There may be cases where it is advantageous for funds to be borrowed from other persons. For example, to develop serviced lots, funds may be borrowed from the National Housing Finance Investment Corporation that offer better value for money, especially where these funds are linked to grant payments.

Clause 30 agreed to.

Clause 31 -

Financial arrangements

[3.49.p.m]

Ms WEBB - This is a similar question, I am wanting clarification on this one. When we compare to the situation for the clause that covers this matter in the current act, the financial arrangements, what, if anything, is different here or has it been transferred across?

Mrs HISCUTT - The clause is derived from section 8B of the Homes Act and does not expand the financial arrangements that the authority could enter into compared to the Director of Housing.

Clauses 32, 33, 34 and 35 agreed to.

Clause 36 -

Transfer of Crown land

[3.50 p.m.]

Ms WEBB - Clause 36 is transfer of Crown land. First question, it is a replication of the question I asked earlier in terms of the current act and the section in the current act that covers transfer of Crown land compared to this. What if any differences, alterations, or additions that have been made in the scope of what is covered?

In terms of subclause (1) of 36:

- (1) The Minister, by notice, published in the *Gazette*, may transfer Crown land, that is specified in the notice, to Homes Tasmania, if -

Once the minister transfers that Crown land to Homes Tasmania, is it then entirely the decision of Homes Tasmania, i.e. the board, as to whether or not - or the purpose of that land and what it is used for, or indeed if it is then disposed of. Does this allow for that control from the Homes Tasmania Board once it is transferred, without reference back to the minister or any other checking?

Mrs HISCUTT - There is no comparable provision in the Homes Act - you asked what was new. Section 36 is a new provision included to provide clarity that Homes Tasmania may have Crown land transferred to it and in such instances will not be liable for charges, taxes, or duties usually payable. Once transferred it must be used for the purposes of the act.

Ms WEBB - Sorry, I must have missed that last part of that answer.

Madam CHAIR - Did you have a question that was not answered?

Ms WEBB - I wondered whether I did. I was not sure if my second question was fully answered in relation to what Homes Tasmania Board is then able to do with the Crown -

Mrs HISCUTT - Used for the purposes of the act.

Madam CHAIR - Do you need the Leader to repeat the answer, is that what you are saying?

Ms WEBB - Yes, I was looking to check I had it answered. I had not quite caught it.

Mrs HISCUTT - For clarity, it is Homes Tasmania, not the minister and it must be used for the purposes of the act.

[3.53 p.m.]

Ms RATTRAY - Can the Leader walk me through the process? Is there a request made to the Treasurer who says, 'I think it is a good idea, we might transfer that piece of land, it does not look like anything else is going to happen with it at the moment.'? There has to be some sort of process other than a request, I expect. Could you walk me through what that process is to identify parcels of Crown land that are then just provided to Homes Tasmania?

Mrs HISCUTT - Obviously, you have read clause 36, it talks about the transfer of Crown land. The transfer of Crown land is the same process as what would be all Crown land transfers between government agencies. There is nothing different here. For example, if an agency decided, or identified surplus land, they might want to offer it to Homes Tasmania, as happens currently with other agencies for different various uses. Then the land is transferred by agreement between organisations and with approval of the minister for Crown land, and the Treasurer and is set out in this clause. It is the same as all transfers of land.

[3.56 p.m.]

Ms RATTRAY - Obviously my understanding is that at this point in time, Crown land is rateable for local government. Is that still the case? I am pretty sure it is. I want to clarify that, because it actually says here that Homes Tasmania may be exempt from any liability to pay any state charges, taxes and duties. I understand the state part, but would Homes Tasmania then be liable for Crown land rates that would be made to local government?

Secondly, is there any limit on the size of each parcel that can be transferred? Is there possibly a limit on how much land each year can be transferred?

Mrs HISCUTT - Clause 36 talks about things like stamp duty, not rates. Rates are between the council and their own -

Ms Rattray - Yes, but my question is, once the Crown land is transferred to them, is Homes Tasmania going to be liable for local government rating?

Mrs HISCUTT - Yes, it will. The answer to your other two questions about -

Ms Rattray - It is about, is there a limit on any size of parcels of land?

Mrs HISCUTT - No.

Ms Rattray - Is there any total area per year?

Mrs HISCUTT - No. That is identifiable, that is useful for building homes on.

[3.58 p.m.]

Ms WEBB - In terms of this power to transfer Crown land, presumably then it has to be, if it is going to have housing built on it, probably rezoned in many circumstances. At the moment we have this fast-track arrangement that can be brought into play for rezoning Crown land that comes here through the parliament, rather than going to local government.

Mr Valentine - Housing audit.

Ms WEBB - That is right. We know that was initially - when we passed that here - intended to be used for small parcels of land. That was what was stated and implied and understood and yet we saw it used for a very massive parcel of land. For example, in Huntingfield.

I have a few questions that relate to that. One: where did the rezoning process sit, then, in these, under this? With the transfer of Crown land is it rezoned before it is given to Housing Tasmania, transferred? Does Homes Tasmania have to be the entity that is responsible for

rezoning and if so, would it be available to Homes Tasmania to access the fast-track rezoning through parliament, or would Homes Tasmania have to go through the normal rezoning process with local councils?

Also, the question of quantum, because for the present time it would be interesting if there was an unlimited amount of Crown land that could potentially be transferred by the minister to this entity that only needs to be gazetted. That seems like a vulnerable unlimited option to potentially transfer Crown land. Perhaps, there are some comments around that to give us confidence.

Sitting suspended from 4.00 p.m. until 4.30 p.m.

HOMES TASMANIA BILL 2022 (No.35)

In Committee

Resumed from above.

Clause 36 -

Transfer of Crown land

Mrs HISCUTT - I was under the impression it was the member for Nelson who asked the question -

Madam CHAIR - It was, because the member for Hobart has not had a call on this clause.

Mrs HISCUTT - The clause provides for government to transfer and develop government land. Ultimately, it is to ensure that government can build and supply more homes. This is what we are talking about with transfer of Crown land in clause 36. If it required rezoning the process the member is talking about is the land supply order, that provides for rezoning and only allows government land to be rezoned. Under this process Homes Tasmania would be responsible for rezoning. The Housing Land Supply Act is time-limited to five years from 2018.

Ms Webb - However, they use that process until then.

Clause 36 agreed to.

Clause 37 -

Transfer of property and liabilities

[4.33 p.m.]

Ms WEBB - Another confirmation on transfer of property and liabilities and I want to understand what differences, alterations, or expansions are here compared to the current act that deals with property and liabilities.

Mrs HISCUTT - This clause outlines the process by which the minister may transfer to Homes Tasmania any property and rights of the Crown, other than Crown land, as specified

when the vesting takes effect. We are seeing if there are any differences from what was there before. There is no difference.

Clause 37 agreed to.

Clause 38 -

Power of Homes Tasmania to acquire land

Mr VALENTINE - We have touched on this a couple of times but it has always been referred back to this clause, when we get to it. Homes Tasmania may acquire, and my question is, is it compulsory acquisition or is it acquisition through any normal land sale process that is competitive with members of the public or other parties? Is it compulsory, or not, or both?

Mrs HISCUTT - Housing is key infrastructure and this clause recognises this and the need for Homes Tasmania to have the power for compulsory acquisition reflects this power. Compulsory acquisition is needed so that the landowner cannot prevent the key project from proceeding because they either refuse to sell land or are seeking an exorbitant amount of money for the land. Everyone knows that if the government is purchasing some land, people do that. Examples include retaking the land needed to give access to a proposed subdivision or a right of way or a drainage easement.

[4.35 p.m.]

Mr VALENTINE - Madam Chair, to complete that line of questioning, you say that people can put an exorbitant price, but if it was at auction, you are just bidding and the highest bidder wins. They cannot bid above the asking price; or the vendor cannot; although, I am having a little bit of work done on that, I might say. So, it concerns me that it is compulsory acquisition of any land - any land that is considered to be useful for putting homes on.

My follow-up question is, what process happens then, if Homes Tasmania then wishes to develop it? Does it go through the normal council planning process or does it go direct to the commission to deal with?

Mrs HISCUTT - The acquisition can be in the market or under the Land Acquisition Act. In answer to your question, and we had the same issue yesterday, all subdivisions and projects like this need to have a DA from the council. If it is not appropriate for the council, it will be appropriate for the Planning Commission. It is a power that is to be used where necessary for the purposes of the act. This is consistent with other government infrastructure acts. It is consistent with other acts.

Mr VALENTINE - I will take my third call. You say if it is appropriate, it would go through the normal planning process or, if it is through that fast-track process and the government is selling or rezoning Crown land, it will not. The comfort I need is that land that is not Crown land, that has been acquired through this clause, will definitely go through the normal planning process - the normal council planning process. It will not be a major project, in other words, and bypass council. That is what I am looking for.

Mrs HISCUTT - The clause is derived from section 11 of the Homes Act and does not confer any new powers on the authority that were not enjoyed by the Director of Housing. This is consistent with what was there before. The development still goes through the council

process; only rezoning goes through land supply. The building of the houses has to have a DA from the council.

[4.38 p.m.]

Mr WILLIE - Madam Chair, my question here relates to Homes Tasmania acquiring land from a government department. Will the same arrangements be in place where they have to compensate that department? From memory, it is the Valuer-General's determination within 10 per cent with that existing arrangement being in place. I can think of a school where Housing Tasmania currently has a property adjacent to the school, and the school community cannot understand why, if it is government-owned, it cannot be given to the department for a new kindergarten. It is understandable that departments want to account for their own asset and be compensated for it.

Mrs HISCUTT - This is the previous clause 36 that you are referring to. The transfer of Crown land applies. The government does not compensate. Government departments do not compensate each other, but it is set out clearly enough in clause 36 - Transfer of Crown land.

Clause 38 agreed to.

Clause 39 -

Purchase of easements, &c.

[4.40 p.m.]

Ms RATTRAY - I found this clause really interesting, 'Purchase of easements'. It says:

Homes Tasmania may, for the purposes of this Act -

- (a) purchase any easement; and
- (b) obtain any covenant or licence touching and concerning other land -

which is usual and proper for the enjoyment of any land vested in Homes Tasmania.

I have never seen 'enjoyment' in a piece of legislation before.

Is this a direct take from the original bill? Enjoyment? I would have thought it would be perhaps for convenience, but enjoyment? I found it very interesting, and I would appreciate an explanation.

Mrs HISCUTT - It is a legal term that is used commonly, 'for the enjoyment thereof'. As these powers are necessary to develop homes, the powers have been deliberately brought across as required to enable the development of homes. It has been drafted by OPC. The clause is derived from section 11A of the Homes Act, and does not confer any new powers on the authority that were not enjoyed by the Director of Housing.

[4.41 p.m.]

Mr VALENTINE - I am fascinated by the term Homes Tasmania may obtain covenant touching. What does that mean? Covenant touching and concerning any land.

Mrs HISCUTT - Obtaining a covenant or licence touching. To read it as it is, it says 'obtain any covenant or licence touching and concerning other land'. So, it is not licence touching. It is: 'licence touching and concerning other land'.

