

Wednesday 30 October 2019

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

POISONS AMENDMENT BILL 2019 (No. 45)
NEIGHBOURHOOD DISPUTES ABOUT PLANTS
AMENDMENT BILL 2019 (No. 35)

First Reading

Bills received from the House of Assembly and read the first time.

GENETICALLY MODIFIED ORGANISMS CONTROL
AMENDMENT BILL 2019 (No. 33)

LEGAL PROFESSION AMENDMENT (VALIDATION) BILL 2019 (No. 34)

Third Reading

Bills read the third time.

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 to enable us to continue our briefing.

Sitting suspended from 11.05 a.m. to 12.16 p.m.

PUBLIC WORKS COMMITTEE AMENDMENT BILL 2019 (No. 32)

Second Reading

[12.16 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council - 2R) -
Mr President, I move -

That the bill be now read the second time.

Mr President, the Public Works Committee Amendment Bill 2019 seeks to amend the Public Works Committee Act 1914. Currently, public works valued over \$5 million must be referred to the Parliamentary Standing Committee on Public Works for its consideration. This bill proposes

increases to the threshold above which works must be considered by the committee to enable the design and construction of infrastructure projects valued below the new thresholds to proceed without unnecessary delay. The proposed thresholds are \$8 million for building or construction works and \$20 million for road or bridge works.

Mr President, the thresholds have not been reviewed for a decade, with the last increase being in 2009. At this time, the threshold was increased from \$2 million to \$5 million to enable the timely delivery of infrastructure investment funded by the economic stimulus package by the then Australian Government. Noting that the thresholds have not been increased over this period, now is the opportune time to review and lift the current threshold. In the 10 years since the threshold was last reviewed, the building and construction industry in Tasmania has undergone huge, rapid expansion. We are investing in new roads and bridges, hospitals, police stations, affordable housing and schools needed for the twenty-first century. This bill will assist in ensuring we are able to build the infrastructure needed to support and cater for our growing state's needs into the future.

The Government's focus on delivering infrastructure projects to improve our way of life and underpin our economy has meant there is an ever-increasing number of projects requiring review by the committee. If the current threshold is maintained, the 2019 Tasmanian Infrastructure Project Pipeline identifies 73 projects over the course of three years that would require referral to the committee. Should the thresholds proposed in this bill be effected, that number is expected to still be around 50 projects to be considered by the committee.

The role that the committee plays is an important one. It is important that significant expenditure of public funds is given proper and full consideration, especially in relation to larger, more complex and expensive projects. However, this is difficult if the committee lacks the time to dedicate sufficient effort in this task to every project and lacks the opportunity to hear a full range of community views about major projects. The reduction in the number of projects requiring referral proposed in the bill will mean full and proper consideration can be given to high-value, higher risk projects. Importantly, the ability of the public to provide the committee with a full range of community views on high-value, generally more complex, higher risk projects is preserved.

The bill proposes two thresholds for the referral of works - one for building and construction at \$8 million and one for roads and bridges at \$20 million. This is designed to ensure the committee is considering projects at the right level while less complex projects with lower risk are able to proceed in a timely way. Roads and bridges projects are inherently expensive. Road and bridge projects under \$20 million, although costly, are not normally considered high risk and generally are routine works at this level. Streamlining process requirements for lower risk projects means the public will receive the benefits of these investments as quickly as possible.

Mr President, to ensure that any projects can be reviewed by the committee, if deemed necessary, the current legislation allows for all projects, regardless of their value, to be referred to the committee for review. During the development of this bill, the Government consulted with the committee and proposed increasing the thresholds to \$10 million for building and construction and \$30 million for roads and bridges. The committee informed the minister that \$20 million for proposed road and bridge construction works and \$8 million for all other proposed public works may be more appropriate and that these values be a starting point for debate in parliament.

I thank the committee for its involvement and feedback, as a result of which the bill before the Council contains these thresholds. The ability to progress proposed works promptly will assist industry to plan and schedule works within key construction windows. Importantly, the bill strikes

the right balance with the requirement for committee review while providing an opportunity for public input.

I commend the bill to the House.

[12.21 p.m.]

Mr VALENTINE (Hobart) - Mr President, I thank the Leader for those who briefed us. They helped us understand the bigger picture in trying to streamline construction projects. Of course, the Public Works Committee process is only one part of that but an important part, as I see it.

I joined the committee in May 2016 and I have been chairing it since 21 March this year when Adam Brooks left the parliament.

I believe the committee should not be setting its own parameters. It is a creature of parliament and the committee receives its riding instructions from the parliament. I am a little hesitant to be up here saying it ought to be this level or that level; however, I am a member of parliament as well as part of that process. There is an argument for change about the level. I will be listening to individual members' responses to the way it has been set.

The member for McIntyre and I, as members of the committee, are slightly conflicted. Whatever level it is set at, I suppose it means there is a reduction in work we have to look at. We are slightly conflicted in that regard - more work if it stays low.

The Treasurer accurately stated the committee's view that it is a good starting point for debate. We did not say we were satisfied with the levels.

Individual committee members need to have the capacity to listen and to weigh up what we as members may think in this regard. I had the Parliamentary Research Service do a little research, which I have shared with members for their consideration. It touches on some important points in the research that was done and, as Parliamentary Research always does, it drilled down; it does a fantastic job in that regard. It cannot be quoted in the media - I just note that.

In the 10 years since 2009, the projects were roads and bridges, 39; and building and construction, 53. That makes a total of 92 projects between 2009 and 2018. So far in 2019, roads and bridges have been five, minus one which was withdrawn because it came below the threshold in the end; and in building and construction there were three. That is a total of eight this year, but we have one more that has just been finalised, bringing the total to nine projects. There were not an insignificant number of representations when these projects were brought before the committee. This is an important thing. While only one has been rejected over time - the Devonport Police Station, which most members would know about - one was held up for further important information. It is important the committee has information at its disposal to be able to make the correct decisions in this regard.

Changes have been made as a result of representations. The department listens to representations and makes changes where it is feasible to do so. Unfortunately I do not have figures on the number of projects that have had changes made to them as a result of representations. I suggest it happens reasonably often. It is an important opportunity for people coming before the committee to put their point of view. Sometimes the larger projects have fewer representors and the smaller projects might have more, depending on whether it is going through a built-up area or

for some other reason. People want to have their say and have the opportunity to present their concerns and issues.

I have asked for the non-project witnesses. Obviously, the department has witnesses and presents to the committee with regard to the projects before us. I have asked for an analysis on the number of non-project witnesses - the members of the community who wish to come and have something to say. Between 2009 and 2018, there were 90. The average number of non-project witnesses per project is 1.13. However, if you look over the past 10 years, the number of witnesses has varied per year. In 2009, we had 24 witnesses; in 2010, zero; in 2011, 20; in 2012, 2 - you can see it changes significantly - in 2013, 22; in 2014, 6; in 2015, 3; in 2016, 1; in 2017, 11; 2018, 1; and in 2019, there has been 9 to date. The figures vary over the years, depending on the type of project we have before us.

The percentage change average per annum is interesting to look at. You say it is at \$5 million at the moment, so what has been the percentage change? The average change is 2.23 per cent for building and construction; non-residential building and construction, 2.45 per cent; roads and bridges, 2.59 per cent and the Hobart consumer price index, 2.02 per cent. The more important point is the increase in value of \$5 million since 2009 to date using the various indices. Of course, you can use different indices and each one will give a different result. For building and construction, it is \$6.2 million; for non-residential, \$6.2 million; for roads and bridges, \$6.4 million; and for the Hobart CPI, \$6.1 million. From \$5 million to those figures, depending on which indices you use. You can see the suggested changes to the various thresholds are higher than the natural increase. The natural increase is important and balances out the argument.

Regarding other jurisdictions, as in the analysis, the Commonwealth is \$15 million. That is a joint committee within the Australian Parliament. Anything from \$2 million to \$15 million needs notification through the committee. New South Wales is \$10 million and a Legislative Council committee; in South Australia, \$4 million and a House of Assembly committee; and in Tasmania it is \$5 million, with any project under \$5 million being able to be referred by the House of Assembly. The Government would have to agree if the opposition parties wish to do that. Obviously that is something for us to consider. There is consideration of a possible amendment with a joint House committee. Why should it be only the House of Assembly? Why could it not also be the Legislative Council? Other members will talk to that.

We have to be aware projects also go through a land use planning and approvals process. Depending on how the new statewide planning scheme affects this, which is not expected to be much depending on each council's local area provisions, it has that level of scrutiny at a local level, but that may not cover everybody. What other scrutiny does this project have from a government perspective? Obviously, the Public Accounts Committee has an opportunity to scrutinise a project after the event, but of course by then it is built. If you are somebody who has some real concerns, you do not have the opportunity if indeed the threshold is too high.

In Queensland, any project is examined on own motion or referral from the House. In Victoria, there is no public works committee or other committee with auto-referral based on meeting a threshold cost of the project. Western Australia is the same. The Australian Capital Territory's public works committee equivalent ceased in 2016 and it now has a planning and urban renewal committee but that committee cannot be involved with development applications. The ACT Parliament carries out both local government and territory functions. There is a stricture on that particular planning and urban renewal committee not to be involved with development applications under the planning process. In the Northern Territory, there is no public works committee or other

committee with auto-referral based on meeting the threshold cost of the project - the same as Western Australia and indeed Victoria.

Hopefully, this gives members some understanding about what is happening in other places. The second reading speech says, regarding capacity, 'if the committee lacks the time to dedicate sufficient effort'. There is no backlog in the committee's work - apart from perhaps having two projects on the go at once - and since I have been a member here, there has rarely been a backlog. Other members of that committee may say there might have been a period where there were a number of projects lined up. In terms of the committee capacity, if you take out sitting weeks, the scrutiny committee weeks, the school awards weeks in December, and Christmas, New Year, Easter and annual leave, it leaves about 26 weeks to hold hearings. The maximum would depend on member availability for a quorum. It would be difficult to do more than two a week so you might visualise 52 maximum per year but practically, 24.3 projects would not be unfeasible, all things being equal. That is 73 in three years which, if it stays the same, would be expected and 16.7 projects a year with a higher threshold. You go from 24.3 down to 16.7 if the eight and the 20 have their day.

The department needs to be resourced to deliver the reports along with the secretariat. It is all very well to say there are going to be 73 projects, but the department has to produce the reports. At this time, I would like to circulate examples of the submissions we on the Public Works Committee received, which I can do because they are published on the website. Members will see how significant some of those submissions are and the level of detail in them. Members have to understand that it is not only, for instance, the Department of State Growth which has projects. We get projects from the departments of Education with schools; Health, such as the King Island Hospital; and Justice, like the remand centre. These are not insignificant. If members can think of those projects just floating through without any significant scrutiny, they have to ask: how is this House keeping the Government honest in the way it is dealing with projects? Those projects might be mentioned in a budget speech and they might be available for questioning at Estimates, but the sort of questioning you can do at Estimates is nothing like the detail in these documents.

When you look at these thresholds, you have to think about whether they are sufficient to deal with the projects properly, whether the public is getting value for money and whether there will not be unintended consequences as a result of some of these projects.

If these thresholds come into being, obviously the level of scrutiny is going to be lowered to a degree. The change in levels would reduce the projects from 73 to 50. That would mean that eight building and construction projects and 15 roads and bridges projects would not proceed to committee if these levels came into play.

By way of background information, in 2001 the threshold went from \$1 million to \$2 million. In 2009, the threshold went from \$2 million to \$5 million. That was with Building the Education Revolution. It was an attempt to speed things up, but that was accompanied - the member for Mersey might correct me if I am wrong here - by various changes in local government, where they were expected not to put some of these things through the full planning process.

Mr Gaffney - The legislation allowed it to be fast-tracked to allow the projects to be up and running with that money. There was separate legislation to allow that.

Mr VALENTINE - Yes, I think that is what happened in that case. The level was lifted to \$5 million at that point.

Mr Dean - What point was that, sorry?

Mr VALENTINE - I was just saying in 2009, the threshold of \$2 million went up to \$5 million. The reason that threshold was put in was basically to facilitate the Building the Education Revolution projects coming through.

On the local government front, I believe legislation handled how those projects were to be dealt with under the Land Use Planning and Approvals Act.

I know the Government is trying to ensure there is no boom and bust cycle, and is smoothing it out. I can understand its desire for that. The civil contractors, when they briefed us, showed concern for that continuity. When you are dealing with a large workforce and a lot of gear, everything like that, you want to ensure you can do it effectively and efficiently. It is a balance between continuity of work and level of consultation and scrutiny.

