

## Supplementary Appropriation Bill 2013

- Mr Speaker, my Government is committed to strong financial management.
- We continue to face significant financial issues, including ongoing uncertainty around the future level of GST receipts.
- But we remain determined to make the difficult decisions needed to ensure that the Budget is returned to a strong and sustainable footing.
- The measures we have taken since I became Premier to rein in the growth in Government expenses are working.
- The 2011/12 Treasurer's Annual Financial Report showed that last financial year we were able to keep the growth in Operating Expenses for the General Government Sector to 1.8 per cent, compared with an average of 8.8 per cent in the six years up to and including 2010/11.
- But Governments need to respond to circumstances as they arise.
- Last summer saw the worst bushfires in Tasmania since 1967.
- Like all Tasmanians, I was proud of the response by our emergency service personnel, and by the way the members of the community and staff from all levels of government rallied around those affected.
- But dealing with bushfire emergencies and putting in place a bushfire recovery process comes at a cost.
- Today, through this Bill, we will legislate to meet the initial costs related to this summer's bushfires that were not foreseen in the 2012/13 Budget.
- In recent months we have also seen an upturn in unemployment, and unexpected costs have been incurred due to events such as the potential collapse of the West Coast Wilderness Railway.
- In response to the unacceptably high level of unemployment, my Government has introduced a range of initiatives to create jobs through the \$24.5 million Tasmanian Jobs Package which I unveiled in December.

- The Package will support the creation of more than 3000 jobs and leverage \$375 million of private investment.
- It is already having an important and welcome impact, as we have seen with the creation of 750 jobs by Vodafone in Kingston with the assistance of our initiative to waive payroll tax for all new employees.
- And ofcourse the Government remains committed to investing in important services for the Tasmanian community in areas such as health, education and policing.
- The Bill before the House today appropriates an amount of \$62.9 million from the Consolidated Fund to meet the initial costs of the bushfires we experienced during the summer, to invest in jobs for Tasmanians, and to meet unforeseen costs associated with the provision of essential services to the people of Tasmania.

### Bushfire Recovery Expenses

- Mr Speaker, we are all aware of the terrible bushfires experienced across the State during this summer.
- In the immediate aftermath of the fires I said that my Government would stand with victims as they rebuilt their communities.
- I made it clear that the State Government would do all it could to support the affected areas, and to ensure that services were restored as quickly as possible.
- It is what those affected deserve, and the Tasmanian community would expect nothing less.
- The recovery process is now well underway and staff across government will continue this effort for the 18-months or so that it will take to get affected communities back on their feet.
- Current estimates of the total cost of the emergency are expected to be close to \$45 million.
- These costs relate not just to the cost of the initial response to the emergency but also to important recovery activities.

- Mr Speaker, further work is currently being undertaken to finalise cost estimates.
- Some of these costs will be met within current agency Budgets, some will require the allocation of additional State Government funding and some will ultimately be met by the Australian Government under the provisions of the Natural Disaster Relief and Recovery Arrangements.
- This Bill will appropriate \$22 million to Finance General to meet the initial costs associated with the immediate bushfire response and the subsequent clean-up.
- This includes funding for:
  - the direct response costs incurred by the State Fire Commission, Forestry Tasmania and the Department of Primary Industries, Water and Environment;
  - clean up costs;
  - Police and Emergency Service costs; and
  - funding for the Port Arthur Historic Site Management Authority for providing a Recovery Centre.
- The destruction of the Dunalley Primary School during the fires has also required significant expenditure for the clearing of the site, for the provision of a temporary school at Dunalley, and for the replacement of the school's contents.
- In addition, Agencies across the Tasmanian Government have incurred additional expenses in order to provide important activities such as:
  - provision of public health, and personal and social support;
  - funding to help businesses rebuild;
  - assistance in the re-establishment of property boundaries;
  - funding to some Non-Government Organisations; and
  - administrative and support activities.
- As Premier, I have been proud of the response of staff across all areas of government.
- I believe the expenses we have incurred in response to the fires are a small price to pay to help the Tasmanians affected to rebuild their lives and their communities.