Ms Rattray - It needs a comma.

Mrs HISCUTT - It is drafted by OPC.

Clause 39 agreed to.

Clause 40 -

Subdivision, &c., of land

Ms WEBB - The same question on this one to confirm that it is brought across from the current Homes Act, and if there are any changes to the scope or powers in it.

Mrs HISCUTT - Clause 40 is derived from section 12 of the Homes Act and does not confer any new powers on the authority that were not enjoyed by the Director of Housing.

Clause 40 agreed to.

Clause 41 -

Grants of easements, &c.

Ms WEBB - The same question as before. Just a description of the comparison to the current act.

Mrs HISCUTT - Clause 41 is derived from 12A of the Homes Act, and does not confer any new powers on the authority that were not enjoyed by the Director of Housing.

Clause 41 agreed to.

Clause 42 -

Sale of premises before cost of subdivision is determined

Ms WEBB - This one is interesting because it is not the same. A couple of questions on it. In clause 42(1), the change that is made across the two acts is in some wording around, and I will read it in:

- (1) If premises are erected by Homes Tasmania on a lot in a subdivision, the premises, together with the lot on which they are erected, may be sold, even if the cost of subdivision has not been finally determined.

In the current act it says, 'may be sold to an eligible person'. The difference then is quite distinct, that it is not about selling the lot in the subdivision, or the premises potentially on the lot. This now allows it to be sold to anyone, not just eligible persons deemed under the act.

Similarly, the other part I am interested in is subclause (3) in 42, because that is entirely new compared to the current act.

- (3) For the purposes of this section, the purchase-price of premises, other than residential premises, together with the lot on which they are erected, is to be the sum that Homes Tasmania determines, being a sum that is at least sufficient to ensure that the sale does not result in a capital loss.

This is where Homes Tasmania can sell either a lot, or a premises on a lot, as I read it, that is not a residential premise, but in some other form of premises.

The only constraint is they are not allowed to make a loss. There is not a compulsion to make a profit, and I am wondering the intersection of these two things, that Homes Tasmania can now sell lots in subdivisions, or premises on lots, to anyone. Not to eligible persons, but to anyone now and they can actually just do it to break even.

Is there potential then, for us to be subsidising and providing corporate welfare; in fact, cut-price land and/or premises and land to all kinds of entities that might be for-profit entities, and this is not necessarily to do with providing homes for eligible Tasmanians?

How do those intersect and compare to what it is now?

Mr VALENTINE - It is more about a zoning change.

Mrs HISCUTT - This clause is derived on Section 13 of the Homes Act, it is broader than the former provision and relates to any premises and is not specifically limited to residential premises.

Yes, it is deliberately broader to enable things like urban renewal and it is tied to the purposes of the act. So you cannot sell it off for squillions to a developer. It has to be tied to the purpose of the act and any sales are subject to scrutiny by the Auditor-General and must be supported by the Valuer-General.

[4.46 p.m.]

Mr VALENTINE - Yes, it is for the purpose of the act and if you look at the purpose of the act back in 10 (2), in particular (c) and (d):

- (c) that it is desirable to provide different housing options to address the differing needs and wishes of persons;
- (d) that it is desirable to encourage, enable and assist in the integration, into existing and new housing communities, of -

It is very broad and goes all the way through it. It is not for eligible people.

Mrs HISCUTT - I do not think that was a comment. I think that was a question.

Mr Valentine - Is it for eligible people only?

Mrs HISCUTT - If you look at:

(b) that housing is a basic human need -

That is one of the objectives of the bill. They are all there.

The priority is on those that are most in need. We must get back to the basics of this bill. This is what it is all about providing homes for those most in need.

Mr Valentine - Yes, except it is not confined to it.

Mrs HISCUTT – However, it is. We will not get into that.

[4.48 p.m.]

Ms WEBB - Of course, we all need to provide housing to people who need it. The whole point of this bill is that it provides much broader powers to engage in all kinds of activities outside and around and additional to providing houses to people most in need.

I am concerned this is exactly what this clause is doing. It is allowing things to be sold for purposes not to eligible people. The things this bill allows that relate to matters other than those people most in need, is the centre of a lot of concern, as many of us have been expressing. I do not think you need to suggest any of us are not very cognisant of the central purpose of the state providing housing for those in need.

Madam CHAIR - I will take that as a comment.

[4.48 p.m.]

Ms RATTRAY - A clarification of the Leader in reply to the member for Hobart's question on this clause, that there was oversight by the Auditor-General or the Valuer-General.

If the deal has already been done, it often cannot be undone. They might get perhaps a reprimand or a notation somewhere, but is that sufficient to allow that to be the oversight if something does occur?

That will be after the event and it will not be at the time of and it would be difficult to take someone's house or land away from them. Once a deal has been negotiated, you would not want to have to be backpedaling.

I can see the Leader is very keen to respond.

Mrs HISCUTT - No, that is exactly right. That is why the Valuer-General is included in the process before the sale starts.

Ms Rattray - What about the Auditor-General?

Clause 42 agreed to.

Clause 43 -

Power of Homes Tasmania to erect premises

[4.50 p.m.]

Ms WEBB - How does this clause differ from the similar clauses in the current act? My understanding is subclause (1) is quite similar, broad across, but subclause (2) departs from the current act. I want an explanation into what expansion there is offered in the whole clause, but I am particularly interested in subclause (2), where with (a), (b) and (c):

Homes Tasmania may do one, or more of the following

It lists (a), (b) and (c) and particularly -

- (b) erect, or cause to be erected, premises to be used for commercial purposes;

That is pretty new compared to what is available now and when you look at it in conjunction with the one we were discussing in clause 42, where we have the ability to sell premises, sub-lots in subdivisions and premises with land to anyone. I want an explanation of that.

Mrs HISCUTT - The clause is derived from section 14 of the Homes Act, but is broader than the former position as it is not specifically limited to residential purposes. For example, it allows Homes Tasmania to erect premises to be used to provide housing support services or community support services, or for commercial purposes and to alter, enlarge, repair and improve such premises. These sorts of commercial services I can see are what the member for Nelson's issue may be. They could be things like childcare, health clinics, depending on the needs of the locals that are moving in there, it could be a neighbourhood house, not that it is commercial, but that is 'enlarge, repair and improve such premises'; or it could be the local shop, a little IGA store there, that sort of thing. That is what the commercial purposes are, as long as it fits in and sits with the intent of the bill.

Ms WEBB - Yes, that is how I read it, that this allows Homes Tasmania to erect premises, to build things for commercial purposes and in conjunction with 42(1) it can then sell them to anyone. That is property development. It is an interesting thing to be looking at commercial property development, not just homes for people who need them. Is this a way we are anticipating Homes Tasmania is going to be generating extra revenue? That it will be constructing commercial premises to be then sold to profit entities, for commercial gain for Homes Tasmania to then feed through into other services? To what extent will the resources and focus of Homes Tasmania be directed towards development for commercial purposes to be sold on and profited from?

Mrs HISCUTT - We are talking about a new subdivision for people of a targeted community who need support. They need homes and it is important to ensure they are livable communities with mixed tenure and services that people need. Simply looking at houses is too narrow for good community outcomes to the extent it delivers the purposes of the bill to allow those things to happen. If you are moving into a new area where there are plenty of young families, they will need some support services. They will need childcare centres. It is to provide the things the community there needs. If it is a community where there is a development where there are a lot of older people there, they may have services that support

older communities. You cannot just not put them there and make people travel lots of miles to get to where they need to be. This is to support the whole community of which the people's needs are particularly targeted for that particular area.

[4.54 p.m.]

Ms RATTRAY - What I am hearing is that Homes Tasmania effectively is going to be a developer. Is that not going to be in complete competition with private enterprise? I am not necessarily talking about the childcare centre or the service centre for older people. I am talking about a small IGA or a shopping centre. Is that not what private enterprise does? This is going to receive significant funding from government. I was not aware that there was going to be this leap into commercial development through this. A clarification about that. The small IGA reference may well have been not actually what might be considered here. If it is, then that is of even more concern, that we are going in competition with private enterprise, with government funds. The people of Tasmania funds.

Mrs HISCUTT - This is all about supplying homes and the services to the people who need them the most. Homes Tasmania is not going to run an IGA store, they may build a building that an IGA person may wish to purchase and supply goods to this particular cohort. I have been referred to the purposes of the act. Section (f) talks about the development of housing for the provision of housing to eligible persons and persons on low and moderate incomes and to promote the planning of the development of such housing, having regard to the desirability of ensuring integrated livable communities.

This is the purpose of the act. You need to supply support services to this cohort of people. You cannot just build a house and leave them there with nothing to support them. It is the intention of Homes Tasmania to build these other things, not to run them. Homes Tasmania is not in the process, they would not be running IGA stores. They may build a building that somebody may come in and rent and supply takeaways or baked beans or whatever is needed. Without this power, subdivisions will be created without sites that can be used to deliver services to the residents. That is what the services part is all about.

[4.57.p.m]

Ms RATTRAY - I may well be hearing incorrectly, but if you are establishing a subdivision, it sounds like you are putting them out somewhere a long way away from current services because you as the government - we as the parliament - need to provide some commercial buildings so that they have the appropriate services. That might mean the tin of baked beans or whatever, takeaway, somewhere out there or somewhere up there or somewhere over there.

My understanding was that there would not be broadacre subdivisions of housing anymore. I may well have been hearing incorrectly. I want to be very clear in my mind what the intention is of Homes Tasmania. Going back to clause 10 where it clearly sets out the objectives of Homes Tasmania, I am somewhat confused and would like it to be much clearer, Leader, in what the intention is on this.

I do not believe we have had a conversation about this. Unless I missed it completely through the briefing process, and I certainly did not receive anything in the minister's advice to us. He provided some information and talked about why this bill was important to the Government. I do not disagree. I certainly support the fact that we need more homes for eligible persons in the state. I need some more clarity on that because while we are spending

a lot of time looking at commercial opportunities, I am not sure how we are going to be focused as an organisation on building homes.

Mrs HISCUTT - I think the member has taken me way too literally. I mean, greenfield and brownfield sites will be considered but I am not saying that every site is going to be out in wherever without services. Some may very well be infill. I do not know. I am not the director or the CEO or on the board. I do not know. Those people will identify the places that are best suitable for housing, and then they will talk about the services that are required to support those people who are there.

The approach is based on best practice nationally. It is to ensure that we do not have broadacre housing estates, and I think we are all agreed on that. Huntingfield is a good example of a development where you may want some child care, or a corner store, or a GP clinic. It is very clear in the statement of expectations that this is to create livable communities. This clause allows for that.

I hope I did not give you the impression that they are all going to be out the back of Hampshire somewhere. That is just not the case. These places will be developed. Greenfield and brownfield solutions will be considered to meet the growing housing needs of Tasmania. It will be guided by the housing strategy.

[5.01 p.m.]

Ms WEBB - That is all very well and I agree with that, and other parts of this act deal with things likely transferring Crown land for use, making subdivisions, being able to sell those to different people. So, you could get a parcel of land as a transferred piece of Crown land. You could divvy it up so some of it is going to be where Homes Tasmania build social and affordable housing. Some of it is going to be put aside for commercial purposes, the land. Some of it is perhaps going to be for other uses.