The department does need extra funding to deliver. Wherever those thresholds end up lying, it may put further pressure on the government departments that have to put these documents together.

Finally, the committee can only deal with the projects put before it. There is no backlog. I hope that gives members some understanding of the process, the field, we are talking about. The committee could take up to three months to go through some committee processes -

- one to two weeks to make sure we have the dates right for quorums for members
- a week to arrange and place advertisements in the relevant papers
- a minimum of two weeks from the date of advertisement for submissions to be made by members of the public and interested parties, with these received at least one week prior to the hearing to allow sufficient time for the committee members to read them
- receipt of the department's submission at least two weeks prior to the hearing to allow sufficient time for the committee members to read them.
- following the public hearings, approximately six weeks, assuming the project is approved by the committee, for the committee's deliberations.

This is the process.

If you look at the breadth of time a project takes from its consideration - when the Government says, 'Yes, we need this project' - to the time the project is delivered, it could be a significant period. It might be two years. You are looking at a smaller amount of time for proper scrutiny. I will leave it with you.

Ms Armitage - Do you have a problem getting a quorum with your committee? It being with the lower House, does that delay your committee? Speaking from experience, as the member for Windermere will agree, we were to have a committee this week but we cannot get a quorum from the lower House.

Mr VALENTINE - I am not going to comment on the committee's operations.

Ms Armitage - I am wondering, are there delays in your committee?

Mr VALENTINE - As with any committee, you will sometimes have people who cannot turn up. We have to try to gather a quorum, as does any other committee. I suggest it is no different to any other committee. I do not want to comment.

Mr Dean - That is a bit of a worry, if it isn't.

Mr VALENTINE - It is a confidential committee and I would rather not comment on its operation.

Ms Armitage - I understand, I am talking about the delay. That was one thing we heard from industry. You are saying three months, but if you can't get a quorum and you can't get a committee together, it can drag on longer. That was my concern.

Mr VALENTINE - I do not think there is too much delay as a result of not being able to form quorums. I am not saying that it does not occur.

[12.43 p.m.]

Ms RATTRAY (McIntyre) - Mr President, I will declare an interest - I am also a member of the Public Works Committee. Although a fairly recent addition to the committee, I am certainly not the newest. I appreciate the opportunity to undertake the scrutiny the Public Works Committee carries out. As a former member, Mr President, you would appreciate this. The role of the committee is really important. If we are going to increase the level of value of works, and significantly increase it - \$5 million to \$8 million - I certainly do not have an issue with that.

I understand the issues raised by industry and by the Government, which had a roundtable and that is what came out of it. It would be interesting to know whether this was the only issue that came out of the roundtable report. I expect the Leader may be able to get a copy of the roundtable report, if that is possible.

Mrs Hiscutt - Are we able to get a copy of the roundtable report?

Ms RATTRAY - Yes. I am interested to know whether any other issues may have streamlined works, other than just increasing the works' value and scrutiny for those works. It is not necessarily a problem with the \$8 million. I understand the issues for industry with an increase higher than that, but a \$20 million increase, when you are increasing it from \$5 million to \$20 million, is too high.

For many of the reasons the member for Hobart articulated in his contribution, none of the other states or territories has had anything like that increase. The member read out the different states and what they do. We are often compared to South Australia. Its level is \$4 million. We are often asked to look at what South Australia does and to use that as a comparison. When you look at South Australia, its scrutiny begins at \$4 million, so I expect we could at least be somewhere in that ballpark. A \$20 million project may have as many issues and concerns and possible representations as an \$8 million project.

I also note, from the time that I have been a member of the committee, that the work of the committee has been really valuable in assisting the department to change its view on something. That happened recently. There was a negotiated outcome and the project was not held up, which

was a much better outcome and with significant community representation. The committee often meets on site. There is a recent reference of an expansive area on the eastern part of the state. We had to meet in one place, otherwise we would have been there for days.

Usually, the committee goes to the site and is able to see firsthand what has been proposed and talk through that. You go back to the formal part of the committee process, witnesses come before the committee and you are able to take some evidence in regard to that, then the committee deliberates. You also have an opportunity to hear from the community. That is the really important part of spending money that belongs to the State of Tasmania, particularly for projects in which people, members of communities, have specific interests. More recently, in the east coast scenario I referred to, we had three community representations. I asked a couple of questions in this House about that because some issues were raised that could not necessarily be addressed by the committee. It is information that you gain along the way, and I felt that was very much appreciated and useful.

I received some information, as all members have done, and I flag I have an amendment to the roads and bridges cap of \$12 million. When I sat down and thought about what would be, to my mind, a reasonable approach for this - understanding the committee has a really important role and scrutiny and opportunity for community input, and acknowledging industry also has a really important role when you talk about the numbers of people employed by companies and subcontractors and the fact they need to have a continual stream of work. I absolutely acknowledge that and I am not saying this is not important. We were aware that the risk attached to roads and bridges was lower and less complicated. I am not an engineer but we were told it is straightforward work, but again there has to be a balance. My amendment would make it \$8 million for buildings and \$12 million for roads and bridges. This is a reasonable level for the committee to provide scrutiny.

If my amendment is successful, we will have 10 projects - I will check those figures, Mr President, to be able to talk on this through the Committee stage of the legislation. I am not sure if I have written them down correctly - I might have been in a hurry.

The number of extra references the committee would take on is fairly small - around three - and I will confirm this in the Committee stage.

Ms Forrest - That is on current expectation?

Ms RATTRAY - Yes, that is on current expectation; thank you. It would increase the committee's work in the coming year by three references. This is not excessive over a 12-month period for the committee to be able to continue to provide an avenue for community involvement. The role of the committee is extremely important.

I took the opportunity to respond to the email we received from Geoffrey Hazell of Hazell Bros. I acknowledge the significant contribution that company makes to the Tasmanian economy and the works it undertakes - it is usually the big heavy stuff. You see all those big machines and they have listed a number of projects they are currently involved in, including -

- Carlton River Bridge replacement on the Arthur Highway, Copping
- Bruny Island - Alonnah to Lunawanna road upgrade
- Henty Main Road - Strahan to Zeehan - pavement repairs.

Ms Forrest - It is an ongoing task.

Ms RATTRAY - Yes, we have many ongoing tasks -

- Midland Highway - Oatlands to St Peters Pass
- Midland Highway - St Peters Pass to Tunbridge.

Hazell Bros tells us it employs 460 Tasmanians and relies on civil construction projects to keep the wheels turning; again, I absolutely acknowledge this. The company goes on to request that we support the bill in the current form put forward by the Government, which is the 8 and the 20. The company believes it will help streamline the process, to get projects out the door and revenue flowing to all contractors. I took the opportunity to respond to this email and asked for specific instances where Mr Hazell has regarded that the committee's work has significantly held up a project. I have not received a direct response, although we had a briefing which was pleasing. I do not think any project has been actually identified as causing a significant delay because of the committee work - it is just a general 'it takes time.' The member for Hobart read out that three-month process during which the committee does need to undertake its roles and functions -

Mr Valentine - That's a maximum.

Ms RATTRAY - Yes. I agree with the member for Hobart in regard to resourcing. I had a couple of dates in my diary waiting to be confirmed for Public Works Committee hearings that had to be postponed because the department was not ready.

Ms Forrest - It wasn't the committee's fault, but it was the department.

Ms RATTRAY - That is the information - that the department was not ready with what it needed to put together. You will see from the information that went around the Chamber that it is a significant piece of work. The department has a huge amount of work to do to put everything together. It is not only the department. Many other areas have to come into that, particularly when you have heritage or environment - all of those have to go through other agencies. Bringing all that together - getting all the relevant information and putting it together for the committee to be able to look at - is a mighty task.

Mr Valentine - The other important aspect is that they have to do these things anyway. They have to put it through a development application. It is not as if lifting the threshold is going to reduce the number of reports they have to do. They still have to put them through a DA process.

Ms RATTRAY - That was one of the issues put forward. The public still has an opportunity to be involved through the planning process. The most effective part of the committee is that we go onsite. We had a hearing when we went onsite at Lovely Banks, the stretch of road on the Midland Highway, then we had our hearings in Kempton. You are in a community and it is not far for people to come. Recently we had our committee meeting in Bicheno and people from either end of the Great Eastern Drive came.

Mr Armstrong - This is a joint House committee. Who is the chair?

Ms RATTRAY - Mr Rob Valentine, the member for Hobart is the Chair. That was determined by a vote of the committee. I am on the committee as a Legislative Council member; House of Assembly members are Joan Rylah; Jen Butler, the Australian Labor Party representative; and

Jacquie Petrusma, the Government's representative. We have had changes with people leaving. Adam Brooks was the chair when I first joined the committee. His resignation from parliament resulted in some changes. We had Mark Shelton, who was also a member for quite a time, but his ministry has taken over his role, so Joan Rylah came back to the committee. She had been a member prior to the last election. It is like most committees in the parliament - membership rotates as members come and go and decide whether they want to continue.

It is 10 years since the increase, so I am not necessarily opposed to an increase. That is appropriate; going from \$5 million and to \$8 million, yes, is acceptable, but for roads and bridges to head up to \$20 million is a large jump. I ask honourable members to consider supporting my proposed amendment with regard a \$12 million cap. I feel that \$20 million will lose the opportunity for community input and also for the committee to be able to -

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

QUESTIONS

Power\$mart Homes Energy Efficiency Program

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

[2.31 p.m.]

In relation to the \$929 980.40 contract awarded to COVA Delivery to deliver the Power\$mart Homes initiative by the Department of Primary Industries, Parks, Water and Environment -

- (1) How many energy efficiency audits is COVA Delivery expected to complete?
- (2) How many energy efficiency upgrades is COVA expected to complete?
- (3) Will any further expenditure be required in connection with the Power\$mart Homes initiative?

ANSWER

Mr President I thank the member for Pembroke for her question.

Power\$mart Homes is a statewide energy efficiency program to help low income Tasmanian households to stay warm, save money and reduce greenhouse gas emissions. The program is managed by the Department of Premier and Cabinet's Tasmanian Climate Change Office - TCCO. Applications for the Power\$mart Homes program are expected to open towards the end of 2019.

- (1) 1140.
- (2) It is anticipated that the audits and upgrades will be delivered concurrently. Therefore, the number of upgrades is expected to be similar to the number of audits.

- (3) PowerSmart Homes are allocated funding of \$850 000, excluding GST, under Climate Action 21: Tasmania's Climate Change Action Plan 2017-21. The total value of the contract awarded to COVA was \$845 440, excluding GST.

The remaining \$4560, excluding GST, has been allocated to TCCO for printing the energy efficiency information booklet 'Stay Warm, Save Money'.

Disability Support Organisations - Funding

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

[2.33 p.m.]

Tasmania has the highest rate of disability of any state and territory. Ninety thousand Tasmanians living with disabilities are not eligible for the National Disability Insurance Scheme - NDIS - and rely on state-funded organisations for support. Recently, it was announced that bridging funding for 13 disability support organisations had been temporarily extended for the second time until March 2020. The organisations are expected to apply for federal Information, Linkages and Capacity Building - ILC - grant funding at this time. However, these grants are nationally competitive, short-term and project-based, and will not provide the core funding these organisations need to continue to operate.

- (1) What steps has the minister taken to ensure that Tasmanians living with a disability who are not eligible for the NDIS will continue to be supported by Tasmanian disability support organisations into the future?
- (2) What is the minister's contingency plan in the event that none of these organisations receive federal ILC grant funding?

ANSWER

Mr President, I thank the member for Pembroke for her question.

- (1) Under the agreement contracted by the former Labor government in 2013, 10 600 Tasmanians with disability will now receive individual support. For Tasmanians with disability not eligible for an individual NDIS support plan, there is an invaluable opportunity to take advantage of the Information, Linkages and Capacity Building - ILC - program.

These programs form part of the scheme's broader system of information, connections and support, including mainstream and universal services, cohort-specific information and linkages to services. ILC programs are a key part of a tiered NDIS approach that ensures all people with disability in Australia can be beneficiaries of the NDIS, even if they do not have an individual disability support plan.

- (2) The Tasmanian Government remains committed to ensuring that people with disability in Tasmania can access appropriate ILC-type supports in preparation for the commencement of the ILC projects. ILC grant rounds will continue through 2020 and we will continue to advocate strongly for Tasmania and Tasmanians with disability, their families and carers as the transition to the national ILC program continues.

Wine Market Initiative

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

[2.36 p.m.]