## Tasmanian Jobs Package

- Mr Speaker, I said at the start of last year that jobs were my number one priority and despite the ongoing challenges that we face, we achieved some important outcomes in 2012.
- We helped to secure more than 2000 direct and indirect jobs in our major industrials, like Norske Skog, Pacific Aluminium and BHP TEMCO.
- We also made significant progress towards our goals of:
  - doubling Tasmania's irrigated farmland;
  - growing jobs in the agricultural sector;
  - creating jobs created through projects like the Musselroe Wind Farm; and
  - reforming the State's planning system to make it easier for businesses and home builders to invest and create jobs.
- However, there is still more work to be done.
- That's why in December I announced the Tasmanian Jobs Package, which has been designed to create jobs, stimulate private investment, and boost business and consumer confidence.
- This Supplementary Appropriation Bill appropriates \$12.2 million for the implementation of a number of the initiatives that I announced as part of the Jobs Package; including:
  - additional funding for the Tasmanian Government Innovation and Investment Fund;
  - the Aurora Stadium Lighting Upgrade;
  - additional funding for Tourism Marketing;
  - the Launceston Seaport Boardwalk Expansion;
  - development of the Hollybank Reserve Mountain Bike Park;
  - establishment of the First Home Builder Boost program;
  - additional funding for community infrastructure; and
  - support for the dairy industry's 'Filling the Factories' program.
- Supporting existing jobs and creating new ones through initiatives such as these will remain firmly at the top of my Government's agenda.

## West Coast Wilderness Railway

- Mr Speaker, as announced by the Government in March, in-principle agreement has been reached with the Federal Group to transfer Federal employees to the Abt Railway Corporation.
- This will ensure job security for these staff.
- The Government recognises the importance of the railway to the West Coast economy and the local community, and we are committed to seeing this important attraction operating in the next summer tourist season.
- To enable this to happen, this Bill allocates \$3 million in 2012-13 in order to pay salaries and business costs for the West Coast Wilderness Railway.

## King Island Partnership

- Mr Speaker, this Bill also provides an appropriation of \$300 000 for the new partnership agreement between the State Government and the King Island Council which aims to promote economic development and diversification on King Island.
- The King Island community faces significant challenges caused by the sudden closure of JBS' operations.
- The partnership agreement capitalises on King Island's natural strengths, including optimal agricultural conditions, a reputation for premium quality and a passionate and resilient community.
- A key initiative under the partnership agreement will be an independent feasibility study to assess the commercial viability of a new abattoir for King Island.

- The State Government and the Council will also support the exploration of alternative shipping solutions for King Island, and will develop a King Island Freight Strategy.

## Departmental expenses

- Mr Speaker, the Government remains committed to providing a level of funding sufficient to provide the essential services that Tasmanians rely on.
- In doing so, there will always be expenses that were not foreseen at Budget time.
- In this regard, the Bill appropriates \$7.7 million to the Department of Health and Human Services to meet an increase in demand for out-of-home care and child protection services, as well as \$63 000 to provide counselling services to people affected by forced adoption.
- The Bill also appropriates \$2.5 million to the Department of Justice to meet an increase in demand for Corrective Services.
- Mr Speaker, in addition to these initiatives, additional funding is also required for a range of administrative matters.
- Funding of \$10 million is required to finalise the Police Mobile Radio Network Upgrade.
- The key objective of the upgrade project is the replacement of end-of-life core network equipment with new digitally capable equipment.
- This cost is partially offset by under-expenditure of \$3.2 million on this project during 2011-12.
- This funding is required to meet the cost of project contractual costs now expected to be incurred in 2012-13.
- This Bill provides \$3.8 million to the Department of Primary Industries, Parks, Water and Environment to meet compensation costs under the *Nature Conservation Act 2002*. The funding in this Bill provides for

compensation payments to landowners anticipated to be necessary in the near future.

- Without this funding, the Government will be unable to meet its statutory obligations under the Nature Conservation Act.
- In addition, \$1.4 million has been allocated to the Department of Education to provide funding to meet additional VET Reform project management costs incurred by the Department during 2012-13.

## Conclusion

- Mr Speaker, the Bill before the House is an important step in supporting the Tasmanian community and our economy, and providing the State with the essential services it requires.
- Many of the costs identified in this Bill have already been announced and detailed in the 2012-13 Revised Estimates Report.
- The Bill also ensures the Government can meet all of its present expenditure obligations in 2012-13.
- I commend the Bill to the House.