What this is talking about in subclause (2)(b) here, is about what Homes Tasmania can build on the land. It is saying Homes Tasmania can build for commercial purposes. The other clause says it can then sell for nothing more than cost price, by the way. Why is Homes Tasmania moving into building for commercial purposes?

Of course services are one thing, and you keep saying to provide services. That is captured in (a). Nobody is having any issue with (a). Homes Tasmania under this can erect, or cause to be erected, premises to be used to provide housing support services or community support services. Community support services, if we go back to the interpretation, covers a whole range of things - council services, health and mental health, premises in which socially isolated persons can socialise, prescribed services or facilities for the benefit of the community. Maybe not-for-profit childcare centres, maybe all sorts of things. All of those things that you were putting in arguments for (b), fit with (a).

What this talks about, (b), is Homes Tasmania literally not just allocating part of a subdivision, 'Well, let us have a shop there, we will see who wants to come and build a shop'. They say, 'We are going to build the shop. We are going to erect and build the shop.' Then what? Presumably either sell it, potentially only for cost price, or maybe lease it, or whatever it might be, but Homes Tasmania is the builder here. That is the difference here. That is the unsettling thing that is an extension of what is happening now.

We are not talking about - there are all sorts of other ways that this bill ensures appropriate mixed, diverse, well-resourced communities. You can do all sorts of things with planning processes, subdivisions, making land available for things, without building it for them. This is extraordinary that this is being added in. It is highly concerning.

There has been nothing provided. Nothing you have said provides an explanation for why we, the state, through Homes Tasmania, would build an IGA store for someone and have it sitting ready with a bow on it to come and utilise. Why would we not be letting the private market - we would say to them, 'Here is the parcel of land. Who would like to come and build an IGA store here and operate it?' That would be fine. However, that is not what (b) does, it says we are going to build the building for you. Why on earth would we be doing that?

Mrs HISCUTT - The bill actually says Homes Tasmania may do one or more of the following. If they deem that it is not necessary, they will not do it.

Ms Webb - It is the power to do it. It allows them the power to do it.

Madam CHAIR - Order.

Ms Webb - It is allowing the power -

Madam CHAIR - Order.

Mrs HISCUTT - For example, Homes Tasmania may build buildings for other parts of government when they develop land, for health, for example.

Ms Webb - Fantastic.

Mrs HISCUTT - This is simply providing the power for them to do this when it makes sense.

Ms Webb - For private enterprise.

Mrs HISCUTT - I cannot say anything more.

Mr VALENTINE - I share the same concern. My question is, why is this clause needed? Are there no other parts in this bill? Homes Tasmania can deal with third-party housing providers and presumably can have commercial premises erected on their land. Why is (b) needed? That is the real question, when it can achieve the same by having someone else do it for them and not be in competition with the commercial sector, if I can put it that way.

Mrs HISCUTT - Madam Chair, it amazes me how at times we talk about building homes and then services coming later, and now here we are trying to provide to pre-empt that, and we are in trouble for that. The key purposes and functions of this bill are what limit these powers. They have to work within the key purposes and functions of the bill. They are not able to become a commercial property developer as they must adhere to the purposes and functions of the bill, which is to provide housing and to support those people there.

Madam CHAIR - The question is that the clause stands as part of the bill?

The Committee divided -

AYES 11

Ms Armitage
Mr Duigan
Mr Edmunds (Teller)
Ms Forrest
Mr Gaffney
Mr Harriss
Mrs Hiscutt
Ms Howlett
Ms Lovell
Ms Palmer
Mr Willie

NOES 3

Ms Rattray
Mr Valentine (Teller)
Ms Webb

Clause 43 agreed to.

Clause 44 -

Power to enter into partnerships, joint ventures, &c.

[5.11 p.m.]

Ms WEBB - Madam Chair, clause 44 is new. In my reading, there is nothing like it in the current act.

Why it is necessary to put it into the act at all? Under the current arrangements, there are powers to enter into partnerships and joint ventures and the like, which is what this clause covers.

And here we are. We are putting it into the act now, to allow Homes Tasmania to do it, under statutory authority, it would appear. Why is that being done? In practical terms, what will be able to be done by Homes Tasmania under this clause that is not or cannot be done under the current arrangements?

Mrs HISCUTT - The powers specified in this provision were not made explicit in the Homes Act. The provision ensures Homes Tasmania is explicitly authorised to enter collaborative arrangements. For example, it empowers the authority to collaborate with partners to deliver subdivisions, affordable land release and to deliver more social housing and supported accommodation facilities, amongst other things.

The new authority will have a greater focus on collaboration with sector and community representatives. It will be empowered to work in partnership with housing providers to increase the supply of social and affordable homes.

The authority will need to work closely with the community, not-for-profit and for-profit sectors to deliver innovative solutions and new affordable housing options, like the rollout of prefabricated modular dwellings which are an innovative and responsive solution to increasing supply and getting Tasmanians in homes sooner, because of the unique benefits and efficiencies of this construction methodology.

Ms WEBB - Madam Chair, may I have an answer to the question I asked, without having to take another call to ask the same one again?

Madam CHAIR - Nobody is on their feet, Leader.

Ms WEBB - Which was, what is provided for here that is different to what is actually able to be done?

Madam CHAIR - Order. No one is on their feet.

Ms WEBB - It is a shame to make me use more calls, Madam Chair, when I have just asked a clear question and did not get an answer.

Madam CHAIR - Order. You have two more calls. Restate the last part of the question or the question.

Ms WEBB - The entire question? None of which was answered.

I take my second call. I hope the Leader does not make me waste a second one. I will ask exactly the same question I asked the first time.

Under the current arrangements, under the current act, activities such as partnerships, joint ventures, and the things described in this clause, are being done, and are able to be done.

What does this allow for that is different, or in addition to what can currently be done under the act that does not have this in there? You do not need to describe what this allows for. I understand that. All those things, to my mind, can be done now; so, why are we putting it in here when it is already happening, and able to happen? Do I need to clarify the question any further? No, good.

Mrs HISCUTT - You are absolutely correct and this is not a new power for this to be required for clarity and to remove ambiguity. I think I said that in the first part.

Ms WEBB - No you did not, but thank you for saying that. For clarity, and what you have just described is that everything this allows can currently be done under the current act. Why does this make it more possible we are going to be getting more housing doing lovely things with modular dwellings and all that? We can do all that now. This does nothing extra, is what you are saying to me. Can you confirm this does nothing beyond what is already happening and can already happen under current arrangements?

Mrs HISCUTT - The powers specified in this provision were not made explicit in the Homes Act. This provision ensures Homes Tasmania is explicitly authorised to enter collaborative arrangements. Legal advice is that it is required for clarity as this power is not currently explicit.

[5.16 p.m.]

Ms RATTRAY - Some clarification of page 64 (2)(b):

with the approval of the Treasurer, if the total capital expenditure required to fulfil the purpose for which Homes Tasmania is entering into the partnership,

trust or joint venture, is estimated to be more than the amount determined by the Treasurer under subsection (3).

I may be completely off the mark, but is this when you enter a joint venture or a partnership or a trust and Homes Tasmania ends up having to pay more than what was originally estimated in the joint venture? Maybe it was a third, a third, a third and now it is going to be two thirds Homes Tasmania and one third for the two other entities, or something like that. What does that mean in real terms? If the Leader might like to give an example now that will save one call.

Mrs HISCUTT - This is just a limitation on the value of the partnership agreements. It is controlled by the Treasurer and we are hopefully getting you an example.

The example may be where the capital expenditure in a subdivision is to exceed the \$8 million mark and the Treasurer would need to approve that.

Clause 44 agreed to.

Clause 45 agreed to.

Clause 46 agreed to.

Clause 47 -

Homes Tasmania to provide residential premises to certain persons other than eligible persons

Ms WEBB - My understanding is directly carried over from the current act. It is clause 15A of the current act. This allows for Homes Tasmania, or in the current act, Housing Tasmania, to build housing for purposes other than people who need houses who are eligible, who are on low incomes, or particularly vulnerable. It is to build houses for a public authority, or people in an industrial undertaking, so for a business. Given it is there in the current act, that actually can happen. Has it ever happened? Have we ever seen a situation under the current act where Housing Tasmania in its current iteration, has engaged in building for those purposes, not for people on our public housing waiting list, or other people in low income categories, who are eligible persons? Apart from wanting to know, has it been exercised under the current act, if the answer to that is 'no' then my question is why are we bringing it across here and why has there been no public conversation on the appropriateness of a public housing authority, the state government effectively, building housing particularly for potentially an industrial undertaking?

If the intention in bringing this across, even if it perhaps has never been used, is to begin using it, how will it be balanced in terms of resources available with Homes Tasmania, and funding available and focus. In terms of strategy and planning, how will all those things directed at this outcome, building potentially housing for an industrial activity being undertaken, balance against the provision of housing for eligible persons, the vulnerable people who we are reminded of constantly are the focus of this bill? What does that balance look like if the intention is to begin using this clause, in bringing it across?

[5.22 p.m.]

Mrs HISCUTT - Government has not previously directed Housing Tasmania to build homes for other reasons. There has been a real need identified for workers' housing in

Tasmania. The intent here is to provide the ability for Homes Tasmania to support the creation of social or economic infrastructure that is of benefit to the Tasmanian community where a lack of work, or accommodation may otherwise put such a project at risk.

How will it be balanced was your other question. Homes Tasmania will need to balance their roles against the purposes and functions of the bill. The policy set out in the statement of expectations and the housing strategy and targets for social, affordable homes will be balanced against that.

Ms WEBB - We are bringing it across because there is a clear intent to use it, for the first time ever, by the sound of it, for the state to provide workers' housing for profit entities in industrial undertakings. It is fascinating that we would be intending to do that. What is already on the cards in that area? What has already been identified? Will any of these developments we are undertaking with public money to benefit private industrial undertakings be appearing in the strategic plans, in the corporate plans and in what is reported on to us here and to the public, so there can be discussion as to the appropriateness? If that is what is planned will they just be fait accomplis, decisions of the board, where there is actually no community conversation about the appropriateness of public money being spent on building workers' housing for profit corporations? Is there any opportunity for public input into the appropriateness of that at any given time?

Mrs HISCUTT - There has been no identified need as yet because it has not been consulted on, but the intention is to use it for key workers, where there is a gap in housing needs, such as in regional areas, if that is identified. The details in the question, the member is asking, will be in the housing strategy currently being publicly consulted on. There is nothing in the pipeline, this is a just-in-case.

Ms WEBB - You have not answered my question.

Mrs Hiscutt - Sorry.

Ms WEBB - The third part of the question I asked: was there public consultation on the intention to undertake this? Is there going to be an opportunity at any stage for public consultation and input when this is planned?

Mrs HISCUTT - The policy is currently being consulted on. The actions will be further consulted on once they are developed. Any developments undertaken will go through normal development consultation processes.

Ms WEBB - You mentioned that it had not been consulted on. Why is this here? Was this requested by any stakeholders involved in the progress of this policy which led towards this bill? Did it come from a particular government policy or strategy, identifying that this is definitely needed going forward - given that we have not used it, even though the power has been there for the last 50 years?