In relation to the \$600 000 wine market development and tourism initiative announced in the 2018-19 Budget for DIPWE -

- (1) Which minister or ministers had responsibility for administering this initiative?
- (2) How much of the forecast \$600 000 was expended under this initiative?
- (3) Precisely which projects received money under the initiative?
- (4) Which Tasmanian companies received funds under this initiative?
- (5) Did the funding benefit all wine producers in Tasmania?
- (6) Is this initiative ongoing or has it ceased?

ANSWER

Mr President, I thank the member for Pembroke for her questions.

- (1) Mr Hodgman as Minister for Trade and Tourism, Hospitality and Events, and Mr Barnett as Minister for Primary Industries and Water have joint carriage of the wine market development and tourism initiative.
- (2) This initiative is an important component of the Tasmanian Trade Strategy and contributes to Tasmania's Agri-Food Plan, which maps a pathway to grow the farmgate value of agriculture to \$10 billion by 2050. This Government has committed \$600 000 over four years, from 2018-19 to 2021-22, to Wine Tasmania to deliver the initiative. The full budgeted amount of \$250 000 for 2018-19 and 2019-20 has been provided to Wine Tasmania to date.
- (3) To date, the investment has been used to support:
 - The development of wine business capacity, including a producer development program involving activities such as recent cellar door workshops attended by over 70 wine business operators around the state.
 - Increased visitation and trade, including hosting domestic and international trade representatives and media in Tasmania. For example, in July 2019, Wine Tasmania hosted 10 mainland trade representatives from restaurants and retailers around the country. The itinerary comprised structured and informal wine tasting and lunches each day to showcase local produce.
 - Improvements in the visitor experience of wine tourism through analysis of cellar door offerings and sharing of case studies.

- Wine tourism and market development, including international wine tourism and broader wine sector activities, working closely with Tourism Tasmania, including social media campaigns, building the global presence of Tasmanian wine in media and tourism events in USA, Hong Kong, Japan and Perth. This also includes development of global market insights, resources and information and wine trade and media contacts and Tasmanian wine producers.

(4) and (5)

Funding has been provided to Wine Tasmania rather than to individual companies and is directed to benefit the industry as a whole. Wine Tasmania is the peak body representing Tasmanian wine producers. It is an independent, not-for-profit organisation. The organisation represents in excess of 98 per cent of the Tasmanian wine grape production in the state, with more than 90 industry members and 42 associated member businesses.

(6) The initiative continues until the close of the 2021-22 financial year.

North-West Paediatric Services

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

[2.40 p.m.]

This question is a follow-up question to the question not answered a couple of weeks ago.

With regard to paediatric services on the north-west, according to the Tasmanian Health Service - THS - website, the Department of Paediatric Surgery at the Royal Hobart Hospital provides a statewide service to babies and children up to and including 14 years of age, 24 hours a day, seven days a week. The question was: how often do paediatric surgeons visit the north-west coast, not to do surgery - but I did ask questions about whether minor procedures were carried out - but whether they visit at all?

The answer talked about all sorts of other paediatric services, but did not even mention surgeons.

ANSWER

Mr President, I thank the member for Murchison for her question.

The answer is the North West Regional Hospital currently has four paediatricians, one permanent registrar and one nurse practitioner who provide in-house paediatric services. These staff provide the following clinics - the cystic fibrosis clinic; continence clinic; asthma and allergy clinic, including the skin-prick tests; general paediatric clinics. They also provide services to the obstetrics and gynaecological services through newborn checks and assessments. The North West Regional Hospital staff provide outreach clinics to the Tasmanian Aboriginal Centre, Smithton and Rosebery, Queenstown and King Island.

There are also paediatric clinics at the Mersey Community Hospital. The number of outreach paediatric outpatient services provided in the north-west include paediatric rehabilitation services provided by RHH staff, paediatric neurology services provided by RHH staff -

Ms Forrest - That was urology?

Mrs HISCUTT - Neurology, with an N for Nellie. Paediatric cardiology services, paediatric endocrinology services, and cystic fibrosis team visits from the Royal Melbourne Hospital. Further, telehealth appointments are available for paediatric patients in the north-west through THS health centres, as well as participating GP clinics and via the North West Regional and Mersey Community Hospitals. While surgery is performed on some paediatric patients on the north-west in specialties where it is safe to do so, and in line with the role delineation framework, there has never been a specific paediatric surgery list in operation at the north-west.

Accordingly, paediatric surgeons do not specifically attend the north-west. Depending on clinical urgency, north-west paediatric surgery patients are referred to clinics either in the north or south of the state. The Launceston General Hospital provides non-complex elective surgery on children over the age of one year; however, complex paediatric surgery can only be performed at the Royal Hobart Hospital. This is because it is the only hospital in the state with the clinical capacity to provide safe services at the required level of complexity and acuity.

To provide complex paediatric surgery there must be a specialised paediatric inpatient unit, a director of paediatric surgical services, specialist paediatric surgeons and specialist paediatric anaesthetists available 24 hours, as well as onsite paediatric intensive care unit services.

North-West Paediatric Services

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

[2.44 p.m.]

There was a time when paediatric surgeons used to visit the north-west to consult with families of sick children or children requiring surgery prior to - necessarily usually - travelling to Hobart for that surgery, for all the reasons you outlined and I acknowledged in my first question. To be clear, it appears no paediatric surgeons currently visit the north-west for pre-surgery checks or any other purpose. If a family from the north-west coast or west coast needs to see a paediatric surgeon, they have to travel at least to Launceston, if not to Hobart, to see that surgeon. I know you cannot answer that right now, but it seems to me that is the case. Yes or no will do next time.

Treasury Building Complex - PricewaterhouseCoopers

[2.45 p.m.]

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

In relation to the \$521 500 contract awarded to PricewaterhouseCoopers - PwC - for a consultancy services in relation to the sale of the Treasury buildings -

- (1) What services will be performed for the Tasmanian Government as a result of this contract?
- (2) Why is a consultant needed to perform this work as opposed to departmental staff?

ANSWER

Mr President, I thank the member for Pembroke for her question.

- (1) PricewaterhouseCoopers has been engaged by the Department of Treasury and Finance to lead the complex and multistage divestment transaction of the Treasury building complex at 21 Murray Street, Hobart.

The broad range of specialist services which PwC will provide under the contract and during the three-stage divestment process include -

- formulating the divestment process and divestment program for the Treasury building complex
 - undertaking due diligence in relation to the Treasury building complex to support the divestment of the Treasury building complex
 - preparing divestment documentation
 - engaging with prospective proponents
 - evaluating submissions from proponents
 - negotiations with one or more preferred proponents
 - advice on the contractual arrangements for execution.
- (2) Due to the size and complexity of the divestment process and consistent with the divestment process for the Parliament Square project, the Department of Treasury and Finance undertook a procurement process to engage a suitably qualified and experienced divestment consultant to lead and provide commercial advisory services for the three-stage divestment process.

PwC Australia brings national experience, expertise and capability in providing commercial advisory services for a range of complex government assets and heritage transactions, which is a skill set not currently available from within the department.

A small project team from within the Department of Treasury and Finance is providing oversight and support to PwC Australia throughout the duration of the divestment process.

Franklin Square - Conservation Management Plan

Mr VALENTINE question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

I would like to provide a little context for the questions that follow: according to the 2017 draft Conservation Management Plan, the Franklin Square offices are of national heritage

significance. Their locational importance dates from 1811, representing both the history of government administration and also the history of government architects of Tasmania.

As I read it, this site incorporates -

- the 1825 courthouse, predating -
 - the famous Port Arthur model prison
 - the 1835 two-storey police offices, watch house and cell block
 - the 1841 three-storey public offices, being the first public building to have as a tenant the Treasurer of Van Diemen's Land
 - the 1860 Supreme Court, which is remarkably intact, and one of the finest mid-Victorian courts in Australia
 - the 1864 Executive Council offices, which is an outstanding Italianate public building and is remarkably intact
 - the 1884 Executive Council room, which is exceeded in Tasmania by perhaps only the state rooms of Government House in its quality of architecture and finish

Given the absolute importance to Tasmania of the heritage buildings listed above -

- (1) Why has the Government chosen not to finalise the draft of the conservation management plan given it is now two years since the Conservation Management Plan Project was completed? No queries raised concerning the contents of the document have been voiced to date and the integrity of the site is so highly important in the context of Tasmania's built heritage.
- (2) Concerning what are termed the 'Treasury Buildings', which I believe incorporates all the structures listed above and perhaps more, why has the Government chosen to reference only the draft conservation management plan in its registration of interest for the site, and not a finalised conservation management plan for the process to reference a completed document?
- (3) Is it the Government's intention to finalise the draft conservation management plan before the registration of interest process is further progressed, or is it the Government's intention that alterations are to be made to the draft conservation management plan after the registrations of interest are assessed?
- (4) If it is the Government's intention to review the draft conservation management plan after the assessment of the registrations of interest, what aspects of the draft plan does the Government consider subject to possible change?

ANSWER

Mr President, I thank the member for Hobart for his question.

(1) to (4)

Following the Government's decision announced on 14 June 2018 to undertake a multistage expression of interest process to divest the Treasury building complex, Treasury, in

consultation with Heritage Tasmania, commenced a review of the Conservation Management Plan - CMP - prepared by Graeme Corney and dated 23 February 2017. The CMP was based on the assumption that the complex would continue to be utilised for public administration.

As such, a new CMP is being prepared to acknowledge the planned divestment of the complex and consider alternative uses that balance the imperative of conservation with the objective of maintaining a viable economic future for these important buildings.

The new draft CMP will also align with Heritage Tasmania's proposed consolidated listing of the Treasury building complex on the Tasmanian Heritage Register for which there are currently two separate listings, being 2516 Franklin Square Office Complex and 2468 Public Buildings adjacent to Franklin Square.

The new draft CMP will be provided to both Heritage Tasmania and the City of Hobart for feedback prior to being formally adopted. It will form part of the package of due diligence information provided to interested parties in the divestment process.

Pre-1900 Firearms - Exemptions

Mr FINCH question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.52 p.m.]

Pre-1900 firearms - antiques - were exempt from the Firearms Act 1996.

- (1) How has their status changed?
- (2) Can a dealer be prosecuted for having an antique gun in their possession?

ANSWER

Mr President, I thank the member for Rosevears for his question.

- (1) Currently regulation of firearms manufactured prior to 1900 is exempted under the provisions of the Firearms Act 1996 by exemption no. 4 issued by the Commissioner of Police. It is called the fourth exemption because it was the fourth one issued by the commissioner under the act. It was first issued in May 1997.

Exemption no. 4 exempts people from the -

- requirement to hold a firearms licence in respect of any such firearm
- requirement to register any such firearm
- storage and safekeeping requirements of section 85 of the Firearms Act.

Exemption no. 4 does not exempt all pre-1900 firearms from these requirements. It only exempts firearms that 'are not designed to discharge cartridge ammunition or for which cartridge ammunition is not commercially available'.

If a firearm does not fit the exemption criteria, it is subject to all the provisions of the Firearms Act in relation to registration and licensing of the owner.

To answer your question, there has been no change to the status of pre-1900 firearms.

- (2) A licensed firearms dealer is approved to handle certain categories of firearm, and in many cases would be lawfully able to possess firearms irrespective of whether they are pre-1900 antiques covered by exemption no. 4 or firearms manufactured before 1900 that are not covered by the exemption, or indeed firearms manufactured after 1900.

The exemption does not exempt a person from -

- the requirement to be licensed to deal in firearms, specifically the offence under section 11 of the act
- the requirement for a firearms dealer to record transactions in their record of dealings under section 89 of the Firearms Act.

While there has been no significant change since 1997, it has become apparent that some firearms dealers have misunderstood the requirements of exemption no. 4. These issues are being identified through routine auditing and education of firearms dealers by Tasmania Police.

Finally, the contents and scope of exemption no. 4 are at the discretion of the Commissioner of Police and may be adjusted by the commissioner at any time. If there was consideration given to change exemption no. 4, this would be following stakeholder consultation and would generally address a concern in relation to community safety.

New Northern Prison - Short list of Possible Sites

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

[2.55 p.m.]

Whilst I am not expecting an answer to this question, I have been asked to ask this question by several of my constituents. With regard to the location of the new northern prison, can the Leader please advise the short list of possible sites?

ANSWER

Mr President, I thank the member for Launceston for her question and note her comments.

A targeted expression of interest process calling for the nomination of potentially suitable sites for the northern regional prison closed in November 2018. This included writing to all north and north-west councils to ask whether publicly or privately owned sites in their region were available and suitable for a prison development; they were invited to submit these, which some did.

Following the EOI process, a total of 10 prospective sites were received for assessment. The department undertook desktop infrastructure, planning and environmental investigations to inform the siting panel assessment process. Informed by the outcomes of the process, the department then provided the Government with a short list of potentially suitable sites identifying whether they were suitable for the development of a northern regional prison, having considered their suitability against an extensive list of siting principles.

The preferred site, located on Birralelee Road on Valley Central outside of Westbury and adjacent to the industrial precinct, was identified as the preferred site because it best meets all key selection criteria. The criteria include: centrally located to the three main population centres; good access for staff, emergency services, support services, law enforcement, courts and visitors; good existing road and utility access; and located adjacent to an existing industrial area with minimum residential uses or other conflicting land uses in close proximity.

As the Government has previously said, all submissions were made via the targeted EOI process and were subject to commercial-in-confidence assessment and negotiations, and, as such, confidentiality must be maintained while consultation continues. As stated in the EOI application, all documents and information provided by a proponent as part of its EOI submission are recognised as being provided as commercial-in-confidence and must be stored securely and held in confidence, except to the extent that disclosure is appropriately required for audit or legal purposes. This type of agreement is common practice in dealing with property negotiations, both private and commercial, and has long been standard practice within all governments.

Driver Licences - Facial Recognition Data

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

[2.58 p.m.]

It has been brought to my attention that Tasmania has joined Victoria in uploading driver licence details that will involve facial recognition data being available for a future national database.

- (1) What consultation occurred with the Tasmanian community prior to and following the Tasmanian Government agreeing through the Council of Australian Governments - COAG - to be part of this new national network the federal government is trying to create?
- (2) Why has Tasmania commenced including the face-matching service on all licence applications and renewal forms when the federal legislation is yet to pass the parliament? I have been informed that a committee has looked at it and said it is not appropriate so it will not be passing any time soon.
- (3) What option is available to Tasmanians who are opposed to this national approach and do not agree with their facial identity being included in this national database?

ANSWER

Mr President, I thank the member for McIntyre for her question.

- (1) On 5 October 2017, the Prime Minister and all state and territory First Ministers agreed, at a Council of Australian Governments Special Meeting on Counter-Terrorism, to the establishment of a national facial biometric matching capability. This was formalised through an intergovernmental agreement - IGA - on identity matching services. On that day, the then minister for Police, Fire and Emergency Management issued a media release announcing Tasmania's participation in a nationwide biometric facial recognition and matching system using driver licence photos to enhance identity protection.

This IGA is consistent with the findings of the *Martin Place Siege: Joint Commonwealth - New South Wales Review*, 2015, which recommended that government agencies that issue documents relied upon as primary evidence of identity should strengthen identity-checking processes and investigate the use of facial biometrics to combat identity fraud. The basis of face-matching services, being interoperability of biometric data, has been in existence for a number of years and was endorsed by COAG prior to the 2017 agreement.

- (2) The regulation governing when the Registrar of Motor Vehicles may divulge protected information was amended in late 2017 to include a provision for the purpose of identity-matching services. At that time, a decision was made to amend the personal information protection statement on the driver licence application and renewal forms to advise of this change. While there will be an ability to confirm identities between jurisdictional databases, there will not be a centralised national database of personal data and images. Tasmania and Victoria have loaded production data into segregated areas within the face-matching services - the FMS. Other states and territories are loading their data progressively through 2019 and 2020. The FMS cannot be used to identify a face in a crowd by linkage to CCTV. Tasmanian data is not currently accessible through the FMS and will not be accessible until there is a legislative basis to do so.
- (3) There are no provisions under the Vehicle and Traffic (Driver Licensing and Vehicle Registration) Regulations 2010 for an individual holding a driver licence to opt out of the FMS, as doing so would defeat the purpose of a system to combat identity theft. A comprehensive set of measures are in place to protect the privacy of individuals.

PUBLIC WORKS COMMITTEE AMENDMENT BILL 2019 (No. 32)

Second Reading

Resumed from above.

[3.03 p.m.]

Ms RATTRAY (McIntyre) - Mr President, I had almost completed my contribution to this very important legislation. It is important we continue to have community input, not only community input through a planning process. One of the most important questions the committee asks at the end of any inquiry, when it provides scrutiny of a project, is that we get the opportunity to ask the department whether is it value for money in this project. That has to be answered by the department. We cannot ask that question without this committee process; therefore, the Tasmanian people will not know whether they are getting value for money.

[3.04 p.m.]

Ms ARMITAGE (Launceston) - Mr President, I thank the Leader for organising the briefings with industry and departments. No-one is trying to get rid of the Public Works Committee as it

performs a very important role. I thank the members of this committee for their valuable contribution. It is a given that the cost of roads and bridges has increased significantly since the thresholds were reviewed in 2009. As we have been told, they are considered more routine with a lower risk profile.

I note from the industry briefing that it believes this bill will remove one of the time constraints, with industry being frustrated particularly with regard to consistency of work. With delays in procurement, there can be a lack of consistency of work, with many people employed and waiting for a job to start. I am well aware there are many graders and rollers waiting for new jobs to come out with people still needing to be paid while jobs are tendered or waiting to be tendered.

Industry needs consistency of work, with winter being a bad time for many businesses. It is important to come out of the winter quickly and get going. We were further advised that often very little happens in the first quarter of the year as the new round of work takes time to come out, and that the industry needs to be able to work 12 months, not eight months. Summer can be flat out, but then they can have four or five months with little work. Anything that delays the system delays contracting, with a flow-on effect to workers.

While I note in briefings the committee felt the works were undertaken with very little delay, it certainly cannot be guaranteed, particularly with a joint House committee and the necessity for members from both Houses to be available to meet, conduct hearings and visit sites.

While I note the comments with regard to the Devonport Police Station works, I would be grateful if the Leader could advise if there have been any significant changes to road or bridge works through the committee process. While \$20 million sounds a lot to me, in the scheme of things, we are told that a \$20 million road job is not particularly big and that ongoing projects can be held up if the threshold is too low.

Referring to money for roads and bridges, is it adding value for the more straightforward works to go before the committee, or should more time be spent on the more complex and higher risk ones, such as jobs with deviations or roads that go outside the road corridor, that are different to ones that are more straightforward?

I note that the Government states it is about streamlining the whole process and it is hoped this will eliminate as much as possible the boom and bust cycles. Business needs confidence when employing people and training and gearing them up, and there is a question whether people are willing to gear up or can afford to gear up if there is a gap in the workload.

In my humble opinion, the question really comes down to which jobs the committee should be looking at. I am keen to see a good process with civil contractors and I believe the Public Works Committee needs to scrutinise significant works, but we must do all we can to avoid a boom and bust cycle for industry and in turn workers.

It is about seeking to strike the right balance and ensure that higher risk and higher value projects are properly considered. Leader, it would be appreciated if you could advise whether works can be referred on request to the committee even if under the threshold. I note the member for Murchison has an amendment with regard to both Houses. While I note the comments made -

Mrs Hiscutt - Just to clarify your question, are you asking whether the committee can self-refer?

Ms ARMITAGE - Yes, or can members refer to the committee or the committee self-refer regardless of the threshold? So there is no amendment that they can? I know that in some states -

Ms Forrest - The House can.

Ms ARMITAGE - The House can, but you will have an amendment for both Houses?

Mrs Hiscutt - Does that answer your question?

Ms ARMITAGE - Yes, with the member for Murchison's amendment. At the moment we have \$5 million threshold, but there might be something that is \$2 million that really needs to be referred because of the complexities, not just on the money.

Mrs Hiscutt - I just wanted to clarify your question.

Ms ARMITAGE - Yes, that is fine, thank you.

While I note comments made regarding the thresholds in other states, it would have been interesting to know when they were last reviewed or whether they are of long standing as is Tasmania's threshold.

While I can accept the \$20 million threshold, like the member for McIntyre I have an amendment proposing what could be considered a more palatable alternative of \$15 million. I think works of concern could be referred to the committee irrespective of value because there could be works for less than the current \$5 million that require scrutiny, perhaps works of more than \$20 million - obviously depending on what those works are. To me, that is probably just as important as a threshold. Sometimes there might be something of less value that really needs to go before the committee.

I think I have covered things adequately; I will not go on. I support the bill.

[3.09 p.m.]

Mr WILLIE (Elwick) - Mr President, as other members have noted, it has been 10 years since the threshold has been reviewed for this act. The current projects are assessed over the value of \$5 million where public funds are spent. Quite rightly, industry is concerned about procurement practices, time lines of jobs and getting jobs to market, which is completely understandable. We need to make sure there is a good pipeline of work and not a boom and bust cycle, but I am not so sure lifting the thresholds for the Public Works Committee is going to help the problem. I do not think we were provided with an example in the briefings of the Public Works Committee holding up a project. It might have rejected a project a long time ago.

Ms Rattray - Yes, a long time ago - the Devonport Police Station.

Mr WILLIE - So there is no longstanding history of the Public Works Committee holding up projects and contributing to the boom and bust cycle. It is relevant to the debate here, because a number of amendments have been circulated, including one from myself and the Labor Party. These are some comparisons and they were brought up in the other place. But, as we know, Tasmania's threshold is \$5 million; South Australia has a threshold of \$4 million; Queensland does not have a threshold - its Transport and Public Works Committee examines areas of transport and main roads, housing, public works, digital technology and sport. It has discretion as to which works it will

consider, so it is not limited by a threshold at all. The member for Murchison's amendment may move in a similar direction to this.

New South Wales has a threshold of \$10 million. The proposal before this House is double that, at \$20 million for roads and bridges. The New South Wales committee has the ability to inquire into and report on any matter referred to the committee by a resolution of the parliament. The committee can also consider a self-reference, giving it further scope. You can imagine in the bigger states they are dealing with bigger projects.

The ACT, Victoria, Western Australia and the Northern Territory do not have public works committees. I asked a question on whether there were other processes in those parliaments to provide scrutiny to public works projects, whether there are other processes through Estimates or other parliamentary functions. Maybe the public accounts committees, for example, look at big capital spends.

Ms Forrest - Estimates committees can look at those sorts of things.

Mr WILLIE - Yes, just because they do not have a public works committee does not mean parliament does not have an opportunity to scrutinise public spending.

The federal government committee has a threshold of \$15 million, which is still lower than what is proposed in this bill.

Ms Armitage - That fits with my -

Mr WILLIE - We will have that debate when we go into committee. There is a \$15 million threshold, a \$12 million threshold and an \$8 million threshold, and a bit like an auction.

I wanted to bring up those comparisons because it is relevant to the debate we are going to have in Committee.

The Opposition Leader in the other place also highlighted - and she had some research done looking into projects analysed by the Public Works Committee over the last five years back to 2014. She passed that information on to me, and I am going to read it because it is relevant to this debate and informs it -

Applying the new threshold the Government has proposed of \$8 million for building and construction and \$20 million for roads and bridges over the last five years 55 per cent of the projects the Public Works Committee examined would not have been examined by the Public Works Committee.

More than half of their work would not have been referred to them. In roads and bridges, 23 projects were considered in the last five years and 11 of these would have met the proposed threshold the Government has before the House now. Twelve of them would not. The committee would only have done 47 per cent of the work it has over the last five years.

There are changes on the table here and that potentially is going to reduce the Public Works Committee's workload in the short term perhaps -

In building and construction, 21 projects were assessed over the last five years. Nine of those would have met the \$8 million threshold, 12 of them would not have. The committee would only have assessed 42 per cent of the projects over the last five years if these threshold amounts that are before the House right now had been applied then.

In total, only 20 of the 44 projects would have been assessed over the last five years, if the current threshold amounts had been applied, which means that more than half, 55 per cent, would not have been.

That is evidence that the threshold for roads and bridges is particularly high when looking at other jurisdictions. I note the member for Murchison's amendment may provide some comfort to members in this House. The case is there for an increase but a moderate increase. Potentially, that \$20 million threshold is going to provide less opportunity for the Public Works Committee to provide scrutiny. It is not necessarily holding up works and contributing to that boom and bust cycle; that is more of a departmental issue, and is a problem.

This being a problem, I cannot see how cutting State Growth as part of the \$450 million-worth of cuts across government will help. The Government said this will not affect frontline services. We know it is in Health and others. Backline staff also do important work when it comes to infrastructure and getting projects out the door. If they are in a time of budget constraint, perhaps we need to be looking more at those sorts of things rather than blaming a parliamentary committee.

[3.16 p.m.]

Mr ARMSTRONG (Huon) - Mr President, a couple of members in this place are on the Public Works Committee, the member for Hobart, Mr Valentine, who is its chair, and the member for McIntyre, Ms Rattray. I acknowledge the work they have done on that committee and it was interesting to hear their contributions. I reviewed the role of the committee and it is a very important one. It is extremely important that significant expenditure of public funds is given full and proper consideration, especially in relation to large and more complex and expensive projects.