I am interested in the Tasmanian Housing Strategy Discussion Paper document. Are people being actively consulted on that paper? Are they asked questions about what they think of this power for this state entity to build housing for private enterprise? Is this actively being consulted on as part of our housing strategy?

Mrs HISCUTT - Many local governments around Tasmania have been asking government to look at key worker housing as a major gap. The Australian Government has also identified it as an issue and we know it something we need the power to address. Nothing has been identified; the consultation under the housing strategy has demonstrated the housing shortages across Tasmania for key workers.

Ms WEBB - While you are on your feet, the question I asked was, is it being actively consulted on as part of the development of this Tasmanian housing strategy, in terms of the discussion paper for which is now out for comment? That was what I asked.

Mrs HISCUTT - It certainly is part of that consultation process.

Ms WEBB - I cannot find it in the document.

Mrs HISCUTT - All gaps are part of that consultation. It is not that specific as consultation as to what people are looking for. As I have mentioned, local governments have flagged what I just mentioned.

Ms WEBB - It is not in the discussion paper.

Madam CHAIR - Order.

[5.39.p.m]

Mr VALENTINE - I want to explore this a little bit more. For instance, if you had a company that is coming in and wants to do mineral exploration somewhere in Tasmania. Can the government say to that organisation, 'If you set up here in Tasmania and do your exploration here, we can work to provide you with housing for your workers'? Is that something that is in minds of those that are putting this in here? It seems a little odd. I suppose the thing that concerns me is the fact that it could be dealing with what is currently Crown land, that might be bordering on a current subdivision somewhere in the regions of Tasmania. It could be rezoned without the opportunity for people there to have a say. Not only could they have housing on their border, but they could have an industrial activity on their border. That is the sort of thing that concerns me, if we are dealing with the Crown land part. We know Homes Tasmania, through that other act that we passed, the fast-tracking act, that it could be land that is rezoned without any capacity for them to have a say. I want more information about how else this might be applied, and whether that is what is envisaged.

Mrs HISCUTT - I cannot say that is what has been envisaged in particular. Any developments under this clause would need to be justified under the purposes and functions of the bill. It has to be tied back to purposes and functions of the bill. If there was a detrimental social or economic impact to a region, such as not being able to get farm workers, teachers or nurses, then government could look at this. However, it has been flagged that there is a terrible housing shortage for farm workers and seasonal workers, and I do know from personal experience that some of them sleep in tents on the beach.

Clause 47 agreed to.

Clause 48 -

Homes Tasmania may lease and sublease residential premises

[5.32 p.m.]

Ms WEBB - Sorry, you went fast, Madam Chair, and I missed the opportunity to call for a divide on the previous one, I was distracted. I am sorry about that, I prefer leeway to be able to call for a divide if necessary.

Clause 48 is about Homes Tasmania leasing and subleasing residential premises. I am interested in the changes from the current act and in confirming my understanding of what those differences are. Clause 48(1) refers to:

- (a) sublease the residential premises to an eligible person under section 49; or
- (b) sublease the residential premises to a person to whom the premises may be subleased under subsection (2).

My understanding is that the similar clause in the current act says something along the lines of sublease the residential premises to a housing provider or a housing support provider. My understanding of the difference here of who Homes Tasmania can sublease residential premises to is that we are opening it up, again. It could be someone other than a housing provider or a housing support provider, as long as they are then subleasing on to people who are captured under subsection (2). I seek clarification that my interpretation is correct. Who might that be, if they are not a housing provider or housing support provider as defined? That is quite broadly defined in this act.

It is my understanding that in clause (2)(d), that this is a new element that is not something brought forward from the current act. Clause (2)(d) says:

- (2)(d) a person, if the premises, or a part of the premises, are not to be, in the short term, used by Homes Tasmania for the provision of residential accommodation to eligible persons but are intended, in the longer term, to be developed or used for such purposes.

From my reading, clause 48(2) is about whom Homes Tasmania can lease or sublease residential premises to. This appears to be allowing some short-term speculation, in a way, or some short-term arrangements to be put in place. How we are anticipating that we would have properties available for lease or sublease to housing providers? For example, not being used in the short term for the core purposes of the act, such that we would actually lease them to someone else altogether for other purposes, knowing that are going to come back to them in the future for the core purposes of the act, which is how I read that clause. I want an explanation about subclause (d) to understand exactly what that is trying to allow to occur.

Mrs HISCUTT - This clause is derived from section 15AD of the Homes Act but is broader than the former provision as the list of persons to whom Homes Tasmania may lease, or sublease residential premises is more extensive. This clause provides new and enhanced flexibility to Homes Tasmania to meet the needs of vulnerable Tasmanians with specific, or particular needs.

This new provision allows Homes Tasmania to lease, or sublease to any person, not just a housing provider, residential premises to enable that person to sublease the premises to an

eligible person. Among other things, it also permits leasing and subleasing of residential premises to community support providers. These arrangements will provide greater flexibility to Homes Tasmania to meet the needs of individuals where there are no appropriate properties within the existing public housing portfolio. So, (2)(d) is for things like the Hobart Workers Club that was purchased and continued under a lease but eventually it was intended to develop for social housing. That is a good example.

Ms WEBB - To return for some more information to my first set of questions which was around (1)(b) because - thank you for the explanation provided so far to that. I understand it is to broaden out who Homes Tasmania can lease to, or sublease to. My question was can you describe who that might be if we are no longer restricting it to a housing provider, or housing support provider, even though we have expanded those definitions in this act, who would it be? What is an example of who we could lease to to be captured by (1)(b)?

Mrs HISCUTT - It allows flexibility for other persons beyond community housing providers, but I do think your question was wrapped around 'who may they be?'

Ms Webb - Yes, twice now.

Mrs HISCUTT - It is to broaden it out for things that we cannot anticipate, or may happen in the future.

Clause 48 agreed to.

Clause 49 -

Leasing and subleasing by Homes Tasmania of residential premises to eligible persons

Ms WEBB - Again, to clarify any change from the current act to this. It looks to me like this has been brought forward from one of the clauses of the current act fairly substantially. The difference appears to be - it is a good difference - in subclause (2) of 49, where it has been added in that 'subject to the Residential Tenancy Act 1997, residential premises that are leased, or subleased, to an eligible person' et cetera.

Is that the new part to this clause compared to what is in the current act? Is there any other expansion, or difference between what is currently captured in a similar clause?

Mrs HISCUTT - The member for Nelson does have that correct, yes.

Clause 49 agreed to.

Clause 50 agreed to.

Clause 51 -

Leasing and subleasing by Homes Tasmania of premises

[5.40 p.m.]

Ms WEBB - My understanding is that it is a new clause. It is not something that is carried forward from the existing act. I have a couple of questions. One is in relation to (1)(c), it was not clear to me to what that would be referring. Could you clarify for me how that fits?

In (2)(b), (2) is where it says Homes Tasmania may lease to a person, premises other than residential premises owned by Homes Tasmania, or sublease to a person premises other than residential leased by Homes Tasmania if, and (b) says, 'if the person is a housing support provider; or (c) the person is a community support provider'.

That is quite sensible. Is there any compulsion that they have to be using them, those properties, for any particular purposes? Looking at (2) this is premises other than residential premises. So is this an expectation that the housing support providers here or community support providers are actually using or leasing premises from Homes Tasmania, say, for their administration, or might they be in fact leasing them for other services that they provide? Is there any constraint around what they can use it for?

I had a third question. No, that is enough for the moment. Thank you.

Mrs HISCUTT - What is new? The clause is a new provision which expands the powers of the authority compared to the Director of Housing. It will contribute to the collaborative relationship between Homes Tasmania and its sector partners. It will address a legislative gap in the Homes Act, which affected the ability of the Director of Housing to lease land for various purposes, including for the purposes of placing movable residential premises on the land.

This new provision gives the authority greater flexibility to deliver innovative housing solutions. An example would be that Housing Tas may lease to child and youth services, who then lease to specialists and support providers, who may then lease to an eligible person. So the multiple lease arrangement can, at times, be complex. I can go through that if you like - just as a social worker does the same thing.

Ms Webb - Yes, but we are not talking about residential premises in this class.

Mrs HISCUTT - Yes.

Ms Webb - It is not about subsequent leasing to -

Mrs HISCUTT - Well, the home could be leased from Housing Tasmania to a social worker, government agency, and they will keep that property for a visiting social worker, or whoever the visiting social worker service provider that they bring with them, or things like that.

Ms Webb - Not to live in, though, because it is not residential, correct?

Madam CHAIR - Order.

Mrs HISCUTT - I would not think to live in. It is to provide services from. Actually, I can read that bit also. It might help you.

So the type of things that (2)(b) and (c) would cover are operations like neighbourhood houses, and there are no constraints on leasing other than it might align with the purposes of the act.

I will go through the rest of this which might help you understand it. Clause 51(1) authorises Homes Tasmania to lease from a person, premises to be used for the purpose

specified in this subsection, including the use of providing administrative services for Homes Tasmania.

Clause 51(2) authorises Homes Tasmania to lease or sublease premises to a person in circumstances listed in this subsection, including where the premises are to be used to provide administrative services for Homes Tasmania.

Clause 51(3) authorises Homes Tasmania to lease land for the purposes specified in this subsection, including to situate movable residential premises on the land to provide residential accommodation to eligible persons.

Clause 51 agreed to.

Clause 52 agreed to.

Clause 53 -

Leasing of land, &c., not immediately required

Ms WEBB - This is an interesting one. This is new. It is not something carried forward from the current act. Clarity is required here about what and how it will operate in practice. I wonder whether it allows for some inappropriate use of crown land that has been transferred to Homes Tasmania under other clauses of the act.

This is about:

- (1) If Homes Tasmania is satisfied that any land, or land and premises, that –
 - (a) are vested in, or held by, Homes Tasmania under or for the purposes of this Act; or
 - (b) have been granted to Homes Tasmania under section 12 of the Crown Lands Act 1976; or
 - (c) Homes Tasmania is entitled to be granted under section 12 of the Crown Lands Act 1976 -

are not immediately required for the purposes of this Act, Homes Tasmania may lease to another person that land, or that land and premises, at the price, and on the terms and conditions, that Homes Tasmania thinks fit.

When I also look at what comes in subclause (2), I am wondering how we say, balance what then is captured in -

- (2) Without limiting the generality of subsection (1), Homes Tasmania may be satisfied that land, or land and premises, are not immediately required for the purposes of this Act if Homes Tasmania is satisfied that -

- (a) other land, or other land and premises, are likely to be more suited to the provision of accommodation to eligible persons; or

Which seems a very odd thing to say, so we are assessing it or there is something that is more suitable than this. Therefore, we can use this for particular purposes in the meantime.

- (b) it is necessary or convenient to lease the land, or other land and premises, so as to obtain funds that may be used for the purposes of this Act.

Essentially, what I read that to mean is that Homes Tasmania can say, 'Well, we have this land or this land and these premises, we need to up our revenue so we are going to lease it in a way that is not necessarily about the core purposes of this act for eligible people but in order to gain a revenue stream from it, perhaps by leasing it to a commercial entity of some sort.'