When I first looked at the amendment, I thought the increase for the road and bridge works from the existing \$5 million was large and perhaps over the top. I note that some members in the other place thought the same. I delved further and looked at what this would mean in terms of scrutiny on projects referred to the committee. The member for Elwick already touched on these but I will reinforce that. Over the last five years, about 50 per cent of the projects before the committee would not have been referred to the committee under the new thresholds, specifically regarding roads and bridges. Over the last five years, 23 projects were considered and 11 of those would have met the proposed threshold. That, to me, still represents a good proportion of larger, more complex and expensive projects. I note all 44 projects referred in the last five years have been approved.

As noted in the second reading speech, the Government has suggested that 73 projects would require referrals to the committee over the next three years if the thresholds are not changed. The increased threshold would still mean that 50 projects would be considered by the committee. I am told 28 of those fall under roads and bridges and 22 under building and construction. That represents a good proportion of projects referred.

All projects are still required to comply with State Planning Provisions, which means that the community will still have the opportunity to voice its support or concern in relation to those public

works projects. I have an example of only a couple of weeks ago. Plans were released for a road project in my electorate and the cost was much less than those thresholds. The business community and residents of that area who had issues with that project came to talk to the Government and now, hopefully, a better outcome will be provided as a result of the scrutiny conducted by the people who use that road. There are still avenues for people to have their input into this.

We touched on South Australia and how much its threshold was; I think it was \$4 million. I do not believe that has been increased since 1992. I think I read somewhere that was the last time, or 1994.

In summary, I believe the thresholds will still provide significant scrutiny. I will support the bill but will also listen to the amendments put forward.

[3.20 p.m.]

Ms FORREST (Murchison) - Mr President, it is timely and appropriate to review the operation of a bill such as this, particularly where there are monetary thresholds for certain things.

In this case the cost of the public works project is the threshold here. It is right to do that. We know costs do not go down in these sorts of things; the works are expensive and it is important they are properly scrutinised as well as not held up unnecessarily.

As other members have alluded to, there are some less expensive projects that deserve the scrutiny and perhaps warrant the scrutiny as much as a major bridge that costs several hundreds of millions of dollars overall. It is appropriate to review that.

Is this the right figure we have now landed on, going from a \$5 million to a \$8 million threshold for building construction, and a \$20 million threshold for roads and bridges? It is a guess at best. It is really hard to know how that figure was landed at.

I take on board the Leader's comments in the second reading speech that during the development of this bill the Government consulted with the Public Works Committee, and while the committee noted it was appropriate for the parliament to express its view, as it was expressed by the current Chair of the committee, in regard to increased thresholds, it was satisfied with the levels being proposed. The Leader intimated that it was from this engagement with the committee that this threshold was set. I am not sure if that is true or not, because we then saw a member of the committee stand up and propose a different threshold.

Maybe the engagement happened before that member was a member of the committee. I do not know. I would be very keen to see the correspondence to the committee and from the committee in response to the consultation with the committee on this topic. To me, it is very unclear as to where the \$20 million was plucked from. We have since seen the figures of \$8 million, \$12 million and \$15 million being plucked from somewhere to suggest that these are more appropriate levels. How does a person decide?

Mr Valentine - It was stated that it is a good point to start debate. That is what the committee stated.

Mrs Hiscutt - The second reading speech said that \$30 million was originally put, but was declined by the committee.

Ms FORREST - Yes, but it is not clear whether the \$20 million was basically what the committee agreed or not.

Mr Valentine - It is a good starting point to debate. The committee did not agree with a specific set saying 'do that', because each of the committee members have to listen to the debate and take on board what the members are saying. The committee is led by the parliament. It should not be setting its own -

Ms FORREST - I accept that is the case. It would have been interesting to see because it is almost like a report that is provided by another stakeholder, and often we do see the stakeholder contribution to the development of bills, like the one we are dealing with in the Justice area with child abuse. All the submissions are on the website for anyone to read.

This is something that is not available publicly that I have been able to find. Now we are faced with the situation of not just potentially one compromise value from \$30 million down to \$20 million for roads and bridges, but also we are now asked to contemplate \$15 million, \$12 million and \$8 million as alternatives.

Ms Webb - Without understanding the rationale for the \$20 million that was dropped in there.

Ms FORREST - Yes. I will come to the rationale to some extent. Other members have spoken about the number of projects that may have fallen outside the scope at various levels of scrutiny. These are significant amounts of public expenditure, and transparency and scrutiny is important. We have a role in this place at budget Estimates, in various committees, public accounts committees and other avenues for looking at public expenditure, and the Public Works Committee is particularly looking at public works projects. The difficulty is: how do I decide what is the most appropriate level?

Roadworks and bridges are expensive and are similar in nature - especially roads, unless you stuff up the base every time you put it down and you have to go back and relay it every winter as we have seen on the Henty or Illawarra roads: how many times have they been dug up and redone? We see so many roads like this - the Murchison Highway near the Reece Dam Road. It goes on and on. Scrutiny is important at the outset. I am sure the Public Works Committee looks at this sort of thing. I am not on it, so I do not know. I would be asking questions about how certain we are that this base is going to last the distance. When the Public Works Committee looks at Henty Road, get on to them. It is built on sand dunes and it is going to be hard. It keeps disappearing into the sand dunes. It is an expensive business and maybe it could be less expensive in the long run if they did it more effectively in the first place.

Bridges are all different by nature because they are crossing a different expanse. There are different designs in bridges. I am not a bridge engineer but we see the associated risks in building a bridge, and we see it when things go bad because they go very bad. We have not seen it in Tasmania but we have seen it in other jurisdictions. I can still remember the West Gate Bridge disaster. You do not have to look too far to see what disasters can happen with bridge construction. I understand the desire to increase that threshold because you cannot build a decent-sized bridge for much under several million dollars, I imagine. Even little footbridges seem to cost a lot these days. This is the conundrum. What is the right level?

When I was reviewing the bill before us, I noticed - and, as members have alluded to, I have an amendment drafted to enable any project below the threshold to be referred, whatever this House

decides at the end of the day and the other House agrees - that either House can refer a project to the Public Works Committee if they feel it is important. It could be something that is in a very sensitive area; it could be something that is questionable as to whether it is needed. Even though one project has been rejected in one's living memory, almost - the Devonport Police Station - it does not mean it should not be a possibility.

Whatever we land at, whether it was \$30 million or it remains at \$20 million, whether the \$15 million, \$12 million or \$8 million for roads and bridges is accepted, that is a really important change to make. I am not sure, historically, why it was there; I could not understand that. When I did some research on that, it seems that is not the case in other jurisdictions. Some public works committees are only Legislative Council, anyway. Different parliaments do things differently but the wording proposed in my amendment reflects the Commonwealth legislation, which has a joint House public works committee.

Mr Gaffney - I had the impression that, from 1874 to the 1914 act, it was the responsibility of the House of Assembly. In 1970, they amalgamated the Legislative Council. I believe part of that deal back then would have been to have a joint House select committee do it because of the responsibility and it is a flow-on from then, I would have thought.

Ms FORREST - Yes, and I am not going to try to presume what was in those people's heads at the time. There are a couple of other amendments being drafted at the moment. This was what I was trying to get sent back to the Leader, but I have not been able to do that. I will as soon as I get off my feet.

Another couple of amendments are to tidy up some of what appear to be very historical oddities with this act itself. One is why we only have two Legislative Council members on it and not three. Completely out of whack with every other committee. It does not make any sense and my research has not been able to ascertain why. Possibly historical; who knows?

Mr Gaffney - I was thinking it was percentage and they just went the number of the lower House and upper House combined

Ms FORREST - Why not do it with subordinate legislation, public accounts or with integrity committees or the whole lot? So no excuse, no. We are in this century. They are in the last one.

Mr Gaffney - Well, the one before, actually.

Ms FORREST - I have no knowledge of that century.

The other problematic thing in this current act - and it is a problem in the other ones but we are not looking at the other ones now like subordinate legislation or public accounts. The Joint House Committee says there is a requirement for them to be operated under the Standing Orders of the House of Assembly.

That probably works when the committee is administered by the House of Assembly and currently the Public Works Committee is, which is fine, but PAC has changed over time. The Public Accounts Committee, for example, was administered by the House of Assembly and then it changed to the Legislative Council, but we on that committee are still required to obey the Standing Orders of the House of Assembly, which is completely silly, and they are different.

Those two amendments are coming for you to consider. They are not saying it has to be the Legislative Council - it is the House that has administration of the committee to make it easier for the staff who operate in that particular House who are administering and running the committee and if it changes, naturally the Standing Orders would change.

The Standing Orders are not fundamentally different, but there are differences. That is for members to contemplate; I will get it out and circulate it as soon as I can. That is a side issue in some respects, but it points to the fact that when we are modernising legislation and contemporising it, we should also actually look at some of these issues.

I was tempted to go to the language and make it gender-neutral, but that was going to take three weeks.

Mrs Hiscutt - Thank you.

Ms FORREST - That is another body of work. Hopefully one day someone will take it on, along with PAC and subordinate legislation. You would not think there was a woman to be seen in the place. You can just call them the secretary or the chair and it is not that hard. Anyway, bang, bang, bang on I go.

The other points raised discussed the importance of not holding up public works. Listening very carefully at the briefing and talking to people involved in the process, it seems generally it is not the committee that holds things up. Even the people briefing us from the construction industry a week or so ago made the point that there is this three-month process that includes the process for Public Works Committee to look at it, and the Chair of the committee said there is currently no backlog so obviously there is not a hold-up there.

The committee Chair also mentioned there are times when committee hearings have been postponed on the unavailability of a department. That was the member for McIntyre.

Ms Rattray - They said the paperwork was not complete.

Ms FORREST - Yes, so you cannot blame the committee for that. It is important we do not think things have been a little held up because someone is not doing their job properly, so we will just avoid scrutiny over there.

I know that is not what anyone is suggesting, but we should not be raising a threshold on that basis - we should be raising it because the risk associated with the project mirrors the need for that level of scrutiny. The risk - and there is more than the financial risk; there is also environmental risk, social risk, and perhaps a lack of a social licence for some projects.

We have come back full circle on why this particular threshold has been selected. We were told different jurisdictions have different approaches. The Commonwealth has a \$15 million threshold; New South Wales, \$10 million; South Australia, \$4 million; Queensland does any works by referral; and the ACT has its planning and urban renewal committee that looks at works. I did not actually check whether it had a threshold. I do not have an issue with raising the threshold because it has been 10 years, but I need to be convinced by whoever moves an amendment as to the merits of each of the different numbers we are being asked to determine. It would be helpful to see the communication between the works committee and the department in that regard. The \$20 million might be a good starting point, but from there you would say, down, down, down.

Mrs Hiscutt - No, \$30 million was the starting point in the second reading speech.

Ms FORREST - The Chair of the committee said that was too high, so the starting point for the committee was \$20 million. That is what I heard.

Mrs Hiscutt - It depends on who you are talking to. The Government -

Ms FORREST - That is why I am saying that if we saw the communication between the committee and the government, it might be a little bit easier to understand what was in the thinking of the department or the Government and the committee. On what basis did the department suggest that \$30 million would be a good figure? We have no idea. It seems awfully high when we are talking about \$30 million of public money that is notionally not being held up from getting out the door because of the committee, so why are we removing automatic scrutiny of a project?

I am not averse to supporting this bill in one form or another. The challenge is going to be as to which amendment I support in terms of the number, higher or lower. I will listen to other members' contributions, particularly in the Committee stage, and I will look at these other amendments.

[3.37 p.m.]

Mr GAFFNEY (Mersey) - Mr President, I will provide some information so that we can reflect on it during the Committee stage. We talked about how many times the Public Works Committee said that a piece of work was undertaken that was not correct or it had to change it over the last few years. The example of Devonport in 2011 was given. I will read the conclusion of the committee's report from 2011 so people can understand what that was about -

The Committee believes that the lack of a remand centre is clearly detrimental to policing on the North West Coast of Tasmania. There is a negative impact on both the community and the Police Service when officers are required for prisoner transportation and court duties. It is evident that there was opportunity to include one with the new Devonport Police Station project. Notwithstanding the clearly demonstrated need for the Police to have a work environment more suited to modern day policing practices, the Committee believes it would be counter productive and short sighted to redevelop the current premises at a cost of \$6 235 000 ...

The committee concluded that, 'Accordingly, the Committee is unable to recommend the project.'. There was not a recommendation about the misuse of spending of the funds; it suggested not enough funds were allocated for a remand centre that should have been at the police station. Those were the grounds. It was increased in 2001, and in 2009 it went to \$5 million. The member for Murchison pointed out that we are now looking at \$8 million, \$12 million, \$15 million and \$20 million. Why? There is no cause for the \$5 million to be there either. I found out the other day that Queensland does not have a minimum - it is only by reference.

Why was the Devonport police project chosen? It was because there was concern and angst within the community that there was something not right with that project. They would have said to the Public Works Committee, 'Please, look at this and see what is going on.'

It is not about the money; it is about whether there is enough money to do the project satisfactorily or whether we are wasting money because we are not putting enough into it to make it a good project.

I remember the Port Sorell Primary School. It first came about with one party saying, 'We will give it this much money', then the following week the other party said, 'We will give this much money for the project'. The Public Works Committee then had a look at that, or I think it might have been the Public Accounts Committee -

Mr Finch - The Community Development Committee.

Mr GAFFNEY - Yes. There are processes in place. I could understand where the project managers were coming from when they said they wanted it to be \$30 million. I do not believe they were saying it was being held up by the committee; I think they were saying the process we have in this place may cause delays. If the committee can look at three or four projects, and then two months later look at another three or four, if there are going to be 70 projects next year, and they have to look at -

Ms Forrest - Over three years.

Mr GAFFNEY - Over the three years, but if there are going to be that many, why do we need such a low threshold? Why do we not just take it up a little bit? Then there is still the capacity, as the member for Launceston said, that if there is any concern or angst within the community about any project - and now I am happy the member for Murchison is saying the Legislative Council or the House of Assembly can bring that to their attention. Then it can be -

Ms Forrest - Only if you support my amendment.

Mr GAFFNEY - Yes. Then it would be scrutinised and go to the Public Works Committee. I am not so concerned about that. It does not matter whether it is \$20 million or \$15 million or \$8 million or \$12 million, if it is a \$1 million project where one of your residents says, 'I don't like this because they haven't done this', you can, if you garner enough support and evidence from the community, say, 'We need to look at this'. I do not care whether it is \$1 million or \$20 million, it is still public money and that needs to be scrutinised.

I actually like the Queensland model where there should be no minimum; it should just be the project and the Public Works Committee looks at what there is, but to help the Public Works Committee out, perhaps an \$8 million for a build and a \$20 million for a road is not wrong. Perhaps it gives an indication of okay, \$20 million is a lot of money - in fact, in some of our communities \$500 000 is a lot of money - but we would expect that the Public Works Committee would do all of those.

The only one I can remember was in 2011, and that was because there was not enough money given to something. We just need to be careful of it. I think this process will actually work with the \$8 million and the \$20 million because we ask them why they came to that. If you go back to the member for Murchison, I do not believe \$20 million of roadwork is not a lot of work, especially when you have worked in a local council and it was \$100 000 per kilometre to seal. It was that which you had to work at.

Ms Forrest - That is not a major highway, it is a local council.

Mr GAFFNEY - That is right. It is more important they have continuity of work to get the major highway money from the feds to continue that. I understand where they are coming from. I will not be supporting any of the amendments. What is in front of us, from \$8 million to

\$20 million, I think it is worthwhile sticking with the program here. While I appreciate members have said 'That seems a bit high, I will put in this one' or 'No, I go down here, we can come to here, that is halfway, that is sitting on the fence, it is not too bad', I do not know that there has been a lot of assessment done as to why we have come out with \$8 million, \$12 million or \$15 million.

Ms Armitage - I have reasons for my \$15 million, thank you.

Mr GAFFNEY - Other than it is a federal look-alike. I am going to go with the Government on this one. It is the one who was charged. As a committee, we want to reflect what we believe the government of the day thinks is best practice. I am yet to be convinced by the others, except for the member for Murchison's 'the Legislative Council and the House of Assembly', which makes sense.

As soon as we do that, we should be thinking, 'Okay, any of us in this place or downstairs, any of our committee members who think that there is something not right about this project and the costing of it, has the right to request that the Public Works Committee have a look at it.' I thought I would add that to the conversation.

[3.45 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I have quite a large amount of summing up here and hopefully I will cover all members' queries and questions. Thank you all for your contributions.

The Government considers the proposed threshold of \$8 million for building and construction and \$20 million for roads and bridges does strike the right balance for the referral of the public works to the Public Works Committee.

It will make the act contemporary, noting thresholds have not been reviewed in a decade. It also delivers on streamlining procurement processes for an increasing infrastructure pipeline into the future. These amendments form part of a package of works to streamline procurement processes. This work has come about as the result of the infrastructure industry roundtable held in 2018, at which both industry and agencies identified some measures that could be implemented to improve and assist in the efficiency of delivering of infrastructure projects.

The member for Hobart asked whether the roundtable report could be tabled -

Ms Rattray - It was me, the member for McIntyre.

Mrs HISCUTT - I do beg your pardon. There is no report. The committee roundtable put out communiques of their updates from their meetings. I have those communiques. Would you still like them tabled?

Mr President, I seek leave to table some documents.

Leave granted.

Mrs HISCUTT - In conjunction with the proposed amendment to the Public Works Committee Act, amendments to the Treasurer's Instructions occurred in early 2019, also to assist in streamlining procurement. Examples of the amendments include the ability for heads of

agencies to delegate pre-procurement planning approvals and the ability for the approval of class exemptions from the requirements to disaggregate.

Other proposals and suggestions came out of the roundtables, including Skills Tasmania being asked to work with industry to deliver a list of key skill gaps and develop measures to plug those gaps. The Department of State Growth was asked to consider how it may better time its tendering of works and the circumstances in which the packages of tenders may be more appropriate.

The department has advised it now actively considers ultimate contracting methods when releasing works to the market. Traditionally, works have been tendered on the basis of a construction contract. The department has more recently released design and construction contracts to the market. This means both processes may work concurrently to save time where traditionally they have been tendered separately. This can save three to six months, depending on the project type.

The member for Murchison has asked whether the reports of the roundtable can be tabled, and I have already tabled those communiques.

Increasing the thresholds for the referral of public works will support and assist this suite of procurements simplification measures. There has been much discussion about the volume of work required by an agency when making a submission to the Public Works Committee. The volume of work required is indeed large and it is for exactly this reason the amendments contained within the bill have been proposed. Increasing the thresholds are aimed at ensuring projects at the right level are considered by the committee. In practice, it means reducing administration processes for lower risk projects for both agencies and industry. Even if the thresholds proposed in the bill are passed, around 50 projects will require committee review and, in turn, the preparation of reports by agencies and industries. This is a very big workload.

For lower risk, lower value projects, significant preparatory work and an up to three-month committee review process will be avoided. It is this streamlining that will support the efficient delivery of infrastructure projects. Greater focus and attention can be placed on more complex and more expensive projects. Importantly, I emphasise there is no suggestion that delays are being caused by the committee or that there is a backlog of work. We know this is not the case.

The bill is looking to the future. To support the future increase in infrastructure projects, this bill is being proactive rather than reactive. Consultation within the community is indeed an important function that the committee provides; however, there are still planning processes and requirements. The State Planning Provisions do not propose changes to the current process for the community to make submissions in relation to proposed discretionary projects - I think that was made very clear in some of the contributions, especially the member for Mersey's - nor do they fundamentally change the status of public infrastructure projects. That is, the threshold for exemptions, permitted and discretionary applications are similar to those in place under the current planning schemes.

We have also heard about equivalent bodies to the committee in other jurisdictions. In particular, there was reference to South Australia where the threshold for the referral of works is \$4 million; however, it is important to bear in mind that South Australia's equivalent is quite different. It effectively acts almost as a small regulatory authority in terms of its resources. Other smaller jurisdictions more equivalent to the Tasmanian size, such as ACT and the Northern

Territory, do not have an equivalent to the Public Works Committee, which means that public works do not get referred for review at all. They do in Tasmania and this will continue, but we need to set a contemporary threshold.

Before I go through the conclusion, there were some more specific questions about amendments to self-referral. As additional security for members in the other place, the act includes a mechanism for public works below the threshold to be considered by a committee, by resolution there. This is outlined in section 17 of the act and was clearly defined by the member for Mersey in his contribution. At the same time, some members considered that as the committee is a joint standing committee of both Houses of parliament, the Legislative Council should be afforded the right to refer projects to the committee.

The Government agrees with this proposal and will be supportive of the amendment if the member decides to bring it forward. We consider it provides additional security for the members of the Legislative Council regarding their ability to refer particular projects of special interest to the committee.

We also have one here for the member for Murchison, who asked about the level of engagement with the committee about the proposed threshold value of \$8 million for building construction and the \$20 million for roads and bridges.

The Chair of the committee, the member for Hobart, proposed the values on behalf of the committee as an appropriate value to be put forward for consideration by parliament. This followed a proposal from the Treasurer

Mr Valentine - With respect, for consideration as a starting point for debate.

Mrs HISCUTT - Yes, that has been said a couple of times, and thank you for the clarification. The Treasurer proposed a threshold of \$10 000 030.

I have covered section 17.

The member for Murchison asked: what is the right level? It is starting to be a bit like a bidding war, isn't it? The Government looked into this and we liked the idea of the \$30 million, but as a compromise we came down to the starting point for consideration at \$20 million. The \$20 million was not just plucked out of the air; \$20 million was considered to be a relatively decent level to set to provide for good scrutiny by the committee.

To conclude, the purpose of this bill is to assist in streamlining procurement processes to ensure projects are delivered efficiently.

The Government considers the bill strikes the right balance by ensuring the Public Works Committee continues to review and record the necessity and advisability of high-risk, higher value public works.

I thank members for their considered contributions.

Personal Explanation

[3.55 p.m.]

Mr VALENTINE - Mr President, I rise to provide a personal explanation. It has been pointed out that as Chair of the committee, I receive remuneration. This particular debate may or may not result in more or fewer meetings. As that is the case, and because I am on the Joint Standing Committee on Integrity, I have to be full of integrity.

I am going to absent myself from the Chamber for the vote on this matter.

Bill read the second time.

PUBLIC WORKS COMMITTEE AMENDMENT BILL 2019 (No. 32)

In Committee

Clause 1 -

Short title

Mr GAFFNEY - Madam Chair, I have two issues with the arrangement of clauses. If you look at clause 7, it was suggested by a member that we insert 'Legislative Council' after 'House of Assembly', which would mean that both Chambers of this Parliament would have the right to bring any project to the fore. That might convince me that I do not need to accept, in clause 4, a change of the \$8 million and \$20 million being suggested. While I might think that because both Chambers of this parliament can raise that as a concern, I would not necessarily vote for any changes to the thresholds in clause 4. That is my concern with the order of events, if I have made that clear.

Madam CHAIR - Are you asking people to clarify, when we debate the various levels being proposed in amendments, that they indicate support or otherwise for this amendment?

Mr GAFFNEY - No, I am unsure how it works. If we reach clause 7 and it is not accepted, it is not passed - that both Chambers have the right to challenge a project - then that might unduly influence, as the member for Launceston raised in her speech; it might say I want to change the threshold because that has not been passed. That was one concern.

Madam CHAIR - On the advice of the Clerks, the decision is that when we reach the clause related to the various threshold levels, we will postpone that clause. We will move on with clause 7, which deals with the amendment in my name, and then we will come back to that. That way, people know that when they are voting on the various numbers, that amendment has either been agreed or otherwise.

Mr GAFFNEY - My second one is that I want some clarification in relation to clause 7 - no, where it is section 2, clause 4, or do I raise the issue then that I have with that as part of a procedural, where you are looking at raising it from two to three, from the lower Chamber and from this place

Madam CHAIR - That is a new clause, which I may or may not move at this stage.

Mr GAFFNEY - Okay, I can challenge that or ask questions about that process at that time, or should I do that now?

Madam CHAIR - You can ask questions when we are there because there are two new clauses that relate to the membership of the committee.

Mr GAFFNEY - Thank you. Yes, that is my concern and it is to do with the principle of the bill. I wanted to find out when it is best to raise it.

Madam CHAIR - In response to the member for Mersey's legitimate question, I have had some discussions with the Clerks. It is not my intention to move those motions now but to bring forward a private member's bill to deal with these issues in this and other joint House committee bills - not their membership numbers, that is unique to this committee - the public accounts and subordinate legislation, because they are some of the common problems. That is the advice of the Clerks. We will be dealing with the first the member mentioned; I will be moving that one.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

Clause 4 -
Section 2 inserted

Mrs HISCUTT - Madam Chair, I move -

That clause 4 be postponed.

Clause 4 postponed.

Clauses 5 and 6 agreed to.