I am wondering how you balance (2)(b) and what that allows for so as to obtain funds against the core purpose of the act in providing housing to eligible people. How do you offset - should we spend our time and attention developing this into housing for eligible people or should we generate a revenue stream because we are allowed to under (2)(b)?

What, if anything, in this clause is allowed or given power to happen that is not already available under the current act?

Mrs HISCUTT - Before I start, I need to say again that Homes Tasmania needs to adhere to the purpose and intent of the act. They have to still do that. This clause allows Homes Tasmania to let certain land specified in subclause (1) on terms and conditions it thinks fit, adhering to the purpose and intent of the act where such land is not immediately required for the purposes of the act.

For guidance on determining where land is immediately required is provided in subclause (2). What is the same is the clause is closely related to clause 66 which relates to the sale as opposed to the leasing of land not immediately required. Both clauses derive from section 43 of the Homes Act and provide substantially the same powers to Homes Tasmania as were afforded to the Director of Housing under the Homes Act.

What is new? Unlike section 43 of the Homes Act, the new provisions - clause 53 and 66 - do not require monies received through the permitted letting or sale of properties to be applied as the Treasurer directs. This accords with the new government's arrangement and greater financial independence of the new authority as a public non-financial corporation.

An example of where this clause can be used is where Homes Tasmania seeks to lease, on an interim basis, a commercial premises that is intended for future residential development. This includes properties such as the Hobart Workers Club and the Devonport Bowls Club.

While the development approval process is under way, it makes sense to be getting a commercial return on that premises in the meantime. Another example may be land not zoned for residential such as farming land that has been acquired. I want to bring it back, tie it back, to the fact Homes Tasmania needs to adhere to the purposes and the intent of the act.

Clause 53 agreed to.

Clause 54 agreed to.

Clause 55 -

Sale of land to eligible persons, whether or not residential premises situated on land

[5.50 p.m.]

Mr VALENTINE - Subclause (1) talks about 'may sell, to any eligible person' as opposed to 'an eligible person' but anyway, then it goes onto say:

is not the owner of any residential premises ...

For them to be eligible, they would not be, would they? Why is that extra component there, because it is possible they could actually be the owner of a commercial premises of some type or some other type? Why is it only residential premises? Two questions, I suppose.

Firstly, if they are an eligible person, one expects they would not be the owner of a residential premises, otherwise they would not be in the circumstance of needing housing and secondly, it states 'residential' and yet they could be the owner of a commercial premises. Seems a little odd.

Mrs HISCUTT - This clause outlines the circumstances in which, and the processes by which, Homes Tasmania may sell land or a share of or interest in land to an eligible person. It provides that a person who wishes to make such a purchase may apply to Homes Tasmania in the prescribed manner and permit such a sale to occur if Homes Tasmania so determines without a deposit.

Subclause (6) outlines the terms and conditions on which a purchaser, under the provision of land or a share of or interest in land on which residential premises are situated, may occupy the residential premises as a tenant. Clause 55 is derived from section 17 of the Homes Act and is substantially consistent with the old provision.

One key change, however, relates to the eligibility criteria in subclause (1), which has been tightened to exclude the sale of property to eligible persons where that person, or their spouse, if any, owns residential premises within or outside Australia. The previous provisions only excluded persons who owned residential premises within Tasmania. This tightening of the eligibility criteria was made in direct response to stakeholder feedback on the consultation draft on the bill. If you have assets elsewhere, you have to utilise them.

[5.53 p.m.]

Mr VALENTINE - It still does not answer my question in respect to they could have commercial premises as opposed to just residential premises. They might not be the owner of a residential premise, but could be the owner of other premises and quite well off.

Mrs HISCUTT - It does not comment on ownership of commercial property as the purpose of providing support to eligible persons is to provide them with a home. Eligibility criteria for eligible persons are set out elsewhere, which is in clause 6 of the bill.

Clause 55 agreed to.

Clause 56 -

Sale by Homes Tasmania subject to mortgage

Ms WEBB - A question related to sales by Homes Tasmania subject to mortgage and, in subclause (1), it says:

- (1) Subject to this Act, Homes Tasmania may, under this section, sell, to any eligible person, land, or a share of or interest in land, whether or not there are residential premises situated on the land, if -
 - (a) the person; or
 - (b) the person's spouse, if any -

is not the owner of residential premises within this State.

A similar idea.

If it is land that is being sold, is there then any imperative or any constraint, stricture on the person to whom it is being sold, given that they are an eligible person, but are they required to develop it, to actually put a premises on it, to live in for themselves? Or are they able to hang onto it as an asset and use it for their own purposes from thereon in? It is a pretty straightforward question. It is not clear to me.

Mrs HISCUTT - Clause 56 is derived from section 17(1) of the Homes Act. It is substantially consistent with the old provision. However, as with clause 55, one key change relates to the eligibility criteria in section (1), which has been tightened to exclude the sale of property to eligible persons where that person or their spouse, as you have said, owns residential premises within or outside of Australia. The previous provision only excluded person who owned residential premises within Tasmania. The tightening of the eligibility criteria was made in direct response to stakeholder feedback. While it is not explicit, the tie back to an eligible person, would mean that a home would need to be built to deliver the purposes of the act. This clause allows for things like the MyHome program.

[5.56.p.m]

Ms WEBB - The last part is what I was after. I do not need an explanation of the changes to eligibility. I was asking about whether there is any stricture for people to have to develop the land. I understand that would be the intent but we are not requiring that of eligible people who may be sold land or land and premises under this act, to fully clarify that.

Mrs HISCUTT - While it is not explicit, the tie back to an eligible person would mean that a home would need to be built to deliver the purposes of the act. It would be part of the contract agreement for sale that a home was built. We keep tying it back to the fact that the purposes and intent of the act is what Homes Tasmania needs to adhere to.

Ms Webb - So it will be in the contract? Okay.

Clause 56 agreed to.

Clause 57 agreed to.

Clause 58 -

Costs of administration where land purchased

[5.58.p.m]

Ms WEBB - A simple question on this one, subclause (1) of 58 which describes the cost of administration as \$156. That is exactly the same as was from the 2004 act. Could we have an explanation of that amount?

Mrs HISCUTT - Yes, it is the same. Clause 58 is derived from the content of subsection (5A), (5AB), (5AC) and (5AD) of section 17 of the Homes Act. The content in this clause is substantially consistent with that in the repealed provisions.

Ms WEBB - An explanation of the \$156?

Mrs HISCUTT - There is no change but indexation does apply.

Clause 58 agreed to.

Clause 59 -

Claim for reduction of costs of administration due to hardship

[5.59.p.m]

Mr VALENTINE - How is this 25 per cent arrived at? If Homes Tas is satisfied, on the basis of a claim under subclause (1) made by the purchaser, of the hardship that would be caused - it is about hardship and whatever. Then it says, an exemption granted in respect of land is to be such that the total rental payable in respect of the land is whichever is the higher of the following: (a) not more than 25 per cent of the combined incomes of the residents in relation to the land, (b) the rental payable immediately before the charge was imposed or increased.

This is just for land. How on earth could a dwelling be constructed on it and then for them to be able to afford to pay a mortgage, or whatever it is they are going to do with this land? If a person is an eligible person, they are not going to have lots of resources. Can you explain to me why that 25 per cent is there, as a stricture, or a cap?

Mrs HISCUTT - Clause 59 is derived from the content of subsections (5B), (5C), (5D) of section 17 of the Homes Act, and the content of this clause is substantially consistent with that in the repeal provision so it is carried over from the other.

Clause 59 agreed to.

Clauses 60, 61 and 62 agreed to.

Clause 63 agreed to.

Clauses 64 -

Sale or transfer of land to housing providers

Ms WEBB - This clause is about sale or transfer of land to housing providers. We know there is an expanded definition of housing providers in this bill, from the current.

Under this bill, we would have Homes Tasmania being able to sell or transfer land to housing providers without direct ministerial oversight or involvement, but I presume it is a decision of the board once it is established under this act.

In the lists under (1), the purposes, Homes Tasmania may sell or transfer land to a housing provider for the purpose of enabling the provider to, and I understand (a) lease to eligible persons; (b) provide residential accommodation for eligible persons; (c) arrange for the provision of residential accommodation for eligible persons. All of those make sense.

I wonder about (d), and I want an explanation of what that actually allows for: (d) sell to eligible persons, or arrange for the sale to eligible persons.

From what I gather, it is Homes Tasmania selling land to a housing provider who is then going to onsell to eligible persons, or this is Homes Tasmania transferring land to a housing provider who is then going to sell to eligible persons.

Is the expectation that the housing provider is somehow profiting from the onsell of the land to eligible persons? Is this something that is provided for now? Is this something different? I want more explanation about (d).

I am trying to understand if that was to occur, especially the selling part, why Homes Tasmania would not have sold it themselves, rather than going through an interim measure of selling or transferring it to the housing provider?

Mrs HISCUTT - This allows tenants to purchase homes and allows eligible persons to buy homes from housing providers, such as through our MyHome Shared Equity Program, as part of the mixed development that a housing provider might manage. Homes Tasmania would not sell it themselves if the housing provider was managing the development.

Ms WEBB - I am trying to clarify that a little further. We are not talking about premises being managed by a housing provider. This is about the sale or transfer of land to housing providers. The example you have just provided is not relevant. This is a situation in which Homes Tasmania is either transferring, giving, or selling to the housing provider, who then is able to do a range of things, most of which makes sense. But I wonder about paragraph (d) which is to do with the housing provider then being able to sell to eligible persons. I do not understand why, in that situation, Homes Tasmania would not have done that sale to eligible persons itself. Why go through the housing provider as being the one to then sell? The programs we have to sell homes to eligible persons - low income earners - are generally done direct from the state at the moment.

I am trying to understand what is intended here. The first example you gave does not explain it.

Mrs HISCUTT - This is for situations where the housing providers will be responsible for the development. Homes Tasmania may sell to a housing provider, then the housing provider would sell to an eligible person. For example, this is where housing developers build a block of units; some will be social and some will be sold to eligible persons.

[6.07 p.m.]

Mr VALENTINE - Madam Chair, looking on page 90 subclause (1), the last paragraph, whether or not other residential premises, et cetera...

Mrs Hiscutt - Sorry, Member for Hobart, where are you?

Mr VALENTINE - Page 90. It is the last part of subclause (1). That paragraph under (e) on page 90.

What is envisaged here? It seems to me that the housing provider can sell to low-to-middle-income folk who are not eligible persons. They have capacity to pay. Is that an accurate statement?

If that is the case, where does the boundary lie between a housing provider and what might be a real estate agent selling properties to the same people? I am interested in that tension there and why Homes Tasmania would be taking Crown land in some cases, purchased land maybe, and then handing that on to housing providers who can then onsell to low-to-middle-income earners and maybe even the general public, presumably. There is a sort of direct competition with real estate agents, is what I am pointing to. I am interested in answers to a couple of those questions. I am happy to try to clarify it more if needed.