Clause 7 -
Section 17 amended (Power of House of Assembly to extend Act)

Ms FORREST (Murchison) - Madam Deputy Chair, I move -

That clause 7 be amended by leaving out all words after 'Principal act', and inserting instead 'is amended -

- (a) by inserting 'or Legislative Council' after 'House of Assembly';
- (b) by omitting 'exceed \$5 000 000' and substituting 'exceed the relevant monetary threshold in relation to such work'.

I referred to it during my second reading contribution and other members referred to it in their contributions. I do not understand the way this came in. It could be historic, as the member for Mersey alluded to in his contribution to the second reading. Either way, this is a joint House committee. The Commonwealth legislation I based this on for the drafting instructions allow either Chamber to refer. This would give me some comfort. Whatever the threshold ends up being for building and construction as well as roads and bridges, if a particular project falls below whatever the threshold is, it does not mean you have to come back and change this particular clause because it is whatever that threshold is - either Chamber can refer.

It means you would have to bring that project back to the Chamber and the Chamber would have to agree. It is not automatic and one member can say they want it looked at. You would have to convince the Chamber, as the House of Assembly does now. It would give our constituents the opportunity to raise matters with us; we could bring those to the Chamber and we could see scrutiny by the Public Works Committee of a project that falls below the threshold, however set. I appreciate members' contributions for the second reading, as well as support now.

Mrs HISCUTT - Madam Chair, as additional security for members in the other place, the bill includes a mechanism for public works below the threshold to be considered by the committee by resolution. Some members considered that as the committee is a joint standing committee of both Chambers, the Legislative Council should be afforded the right to refer projects to the committee. The Government agrees with this proposal and is supportive of this amendment now that it has come forward. We consider it provides additional security for the members of the Legislative Council, regarding their ability to refer particular projects of special interest to the committee.

Clause 7, as amended, agreed to.

Clauses 8 to 10 agreed to.

Postponed clause 4 -
Section 2 inserted

Mr WILLIE - Madam Chair, I move -

That clause 4, proposed section 2, definition of *relevant monetary threshold*, paragraph (b) be amended by -

Leave out '\$20 000 000', and insert instead, '\$8 000 000'.

As I highlighted in my contribution to the second reading debate, the \$8 million threshold is relevant to many other jurisdictions, and \$20 million is an exceptionally high increase. As I outlined, 55 per cent of the work in recent years would have not been analysed by the committee at that threshold. It is a significant increase. The member for Murchison's amendment improves the bill significantly - that members from this place can refer projects, but it is not enough of a safety catch. I do not want to reflect on the other committee, but it is an example of the gun storage regulations that ended up getting through. Remember, there were some issues around gun storage regulations?

Mrs Hiscutt - There were.

Mr WILLIE - We need a threshold and \$8 million is a reasonable increase, while also providing a safeguard that most of the projects have parliamentary scrutiny. I put that amendment before the Chamber. Other amendments are to be proposed and I will listen to those arguments.

Mrs HISCUTT - There has been much debate on the threshold limits. Ultimately, the Government has been mindful that this is a question of balance between the public's desire for much-needed infrastructure sooner, to streamline delivery without necessary delay and red tape, and its desire for its elected representatives to provide appropriate scrutiny regarding expenditure of public funds.

The Government considers the thresholds proposed in the bill of \$8 million and \$20 million strike the right balance between these competing needs. A threshold of \$8 million for roads and bridges does not recognise the distinction between roads and bridges projects that are significantly costlier by nature, but not necessarily more complex or with greater risk.

It does not deliver on the intent of the Government's massive infrastructure rollout in roads and bridges in particular, and it will result in more projects being considered that need to be delivered, compromising the committee's time to address higher value projects. Based on the industry pipeline, it adds 10 projects that would require referral if the proposed \$20 million threshold is maintained.

We have heard from several contractors and the NBA and the Tasmanian Chamber of Commerce and Industry also agree. The bill will allow proposed low-cost, low-risk works to be progressed promptly which will assist industry to plan and schedule works within key construction windows.

Members, it is not really a bidding war. The Government had come to the point where we thought \$30 million was appropriate. We have talked to the works committee and decided \$20 million was a good starting point. As members know, the Government would have preferred a higher figure. We think \$20 million is a good sum to settle on. I urge members not to support this amendment but to stick with the Government's bill.

Mr WILLIE - A number of other states do not make a distinction between roads and bridges and building a construction, so I am not sure why Tasmania has to be different in that regard.

Ms Armitage - You are using my comments.

Mr WILLIE - You provided them.

Ms Armitage - I shouldn't share.

Mr WILLIE - Good argument.

Ms Armitage - I should have left it. It was fine.

Mr WILLIE - I did not know you were going to use it. The Leader said it is reducing red tape. Are you accusing the committee process of adding red tape? Is that what you meant in that comment? Could you explain further? Also, could you explain what delays - what project has been delayed by the Public Works Committee? That has not become evident in the briefings and the Leader has not explained that either. What project has been delayed by the Public Works Committee? It should not matter where the threshold is, really; this is about the parliament's scrutiny of the spending of public funds.

Mr Dean - The parliament can scrutinise them any time it wants to.

Mr WILLIE - Yes, but, as I said, the threshold is important. As I used the subordinate legislation example, things are missed by the parliament every now and again, and having a threshold provides that added safeguard. Just relying on a referral process that the member for Murchison has put into the bill, which improves it, is not enough of a catch-all. There needs to be

a threshold, it needs to be at a reasonable level - these projects need to be analysed by a committee and the community needs to have a say.

I cannot see why Tasmania needs to be treated differently I cannot see why Tasmania needs to have the highest threshold of any jurisdiction in Australia, being the smallest state and probably dealing with smaller projects. I do not think the case has been made by the Government, so I would like some explanations around those questions.

Mrs HISCUTT - There is no way we have said the committee has done anything wrong - I want to make that clear - but it is another step in the process that does not need to be there for projects under \$20 million. Plus there is the catch-all whereby anybody who sees anything special that they want to refer to the committee can do so.

Generally speaking, it does not need to be that low; \$30 million was what we had hoped for and we were quite happy to come to the \$20 million if need be. It is just a step in the process of assessing infrastructure, with all the infrastructure that is coming up, that we just do not need at the minute. If anybody does see something they want looked at, that can be referred - it is not a problem. I urge members not to support this because it is unnecessary.

Mr GAFFNEY - Madam Chair, I think the Government's argument on this is pretty weak, with all due respect, because they mentioned red tape and improving the speed at which this goes through and the number of projects. I do not like that part of it, but I think in the second reading speech they highlighted the difference between the bill's two thresholds, one for works and building construction at \$8 million and one for roadworks. To me, that helps. It did not point out that with the \$20 million-worth of roadworks, if there is nothing abnormal about the roadwork, it is just another length of whatever with the base, but the \$8 million-worth of building of intricate buildings that they have to look into, each one with a different design, all of that - I can understand why there are different thresholds for those.

I do not take on board the fact that they do not do it in other states. How often have members in this Chamber said we should be able to go out and do what we think is best for Tasmania, we should be the leaders in this, we should be doing this and this with our social issues, we should be doing this and this with our economic revival, and we should be doing this in our building works.

I understand where the member is coming from, but I do not agree with the perception that it is done this way in the other states. I do not think it holds up in my thoughts with enough weight to say they have justified the two thresholds about the two different types of projects or two different categories in the second reading speech. We do that all the time in our own lives and whatever - we say this one is worth a bit more time because there is more risk than in this one so we will accept this and not that. It has evolved - the committee that looked at this had representations from the people who work in that space, who are saying this could be \$20 million-worth of work but this \$6 million project actually has higher risk to a certain extent so we have to spend more time on this one. It needs to be scrutinised by the public works, where this one over here, even though it is worth in value, may not carry the same amount of risk as it is being developed.

For the \$8 million, the \$12 million and the \$15 million, I like the idea there are two thresholds. The Government has recognised that within that industry, they have to reach for different standards for the different projects. As far as Tasmania being a leader, I think there will be other states saying \$4 million in South Australia has not been changed for 25 years, and maybe we should look at that. Perhaps, they already have that in internal processes we are not aware of.

Mr Willie - Perhaps other states are more effective at planning their pipelines of work. Their departments get projects to the market sooner so they are not looking at parliament for a reason for delay.

Mr GAFFNEY - If you think this has been the same since 2001-09, we are fortunate to have had a number of governments and this Government says yes, there is a difference and that is why it is putting it forward. I agree with the Government.

Ms ARMITAGE - I agree with \$8 million, but for building and construction, not for roads and bridges. The comment I made to the member when I was saying other states do not differentiate between building and construction and roads and bridges - they do not, but if they did, they may have a higher threshold, obviously, for the roads and bridges. Obviously, their threshold covers both, which is a bit like ours, it is \$8 million for the building and construction. I see it as quite sensible we have \$8 million. I do not have a problem with \$20 million, as the member for Mersey. I will discuss my amendment later, but I cannot accept \$8 million for roads and bridges.

Mr DEAN - I cannot support \$8 million either. The civil contractors, when they briefed us, said they wanted to go with the Government's position. They urged us to move ahead with it fairly quickly. Whether they are right or wrong, they perceive the process of the Public Works Committee does, in fact, hold up some works at some times. Whether right or wrong is another issue, but that is the exception.

The Mowbray roundabout is a good indicator of value. Originally, when traffic lights were going to go in there, it was a project of more than \$5 million. I think the Public Works Committee was going to have a look, but when it changed to a roundabout, the Public Works Committee then exempted it because it must have been just under the \$5 million mark. I am not sure by how much.

The point is \$8 million is really a small project with roads and bridges. If there are concerns about the expenditure of public moneys, the Public Accounts Committee is there and can look at that at any time. We have that opportunity if there are concerns it has not been spent properly or right or there has been an inflation in the cost. The Public Accounts Committee is able to look at those matters. In fact, we have addressed some of those issues.

Ms Rattray - That is after the event and the money has been spent. Value for money has gone out the door and the project has not met expectations. After the event.

Mr Gaffney - But it allows the Public Accounts Committee to look at it to see whether the expenditure has been -

Ms Rattray - Too late.

Mr DEAN - It is not too late. It can provide information and support, recommendations to government with other projects. It can point out inadequacies, problems and issues in relation to that. I certainly cannot support \$8 million. It is too low. On the position at this stage of supporting the Government's position, I will hear what comes from the arguments in relation to the other changes.

Ms RATTRAY - I was going to leave my offering until I have moved my amendment, but in the interests of being respectful to the member for Elwick I actually offered my amendment to the member because he was the one that first proposed the \$8 million. I was of the same view for roads

and bridges. I took on board what the civil construction representation was and thought they have a point. We want to be proactive, but we also need public input, which is why I looked at my own amendment. I appreciate the member for Elwick's attempt to look at that and I believe \$8 million is right for buildings and construction.

As for the member for Windermere in his contribution about public accounts looking at it, that is after the event and too late. That question is asked at the end of every hearing when we look the department in the eye - we ask those who have put the project together 'Are we getting value for money on behalf of the Tasmanian people?' That is a really important process. Effectively you are going to take that opportunity away, not only the community input. There is the planning process, but we know planning processes are pretty unwieldy at times. Here we have an opportunity to continue to have input into many more projects.

I am a member of the committee and do not mind the work that comes with this, I am actually happy to put my hand up and do the work. If I were looking for less work, I would be happy to support the other one, but I am more interested in the community input and what that does for the outcome of the projects we are dealing with. Again, I thank the member for putting forward his amendment.

Mr WILLIE - I go back to the issue: what is the problem we are trying to address here? The Government has constructed this in a way where it is about delays and red tape, and it is not about that at all. Other parliaments have not looked to increase their threshold in some time and a few examples were given. Other parliaments are not looking for the same reasons. I suggest we are trying to solve a problem with threshold that exists within the Department of State Growth. We need to support the people in State Growth to plan the pipeline of works so there is not a boom and bust cycle and to get the projects out the door. The problem is the chronic underspend of infrastructure every single year.

We are in parliament trying to address that lifting the threshold is going to fix everything - well, it is not. The representations from industry, the briefings - it has been constructed in a misconstrued way, and the thresholds are going to fix all of these problems, which is not the case at all.

Mr Dean - Where did you get the \$8 million from?

Mr WILLIE - It was in comparison to the other jurisdictions in Australia. I went through that in my second reading speech. I do think the case has been made. By not passing this amendment we are effectively giving up parliamentary scrutiny on 10 projects; the Government said that itself. If the Legislative Council is happy for that, then so be it. The choice we are making is that in the current pipeline of work, there are 10 projects that will be over this threshold. It means no parliamentary scrutiny on those, unless the member for Murchison's amendment becomes effective and a member from this place refers the project or a member from the other place refers a project. We cannot rely just on that - we all know how busy we are with many different portfolios we have to get our heads around, and things get missed.