Further back in the bill, it talks about eligible persons and low-to-middle-income earners able to be entertained, if you like. I am assuming, when you extrapolate that through to this clause, that low-to-middle-income earners can have dwellings sold to them by housing service providers. That they are not eligible people. Where does that boundary lie?

Mrs HISCUTT - This clause sets out that it is for enabling the purpose of sections (a) to (d), acknowledging that there may be a need for some of that land to be used for mixed development. I come back to the purposes and intent of the act that has to be adhered to.

[6.10 p.m.]

Mr VALENTINE - It does not answer my question about the difference between a housing provider that Homes Tasmania is dealing with and a normal real estate agent, because they are able to sell to low-to-middle-income folk who are not eligible, or indeed general members of the public.

Mrs HISCUTT - If we go back to clause 64(1) on page 89, it says:

Homes Tasmania may sell or transfer land to a housing provider for the purpose of enabling the provider to -

This bill means that the housing provider also has to adhere to the purposes and intent of this act; any projects as set out under agreement between Homes Tasmania and the providers. Providers are included, as you can clearly see in section 64(1), which is enabling providers to do (a), (b), (c) et cetera.

[6.12 p.m.]

Ms WEBB - Madam Chair, to be clear though, this allows for Homes Tasmania to either sell or give land to a housing provider which is now broadly defined. It could be a property developer or for-profit property developer. Homes Tasmania sells or gives land to them, and

they have to do at least one of those things in that list - lease to eligible persons, provide for residential accommodation for eligible persons et cetera.

Because of the paragraph that the member for Hobart was focused on, it does not have to be the entire property that is used for those purposes. Other purposes can be used. They can sell residential premises there or other area there to people who are not eligible persons, to anyone in the community. They could sell or lease to for-profit businesses, commercial enterprises and things like that.

My question is, how is net benefit for Homes Tasmania and the state determined, in deciding the overall benefit of either selling or, in the case of transferring - because we are giving land which is not necessarily going to be, in its entirety, providing for the core purposes of this act. What proportion of that needs to be delivering on the core purposes and to what extent can it be used for the other things that may be captured with that final paragraph, where things are being leased or sold or whatever to non-eligible persons or commercial situations, whatever it might be? How is net benefit determined, and what proportion does it have to be?

We might see land gifted here to for-profit property developers who use a tiny part of it for the core benefits and the core purposes of this act and the rest of it to generate their own income and profit.

Mrs HISCUTT - This part is critical to obtain mixed developments. We need a mixed community. The net benefit is in achieving livable communities, and this is balanced on the purposes and functions of the act. Examples are developments by Centacare Evolve in New Norfolk where the Crown has gifted the land, they are developing social housing. Some will be sold under the MyHome program and some will be sold on the open market. This is what makes a livable mixed community.

Ms Webb - How do you determine it?

Mr Valentine - I do not think anyone is arguing that.

Mrs HISCUTT - We want to quantify what proportion. This would be set out under the contracts.

Ms Webb - What is the principle of that?

Mrs HISCUTT - It is guided by the principles of this bill.

Mr VALENTINE - I understand exactly what the ideal is. Mixed housing I have no issue with at all. It is how that is achieved that is the question. I take you to the last paragraph of subclause (2). You are talking about the housing provider providing this.

whether or not the funds so raised [through the sale of houses] may also be used to provide other residential premises for sale to, or for the residential accommodation of, persons who are not eligible persons and whether or not there are situated on the land premises other than residential premises.

This raises in my mind that you have housing providers that are able to deal with components of that land with other members of the public who are not eligible persons.

Ms Webb - They may be for profit.

Mr VALENTINE - They may be making a profit out of that. It does not seem to be stipulated that the profit they make has to be spent on affordable housing or social housing. That is why I asked where is the line here between a normal real estate agent and a housing service provider? It might have been sensible for the Government to say you cannot sell to the general public, but you can have that being contested in a fair and reasonable way so there is no advantage being provided.

Mrs HISCUTT - The mix is guided by the principles of the act and the principles of mixed-use development. This clause reflects current practice. However, it is broadened to ensure broad housing outcomes can be achieved. Normal real estate agents are not managed by this act, whereas the housing providers are. Their contracts are controlled by Homes Tasmania, which has to abide by the act. The contract is coming from Homes Tasmania. If it is going to a real estate agent, the contract has to be controlled by the principles and purposes and intent of the act.

Madam CHAIR - You have already had three calls, member for Hobart.

Mr Valentine - Yes, my third call.

Madam CHAIR - You have already had three calls.

Mr Valentine - Oh, sorry. Have I?

Ms Webb - Have I had three calls as well?

Madam CHAIR - You have had three calls as well.

Clause agreed to.

Clause 65 -

Sale or transfer of land to housing support providers

[6.18 p.m.]

Ms WEBB - It is a similar sort of set of concerns that I have around this one. The Leader just said in answer to the member for Hobart's question on the previous clause, that it allows for things that are already happening.

The thing that is different is that we have changed the definition of housing provider in this act. Centacare Evolve Housing, an excellent housing provider which is doing great work adding to housing supply in this state, because when they do these mixed developments and may make some profit from selling properties to people who are not eligible persons, or for commercial persons, and gain profit, they plummet straight back in to developing more housing. It is a virtuous circle in that sense.

That is fine. That is what happening now. What is different here is that we have now broadened the definition of housing provider. It can now be for-profit entities - property developers. We are allowing the same powers and abilities to for-profit property developers

who are not necessarily going to be plugging that straight back in and continuing to add to our eligible persons' housing supply, which is the core purpose of the act.

Mr Valentine - Making profit out of Crown land.

Ms WEBB - That is right. They are making profit out of it. We are providing avenues for for-profit property developers to cream off what is gifted to them or sold to them from Homes Tasmania. I imagine it is the same here. That is why I am interested on how we determine net benefit. How do we determine an adequate return for the core purposes of this act, at the same time they are benefiting in whatever way they are going to benefit with the profit they are going to take from it? Those questions still remain on clause 65, which is about sale or transfer of land to housing support providers. Housing support providers is a little bit different to housing providers but it is the same idea. How in this clause are we determining net benefit?

Mrs HISCUTT - For clarity, I will read the definition, the interpretation of a housing support provider. This is on page 17.

A housing support provider means a person or body that provides housing support services to eligible persons, whether or not that person or body also provides housing support services to persons who are not eligible persons.

So, we are talking about services here.

Ms WEBB - The comments I was making were reflecting back, about what was different about the previous and also asking the same net benefit question about this.

Madam CHAIR - The Leader believes she answered.

Ms WEBB - So, the question was how are we ensuring that we are getting net benefit out of this clause? What are the principles?

Mrs HISCUTT - Service providers.

Clause 65 agreed to.

Clause 66 -

Sale of land, &c., not immediately required

Ms WEBB - How does this compare to the current situation? Is there a new approach here that is not currently available? My question beyond that is on the paragraph following clause 66(1)(c) that says -

is not immediately required for purposes of this Act, Homes Tasmania may sell that land at the price, and on the terms and conditions, that Homes Tasmania thinks fit.

This is not just about leasing land in the short term, like the Workers Club, while we eventually plan to develop it and provide housing, this is about selling land that is not immediately required. How is 'not immediately required' determined? How come we would

not be holding on to it for future use if it is something that is owned? How is net benefit determined there? The short-term gain of selling it because it has been deemed to be not immediately required versus the long-term gain if we had kept it and developed it down the track.

I guess that ties in with clause 66(2)(b) where -

it is necessary or convenient to sell the land so as to obtain funds that may be used for the purposes of this Act.

Presumably holding land for future use is also for the purposes of the act in the long run. How is that balanced and decided?

Mrs HISCUTT - The clause is closely related to clause 53 which relates to leasing, as opposed to the sale of, land not immediately required. Both clauses derive from section 43 of the Homes Act and provide substantially the same powers to Homes Tasmania as was afforded to the Director of Housing under the Homes Act.

Unlike section 43 of the Homes Act, the new provisions, clause 53 and 66, do not require that monies received through the permitted letting or sale of properties be applied as the Treasurer directs. This accords with the new governance arrangements of greater financial independence of the new authority as a public non-financial corporation. Some land in a subdivision would not be appropriate for housing developments, so it would not make sense to hold this land if it was not going to be used. It would be balanced on the merits of the individual subdivision and the benefits that could be derived from that land with what was not needed to be sold. Land that is steep or unsuitable for housing might be one reason. Land may not be close to infrastructure and uneconomic to develop. Or land may be in an area with no demand and few services. They would be some of the examples.

Ms WEBB - My question then is, why this wording? 'Is not immediately required for the purposes of this Act.' What you have just described is 'is not suitable for the purposes of this act' or something along those lines. 'Is not immediately required' has an entirely different connotation as it is described here.

Mr Valentine - Sounds like it is surplus.

Ms WEBB - Yes. That is right. We certainly know it is always going to be required because the need is there. Why is the wording 'is not immediately required'? How do we interpret that rather than 'is not suitable' or 'is better used elsewhere' or whatever it might be? Who knows? However, 'is not suitable' is what you have described. Can you explain the wording?

Mrs HISCUTT - The language is a carry over and has been provided by OPC for these circumstances.

Madam CHAIR - The question is -

That the clause as read stand part of the bill.

Clause 66 agreed to.

Clause 67 -

Terms and conditions of sale or transfer of land under this Part

Clause 67 agreed to.

Clauses 68, 69, and 70 agreed to.

Clause 71 -

Guarantee by Treasurer

[6.26.p.m]

Ms WEBB - A check in on this one, similarly to others I have asked about, around how this compares to the current arrangements and explanation or alterations or expansions around the matter of guarantee by the Treasurer.

Mrs HISCUTT - This clause allows the Treasurer to guarantee repayment of certain loans, specified in subclause (1) and outlines in subclause (2) the requirements that must be satisfied for such a guarantee to be effective. The clause specifies the terms and conditions that the guarantee is to be subject to and provides that any amounts that become due and payable under such a guarantee are to be paid out of the Public Account. Clause 71 is derived from section 18C of the Homes Act and is substantially consistent.

Clause 71 agreed to.

Clause 72 and 73 agreed to.

Clause 74 -

Grants

[6.28.p.m]

Ms RATTRAY - Some clarification around this because this talks about grants and arrangements. It says Homes Tasmania may grant from the funds of Homes Tasmania money to a person to sell or lease residential premises to persons or providers. I am interested in this grant concept. We have talked about providing land for housing providers. That is something that has happened for quite some time. We have not got enough houses but that has been happening. To grant money to a person: can I have some understanding of what is proposed around grants? I could understand you would perhaps loan money to a person to sell or lease residential premises to persons but actually granting money? I am interested in how that is going to work and how you recoup your funds if you are granting money to a person.

Mrs HISCUTT - Clause 74 is similar to section 18F of the Homes Act. It provides Homes Tasmania with broader powers to issue grants than those enjoyed by the Director of Housing. While grants under the repealed provision could only be made to a housing provider or housing support provider, clause 74 permits the authority to provide a grant to any person for the purposes specified in subclause (2). Further, while the Director of Housing requires the minister's approval for grants issued under the Homes Act, the minister's approval is not required under section 74.

Currently, all funds provided to housing support providers are through grants.

Ms WEBB - To be clear, as the Leader confirmed, the change from the current arrangements is where it says:

Homes Tasmania may grant, from the funds of Homes Tasmania, money to a person.

Currently, in the current act, it says:

may grant ... money to a housing provider or a housing support provider.

That is quite specific and would not make sense then with what sits under it in subclause (2).

Now that it is to a person, the question is who, other than a housing provider or a housing support provider, fits then into (2)(a) and (2)(b)? Who else, other than those that are already broadly defined as a housing provider or defined as a housing support provider, who else fits into selling or leasing residential premises to persons or providing residential accommodation to persons some or all of whom are eligible persons? Who might this person be who is not a housing provider or housing support provider?

Mrs HISCUTT - This clause allows Homes Tasmania to provide a grant of money from its funds to a person but precludes Homes Tasmania from making such a grant unless satisfied that the person intends to use the money for a purpose specified in subclause (2). Madam Chair, I will say it again. Homes Tasmania and all people in this bill need to adhere to the purposes and intent of the act. Subclause (4) allows Homes Tasmania to refuse to pay any further instalments of a proposed grant in certain circumstances, such as where the money has not been carefully and economically expended, and the definition of a person would include housing support providers and is a broad legal term and is futureproofing the organisations we do not yet know might exist, but everything ties back to the purposes and intent of the act.

Ms WEBB - To be clear, any new entities that arise, we could bring them into a definition of housing provider at any stage, it is very broadly defined already. That could also mean any old business, person, entity, corporation or whoever can get money from Homes Tasmania if they are selling or leasing residential premises to persons or providing residential accommodation to persons 'some or all of whom.' 'Some' could just be some of whom are eligible persons, providing support services to some or all of whom might be eligible. This is a really broad allowance for Homes Tasmania to give money away to pretty much anyone they want as long as there is a bit of some of this going on. Bit of selling or leasing to eligible persons or a bit of providing housing support services to eligible persons among others.

Yes, it is guided by the principles of the act, but it is also quite broad and there is no understanding about where the balance is. How much of it has to be delivering on the purposes of the act? How much of it is going to be for the benefit of whoever this person is, and person being any business entity or corporation, their benefit?

Mrs HISCUTT - Only if they meet the purposes of the act and Homes Tasmania, the board, and the minister is accountable for how the money is used. The grants have obligations tied to them which recipients must report against so that it may not just be given to any old

person. You have to fit within the purposes and intent of the act. It is monitored, and you have to report back about what is happening. It is an enabling provision for the future.

Clause 74 agreed to.

Clause 75 -
Arrangements

[6.35 p.m.]

Ms WEBB - Thank you, Madam Chair. This clause is about arrangements, and there is a similar change here from what the current act says. We have gone from it being required to be 'a housing provider or a housing support provider' to being 'a person'; so, any entity, business, corporation, any person which Homes Tasmania can enter into an arrangement with. I am making a point on this, more than a question, as I did on the last one, that this is incredibly broad. While it might be providing for some positive eventualities in the future, we are also opening up a whole range of very interesting speculative activities - I believe - that are going to benefit beyond the core purposes of this act into the private market space.

Clause 75 agreed to.

Mrs HISCUTT - I seek leave to report progress and sit again.

Mr PRESIDENT - The Leader seeks leave to report progress and sit again at a later hour.

Progress reported; Committee to sit again.

SUSPENSION OF SITTING

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move -

That the sitting be suspended until the ringing of the Division bells.

This is for the purpose of a dinner break, which I anticipate will be half past seven.

Sitting suspended from 6.38 p.m. to 7.34 p.m.

HOMES TASMANIA BILL 2022 (No. 35)

In Committee

Resumed from above.

Clause 76 -
Advances for homes

Ms RATTRAY - Some clarification around clause 76(2) where it says:

The Treasurer may, in writing, approve a class of persons, members of which (home purchase assistance scheme recipients) are to be eligible to receive advances under this Act.

This is around advances by Homes Tasmania. 'Approve a class of persons' - a point of clarification around that terminology, thank you.

Mrs HISCUTT - This is used for things like MyHome Program or shared equity schemes, that is a 'class'. Whereas application of the former provision was limited to eligible persons, the new provision may be applied to approved persons which includes both eligible persons as defined in the act and home purchase assistance scheme recipients which will capture a class of persons to be approved by the Treasurer.

This broader application to home purchase assistance recipients is in response to the significant changes that have occurred in the Tasmanian housing market over recent years which have impacted the ability of people even on moderate incomes to become home owners. It will include those MyHome and shared equity programs, that sort of thing.

Clause 76 agreed to.

Clause 77 -

Advances to councils

Ms RATTRAY - Some clarification around advances to councils in this area. It says Homes Tasmania with the approval of Treasurer may make an advance to a council for the purpose of enabling a council to carry out, on land set apart or acquired for the purposes of this act, work that appears to Homes Tasmania to be necessary for the purpose of rendering the land fit for use to which it may be put under this act.

I am expecting that this is like putting in services, if you like, like roads, infrastructure and that type of thing, which I know can be quite expensive for not only developers but for councils albeit that not a lot of councils do a lot of development. I am interested in the background behind the advances to council.

Mrs HISCUTT - It certainly could be some activities as described by the member. Clause 77 is derived from section 19A of the Homes Act and is substantially consistent with the repeal provision. The power to advance funds to councils will help ensure that works required to prepare land suitable for residential development will not be delayed due to lack of council funds so it could be any of those things that the member for McIntyre has mentioned.

Ms Ratray - Moving it along, effectively.

Clause 77 agreed to.

Clause 78 -

Advances to housing providers, housing support providers and other persons

Ms WEBB - This is another interesting one that I feel concerned about in terms of the breadth of what we are now allowing and where that leads us. Clause 78 is advances to housing providers, housing support providers and other persons.

Subclause (1)(a) and (b) make sense. Subclause (1) is about advances to housing providers, housing support providers, for the purpose of enabling them to sell or lease residential premises to persons, provide residential accommodation for persons, some or all of whom are eligible. Then (b) is provide housing support services to persons, some or all of whom are eligible persons. That is fairly straightforward. Although the question of how many have to be eligible persons to make it okay for us to be lending money? That is what we are talking about, lending finance to housing support providers and housing providers.

The thing that really disturbs me, though, is (2). That is what I have more of a question about. While I can see how it makes sense and it is probably not dissimilar to what we are doing already in subclause (1), in subclause (2) it is the new bit, I am assuming. This is where it says: 'Homes Tasmania may make an advance' - so basically, lend money is how I read that - 'to a person'. That could be - we would actually have to mostly assume that that actually means to a business, a corporate entity, a for-profit property developer. For the purpose of enabling the person to purchase land under (a) - some or all of whom, the ultimate thing they do with that, needs to be related to eligible persons. Who knows how much? Or, constructing premises which is in (b) which is the 'construct, alter, enlarge' effectively. Again, for only some of whom have to be eligible persons.

Does that mean Homes Tasmania is effectively becoming a lending institution on whatever grounds it deems fit? Under (3), terms for repaying the loan are just agreed between Homes Tasmania and the person who is being advanced to. This is a lending institution, not just for the purposes of delivering the core outcomes of this act, but potentially to any entity at all as long as some of it is in some way to do with this act. It seems extraordinary.

What is contemplated under (2)? Who are we going to be lending to beyond those covered by (1)? You do not need to explain what (1) will allow. In (2), beyond those covered in (1), what will (2) allow and what is anticipated in terms of who is having finance advanced to them by this entity, Homes Tasmania?

Mrs HISCUTT - Subclause (2) in clause 78 is new. It gives Homes Tasmania the power to make an advance to a person other than a housing provider or housing support provider to deliver more housing for Tasmanians. This broader power aligns with the greater collaborative focus of the new authority and provides the flexibility needed to deliver more social and affordable housing. All powers are tied back to the purposes and functions of the act. I will keep repeating that three or four times. All powers are tied back to the purposes and functions of the act.

This is an enabling provision that ensures flexibility on how Homes Tasmania ensures housing developments are delivered. This could be for not-for-profits, who deliver housing, who are not necessarily a community housing provider, such as a church or the local migrant resource centre.

Ms WEBB - What you just described then would be captured within our broader definition of 'housing provider' anyway, so it would be captured by (1). We do not need to get hung up on that. I am more interested in, other than potential not-for-profits, who else gets picked up with (2) here? What are we imagining? Who are we imagining we are lending money to? Presumably too, competing with other financial institutions who lend money to property developers to develop property.

Are we looking here to undercut other financial lenders and provide favourable terms for lending to for-profit property developers? Because they have got to include some element of social or public housing within the development? This is quite puzzling. Why would not any of those entities outside of housing support providers, why would they not go to another lending institution to get the finance they require to do these developments as they do now? What are we offering them that is better than or required in some way, beyond the options they have, commercially, already?

Mrs HISCUTT - It may be captured, but some types of organisations may not be captured by the definition of housing provider. So, this is a catch-all clause.

To the question of what must be used for social or affordable housing, this comes back to the purpose and functions of the act. We must keep in mind the purpose and functions of the act. It all ties back to that.

Ms WEBB - In relation to this, who are we anticipating we are lending money to? Why is it required, when those entities will have other commercial options for lending money for their developments? Will we be in a position of competing against other financial lenders to provide property developers with money to do their large developments with some small element of social housing in it, with favourable terms coming out of public funding for Homes Tasmania? How is that appropriate? Is that what we are talking about here?

Mrs HISCUTT - I dispute favourable terms, because it all links back to the purposes and intent and the functions of the act. It has to come back to that.

You asked for examples of people. We gave you two examples. One may be a church and the other may be a migrant resource centre. We would only be providing advances for the purposes of the act, so there would need to be a benefit shown to the wider community in housing for people.

Madam CHAIR - The question is that the clause as read stand part of the bill.

The Council divided -

AYES 10

Ms Armitage
Mr Duigan
Mr Edmunds
Ms Forrest
Mr Harriss
Mrs Hiscutt
Ms Howlett (Teller)
Ms Lovell
Ms Palmer
Mr Willie

NOES 4

Mr Gaffney
Ms Rattray (Teller)
Mr Valentine
Ms Webb

Clause 78 agreed to.

Clauses 79, 80 and 81 agreed to.

Clauses 82 and 83 agreed to.

Clauses 84, 85, and 86 agreed to.

Clauses 87, 88, 89 and 90 agreed to.

Clauses 91, 92, 93, 94 and 95 agreed to.

Clauses 96, 97, 98 and 99 agreed to.

Clauses 100, 101 and 102 agreed to.

Clause 103 agreed to.

Clause 104-

Power of Homes Tasmania to sell or hire plant to persons erecting residential premises

Ms RATTRAY - It looks like Homes Tasmania is not only heading into development, it is also going into selling and hiring plant equipment to persons. Can I have some clarification on Clause 104? It had not been going that quickly until more recently with one at a time. I am really interested in this clause on the power for Homes Tasmania to sell or hire plant to persons erecting residential premises. The first question that has been asked a number of times during this debate is: is this something taken out of the current act and transferred over, or is this something new? Some detail and further clarification - are these plant and equipment that are already owned by Homes Tasmania or are they planning to buy one of the plant and equipment hire companies and have some stock on hand? How might that work?

Mrs HISCUTT - Clause 104 is derived from section 43A of the Homes Act and is only slightly different from the repealed provision, so it was there anyway. The power is not currently used, but it is an enabling provision. Under the Homes Act, section 43A, the Director of Housing required the minister's approval to sell or hire plant. Homes Tasmania may use the power in clause 104 without the minister's approval. That is the only difference. It was already there.

Clause 104 agreed to.

Clauses 105, 106 and 107 agreed to.

Clause 108 -

Judgment of court not to affect contract of sale or mortgage

Ms RATTRAY - Thank you, Madam Chair. Clause 108 is about judgment of court not to affect contract of sale or mortgage. It goes on to say:

- (1) A judgment, order, or decree, of any court must not in any way affect the security or remedies of Homes Tasmania under a contract of sale or mortgage.

- (2) Until a contract of sale with Homes Tasmania has been fully performed, or the terms and conditions of a mortgage with Homes Tasmania are complied with, no process of law may interfere with the security or remedies of Homes Tasmania.

I am assuming that this is a direct take from that.

Can I have some sort of indication of how this could be used? How do you tell the judgment of the court not to affect? If the court makes a judgment you cannot ignore it, or I consider you could not ignore it; but this is saying you just ignore it.

Mr VALENTINE - It fetters their judgment.

Ms RATTRAY - I am interested in (a), is that correct that it is just a direct transfer? Also (b), in what instance would this be used?

Mrs HISCUTT - This clause provides a judgment, order or decree of any court is not to affect the security or remedies of Homes Tasmania under a contract of sale or mortgage. The clause is derived from section 45 of the Homes Act and is substantially consistent with the repealed provision. It is drafted by the Office of Parliamentary Counsel (OPC) to ensure that Homes Tasmania has appropriate powers. It is not currently used, but could be used where there are things like second mortgages in place on a home.

Clause 108 agreed to.

Clause 109 agreed to.

Clause 110 -
Misuse of information

Ms WEBB - Thank you, Madam Chair, I move an amendment in my name to clause 110. Page 143, subclause (2).

Leave out "his or her".

Insert instead "the person's".

I will not speak to it, it is the same as before.

Clause 110, as amended, agreed to.

Clauses 111, 112, 113, 114 and 115 agreed to.

Schedule 1 -
Board

Ms WEBB - I move five amendments in my name to this schedule 1.

First Amendment

Page 150, clause 2.

Leave out “his or her” (first occurring).

Insert instead “the holder's”.

Second Amendment

Page 150, clause 2.

Leave out “his or her” (second occurring.)

Insert instead “the holder's”.

Third Amendment

Page 151, clause 3, subclause (1).

Leave out “his or her”.

Insert instead “the director's”.

Fourth amendment

Page 151, clause 5, subclause (1).

Leave out “he or she”.

Insert instead “the director”.

Fifth amendment

Page 155, clause 3, subclause (1).

Leave out “he or she”.

Insert instead “the Homes Tasmania Board chair”.

Amendments agreed to.

Schedule, as amended, agreed to.

Schedule 2 -

Savings and Transitional Provisions

Ms WEBB - Madam Chair, I have an amendment to clause 2(1)(b). I move -

That clause 2(1)(b) be amended by *leaving out* 'his or her' and *inserting instead* 'the person's'.

Amendment agreed to.

Schedule, as amended, agreed to.

Title agreed to

Bill reported with amendments agreed to.

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move -

That the bill, as amended in Committee, be taken into consideration tomorrow.

Motion agreed to.

HOMES TASMANIA (CONSEQUENTIAL AMENDMENTS) BILL 2022 (No. 36)

Second Reading

[8.03 p.m.]

Ms PALMER (Rosevears - Minister for Primary Industries and Water) - Mr President, I move -

That the bill be now read the second time.

As the Homes Tasmania Bill 2022 is the primary legislation driving the need for this bill, we have addressed its purpose and outlined the substitutions this bill makes in the second reading speech for the Homes Tasmania Bill 2022.

Mr President, I commend the bill to the House.

Bill read the second time.

HOMES TASMANIA (CONSEQUENTIAL AMENDMENTS) BILL 2022 (No. 36)

In Committee

Clauses 1 and 2 agreed to.

Clauses 3, 4, 5 and 6 agreed to.

Clauses 7, 8, 9 and 10 agreed to.

Clauses 11, 12 and 13 agreed to.

Clauses 14, 15 and 16 agreed to.

Clauses 17, 18 and 19 agreed to.

Clauses 20 and 21 agreed to.

Clauses 22, 23, 24, 25 and 26 agreed to.

Clauses 27 and 28 agreed to.

Clauses 29 and 30 agreed to.

Clauses 31 and 32 agreed to.

Clauses 33, 34, 35, 36, 37 and 38 agreed to.

Clauses 39 and 40 agreed to.

Clauses 41 and 42 agreed to.

Clauses 43 and 44 agreed to.

[8.07 p.m.]

Mr GAFFNEY - Point of order, I have a question. I am going through the bill, I might have missed it, but on page 16, Part 3, 16, 17 and 18 in my bill, but I am not sure if that is - so we went from 26 to 27, 28 -

Madam CHAIR - 16, 17, 18 are part of Clause 26.

Mr GAFFNEY - Sorry, yes thank you.

Title as read stands part of the bill.

Bill reported without amendment.

Bill read the second time.

Ms PALMER (Rosevears - Deputy Leader of the Government in the Legislative Council) - I move -

That the third reading of the bill be made an order of the day for tomorrow.

Motion agreed to.

ADJOURNMENT

[8.09 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move -

That at its rising the Council does adjourn until 11.00 a.m. on Thursday 29 September 2022.

Motion agreed to.

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, with regard to the last two bills I thank members for their diligence in working through that and I particularly thank my advisers, they were very diligent as they worked their way through that as well. So I remind members of our briefings tomorrow morning. We are starting with Venture Minerals projects at 9.00 a.m. That was a request by the member for Murchison. Then we will follow with the Vehicle and Traffic Amendment (Driver Distraction and Speed Enforcement) Bill.

Mr President, I move -

That the Council do now adjourn.

Council adjourned at 8.10 p.m.

APPENDIX 1

tabled and incorporated
into Hansard
L. Hiscutt
28.09.22

table
2/15/22

Questions without Notice

Name: Hon. Meg Webb MLC

Questions:

- I How many houses have been constructed for social housing in each of the Local Government Areas of Hobart, Glenorchy, Clarence and Kingborough in **each of the last five years**, reported by:
- The LGA the home has been built; and
 - The number of homes in each that have been constructed to Silver Level of the LHDG and Gold Level and above of the LHDG; and
 - The number of new homes in each that replace social housing properties that were demolished; and
 - The net gain in the number of social housing properties in each over the time period.

Answered by: Hon. Leonie Hiscutt MLC
Leader of the Government in the Legislative Council

Answers:

- I The following tables shows the information requested in questions 1a and 1b with the 2022 information current as at 31 July 2022:

Table 1: New social housing dwellings – in each of the past five years by accessibility standards – Clarence

LGA	Dwellings built to following Disability Standards				Total number dwellings built
	AS1428 and AS4299 or Gold Level and above of the LHDG	Silver Level of the LHDG	Minimum	Data not available	
2017	0	0	0	0	0
2018	28	0	0	2	30
2019	4	0	10	16	30
2020	1	0	17	17	35

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2021	12	18	0	0	30
2022*	2	6	0	9	17
Total	47	24	27	44	142

Table 2: New social housing dwellings – in each of the past five years by accessibility standards – Glenorchy

LGA	Dwellings built to following Disability Standards				Total number dwellings built
	AS1428 and AS4299 or Gold Level and above of the LHDG	Silver Level of the LHDG	Minimum	Data not available	
2017	0	0	0	5	5
2018	21	0	0	10	31
2019	0	0	1	28	29
2020	0	0	0	14	14
2021	3	16	15	26	60
2022*	0	15	0	56	71
Total	24	31	16	139	210

Table 3: New social housing dwellings – in each of the past five years by accessibility standards – Hobart

LGA	Dwellings built to following Disability Standards				Total number dwellings built
	AS1428 and AS4299 or Gold Level and above of the LHDG	Silver Level of the LHDG	Minimum	Data not available	
2020	0	0	0	1	1
Total	0	0	0	1	1

Notes to table:

- i. There were no dwellings completed in the Hobart LGA in any year but 2020.

Table 4: New social housing dwellings – in each of the past five years by accessibility standards – Kingborough

LGA	Dwellings built to following Disability Standards				Total number dwellings built
	AS1428 and AS4299 or Gold Level and above of the LHDG	Silver Level of the LHDG	Minimum	Data not available	
2017	0	0	0	3	3
2018	0	0	0	0	0
2019	0	0	1	2	3
2020	0	0	0	1	1
2021	0	0	0	0	0
2022*	0	0	0	4	4
Total	0	0	1	10	11

In response to question 1c, the following table shows the number of dwellings that have been built on sites that have been demolished. This captures dwellings that have been demolished since 2016 and dwellings rebuilt from 2017.

It is important to note that whilst efforts have been made to ensure the accuracy of the information, there are limitations to this data.

Table 5: The number of social housing dwellings built on previously demolished sites – selected LGAs

	Clarence	Glenorchy	Total
Demolished	4	19	23
Newly built	7	35	42
Net Change	+ 3	+ 16	+19

Notes to table:

- i. None of the newly built dwellings in Kingborough or Hobart LGAs were on sites that had previously been demolished.
- ii. This data is not available in a year by year break down owing to the time lag between demolished and newly built

In response to question 1d, the following tables summarise the number of dwellings demolished in each year and the number of dwellings built in each year by LGA showing the net change each year over the selected time period.

Table 6: The net change in the number of social housing dwellings – 2017 to 2022 – Clarence

	Demolished	New Builds	Net change
2017	10		-10
2018	1	30	+ 29
2019	1	30	+ 29
2020	1	35	+ 34
2021		30	+ 30
2022*	1	17	+ 16
Total	14	142	+ 128

Table 7: The net change in the number of social housing dwellings – 2017 to 2022 – Glenorchy

	Demolished	New Builds	Net change
2017	15	5	-10
2018	2	31	+ 29
2019		29	+ 29
2020	4	14	+ 10
2021	12	60	+ 48
2022*		71	+ 71
Total	33	210	177

Table 8 The net change in the number of social housing dwellings – 2017 to 2022 – Hobart

	Demolished	New Builds	Net change
2017	0	0	0
2018	10	0	-10
2019	0	0	0
2020	0	0	0
2021	0	1	+ 1
2022*	0	0	0
Total	10	1	-9

Table 9: The net change in the number of social housing dwellings – 2017 to 2022 – Kingborough

	Demolished	New Builds	Net change
2017	0	3	+ 3
2018	1	0	- 1
2019	0	3	+ 3
2020	0	1	+ 1
2021	0	0	0
2022*	1	4	+ 3
Total	2	11	+ 9



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