Mr GAFFNEY - I appreciate the member for Elwick's final say on this. I would like to correct the record on my interpretation - it does not mean 10 projects cannot be assessed as the member for Murchison's amendment has changed that scenario from either Chamber. We can only remember one project that has been not accepted by the Public Works Committee. I read that - unless somebody can come up with another one - it was in the last nine years so before that I am not sure. We should not be looking for - what do you call it? - reds under the bed -

Mrs Hiscutt - Red herrings.

Mr GAFFNEY - Close, it all depends where you keep your tuna, I suppose.

I just want to put that on the Table: we should not be saying this is because something is not working correctly; it might just be a more efficient way of working. It might just be, instead of having to look at 70 projects, you are going to be looking at 50 projects, which is still a lot of work, and if anybody from the community has any concerns over any of those 10 or 20 projects that are under the threshold, they can raise them with their member in either place so that it can be brought here and discussed. I do not think we should be saying that this is because the Government is not doing such and such. I understand that when you are in this place, sometimes you have to do that, but I do not fear for that at all. The track record shows the Public Works Committee is there to play a very important role and to ask that question, as the member for McIntyre said. It is very important to get that feedback, but that does not mean with this change of threshold, it is still not in place. They are still going to be there asking those people whether this project is under budget and what it is for, that sort of thing. It just means that the threshold has changed.

Ms Rattray - The projects will not come to the committee?

Mr GAFFNEY - No, I am saying you will still get 50 projects and any other project that has concern. We have had no concerns in the past 20 years except for one we can think of, so it is not as though we send 15 a year back and say do that again because we do not agree with it. There has been one in the last 10 years. While it is an important process, we have to streamline things in this place as well. We have to take that on board. All they are trying to do here is up the threshold of the value so that you do not have to deal with the low-hanging fruit that has not been proven in the past to be untoward or anything wrong with it. I cannot accept the member for Elwick's justification about the \$8 million.

Mrs HISCUTT - The member for Elwick alluded to the parliament giving up scrutiny, but section 17 of the principal act clearly says that anybody - and now that the Chair's amendment has gone through - any member of parliament can refer it. Parliament is not giving up scrutiny. This is just one step less. This is the Government being proactive. These amendments form part of a package of work to streamline procurement processes.

This work has come about as a result of infrastructure industry roundtables held in 2018; I tabled those communiques. Both industry and agencies identified some measures that could be implemented to improve and assist in the effective delivery of infrastructure projects, so this is just another step in that process.

In conjunction with the proposed amendment to the Public Works Committee Act, amendments to the Treasurer's Instructions occurred in early 2019 to also assist in streamlining procurement. Examples of the amendments include the ability of heads of agencies to delegate pre-procurement planning approvals and the ability for the approval of class exemptions from the requirements to disaggregate.

Other proposals and suggestions to come out of the roundtables included Skills Tasmania being asked to work with industry to deliver a list of key skill gaps and develop measures to plug those gaps.

The Department of State Growth was asked to consider how it may better time its tendering of works and the circumstances in which the packages of tenders may be more appropriate. The department has advised it now actively considers alternative contracting methods when releasing works to the market.

Traditionally, works have been tendered on the basis of a construction contract. The department has more recently released design and construct contracts to the market. This means both processes may work concurrently to save time where traditionally they have been tendered separately. This can save three to six months, depending on the project type.

Honourable members, I wanted to make it clear that this is just part of a package of works that has been thrashed out at the roundtables. Every member of parliament will still have the ability to scrutinise or to refer any project they desire to the Public Works Committee.

Madam CHAIR - Through the parliament?

Mrs HISCUTT - Through parliament.

Amendment negatived.

Ms RATTRAY - Madam Chair, I move -

That clause 4, proposed section 2(b), *relevant monetary threshold*, be amended by -

Leave out '\$20 000 000', and insert instead, '\$12 000 000'.

I have spoken to the amendment. My rationale for putting forward \$12 million is that, as I acknowledged, the civil construction industry said it would appreciate something higher than what would be available under the proposed \$8 million blanket. I acknowledge that a roundtable came up with \$30 million and the Government then settled on \$20 million.

We still have the opportunity more often than we would if it went to \$15 million or \$20 million - as proposed by the Government and the amendment the member for Launceston put forward - in the committee process, with advertising of the proposed project in the three daily newspapers. People see that; they contact the committee secretary and they find out - they know there will be site visits, hearings and the like, and that process is then bypassed. That is put into the big planning bucket mixed up over here. It is not quite as easy as when you see the parliamentary logo, Public Works Committee, project, hearings and the like. That advertisement is quite specific. That will be lost. Possibly you will not have the committee seeing a project and being able to have input at the front end.

You know how difficult it is to make changes, particularly once a tender has gone out and when somebody has been given the work. In trying to get State Growth to say that it has some concerns with such and such over here, by the time they get it into the Chamber and we see it on the Notice Paper and we debate it, you have lost more time. I think that is really an important part. The committee can only accept or reject. There is no opportunity to amend what has been put forward but there is an opportunity to negotiate.

That is what I have seen the committee do at its best - negotiate. We receive some representation or the committee sees something it is not entirely happy with, so we negotiate with the department. Yes, it can take an extra week. More often than not, there have been some very good outcomes from those negotiations with the department, such as an extension to an overtaking lane of 200 metres. There is an overtaking lane as you are heading south near Lovely Banks and that was going to be cut right back. Once people are used to something, it is very difficult to take it away, and we were able to negotiate an extension of 200 metres to that overtaking lane that people are used to using.

Mr Dean - What was the overall value of that project?

Ms RATTRAY - I am not entirely sure, but that was a really good outcome. We were able to negotiate a better outcome for the owner of that property through the committee process. That would not have been an opportunity, had it been a \$20 million project. Those upgrades are in stages and I understand that we have civil construction companies in this state that are very keen to make sure their employees have continued work. I understand that, but we also have a responsibility to make sure the money is properly spent, that we do get value for money and there has been a scrutiny process.

The Leader said that we are taking out a step but it is an important step in the process. With some of the other important steps being reviewed, which the Leader shared with us, there will be some better outcomes. I hope there are. The \$12 million is an increase from the \$8 million proposed for building and construction, but it is not up to that \$20 million, which means that we are going to lose the opportunity to provide that scrutiny. I ask members to consider what I have put forward. It is an important step in a really important process.

Madam CHAIR - It would be helpful for the member for Launceston to indicate whether she is going to move her amendment. If members are to make informed comments on it, they do need to understand that. If not, this is it, otherwise the Government's amendment -

Mrs HISCUTT - The important step the member for McIntyre talked about is still there. Any member of parliament will still be able to refer any projects to the works committee, through the parliament. Consultation with the community is an important function that the committee provides. However, there are still planning processes and requirements. The State Planning Provisions do not propose changes to the current process for the community to make submissions in relation to the project, nor do they fundamentally change the status of public infrastructure projects. That is, the threshold for exemptions permitted and discretionary applications are similar to those in place under the current planning scheme. As the member for Hobart pointed out in his contribution, it is, on average, 1.1 person per project in the last decade.

Members, please be assured that the Government is looking for a \$20 million limit. We deemed that was probably the best place to sit. We are not taking anything away. The referral process via parliament will still be available; we think this is an unnecessary step for those less complex projects.

Ms ARMITAGE - Madam Chair, I believe \$12 million is a little too low. I will not go into the reasons for my suggestion of \$15 million. I thought \$30 million was too much of an increase but I cannot support the \$12 million. I will be moving an amendment of \$15 million, regardless of whether the next amendment is agreed to.

Mr DEAN - What is the extent of the consultation conducted by State Growth in approving any contract? If it is a \$5 million, \$6 million or \$8 million project, what is the extent of that consultation? That was raised a number of times here today. The member for McIntyre raised that some of this may be lost. That is, the proper consultation with all the people who might be impacted by some of these road projects. The member for McIntyre gave a good example of Lovely Banks, which most of us would be familiar with. It would be interesting if State Growth, in approving a contract for any project, did not talk to all the people who might be impacted in some way by changes to their lands, the extent of the project, the length of the overtaking lane - all those things you know the Public Works Committee is good at. I am not, for one minute, suggesting the Public Works Committee should be done away with; it does a good job. The fact that only one project has been knocked back in the last eight or nine years is beside the point. The fact is they are there and do it well.

I would like to know what the extent of it is. If it is not done in the way it ought to be, with an absolutely thorough consultation process, I have some leaning towards what the member for McIntyre and, perhaps, even what the member for Elwick said in relation to these projects.

Mrs HISCUTT - The advice I have is from Treasury, not State Growth. We cannot just pull it out of the back pocket. We will give an undertaking to members that when we can work out where to get it from - State Growth, of course - we will get that for you. I cannot just do it right now; I have the wrong advisers here.

Ms RATTRAY - I can probably help the member as a member of the committee. I will go back to the Lovely Banks example. That is where the negotiation was a successful one. Yes, the department had had negotiations with the landowner in regard to the entrance to their property, but they had been unsuccessful. Obviously, the department complied with Australian Standards, which is what the roads are built on. The federal funds arrive if you are complying with Australian Standard number such-and-such. I apologise I cannot quote the specific number of the standard complied with.

The property owner in this case presented to the committee and put forward a very strong case. The committee was able to assess that information, went back to the department and said 'Could we have some additional information about why with the request of the owner of that property for his particular driveway and entrance to his property, you could not do this, this and this?' They came back and said, 'Because we only have to comply with this Australian Standard, but we possibly could do this and this.' So, that went some way towards achieving the outcome the owner was looking for originally.

Had the committee not have been involved in that process, of course the owner would not have had that avenue to put forward his concerns. The department actually found some flexibility around what it was proposing and still met the appropriate standard it was building that particular section of road under. I hope this helps the member understand. It is just one example in my relatively short time as a committee member on what was achieved. That is why I am asking for that opportunity not to be taken away.

Madam CHAIR - The Clerk's advice is: if members believe the Government's \$20 million threshold is too high and they want to see a different threshold, and at the moment we are talking about \$12 million versus \$15 million, the best way to approach that would be to accept Ms Rattray's amendment. That is the proposal before us; the next proposal is from the member for Launceston.

Ms Armitage - I am going to do it before the vote.

Madam CHAIR - Before we get there.

Ms Armitage - I am going to amend the amendment.

Madam CHAIR - The member for Launceston will move an amendment to the amendment before the Table at the moment. Then people can make their decision about what they think is right.

Mrs HISCUTT - To be clear, Madam Chair, what we have at the minute is the bill with \$20 million. If the member for McIntyre's amendment goes through, it will be \$12 million; if it does not go through, it will still be \$20 million.

Madam CHAIR - No, Leader, the member for Launceston will move an amendment to the member for McIntyre's amendment before we actually deal with the amendment before us. Then we can have a debate on both at the same time. If \$15 million is accepted, it will be. If not, we will go back to the \$12 million, but if members wish to reduce the threshold, they will vote against the amendment to the amendment as well.

Ms RATTRAY - Just a point of clarification. Do I get three calls on the member's amendment?

Madam CHAIR - Yes.

Mr Gaffney - The member just stood.

Ms RATTRAY - I am standing just to get the call.

Mr Gaffney - I thought she just sat down, so she can stand again?

Madam CHAIR - This will be your third call unless you want to allow the member for Launceston to move her amendment to your amendment.

Ms RATTRAY - But I do not get three calls on the member's amendment?

Madam CHAIR - Yes, you do.

Ms RATTRAY - I am not out of calls?

Madam CHAIR - No. This is your last call on the amendment as it is, with the \$12 million.

Mr GAFFNEY - Point of clarification. The member just spoke and nobody has spoken in between her standing again.

Madam CHAIR - The Leader got up and sought clarification.

Mr GAFFNEY - I want to speak to the member for McIntyre's amendment.

Madam CHAIR - The Leader sought some clarification.

Ms Rattray - I will wait and let the member go first.

Mr GAFFNEY - Thank you, member for McIntyre, for your indulgence.

Going back to the member for Windermere, I think he was questioning what consultation processes did State Growth use to allow people to have input into a project advertised by State Growth. That is important. I think the member for McIntyre was saying that when a project comes to the Public Works Committee, they can have that conversation. That can still happen regardless of the threshold because if State Growth puts its projects out for consultation, regardless of the threshold, if anybody thinks they have not been heard and they still have an issue, like Lovely Banks with the road length or whatever, they can then request through any of us to take their issue with the project to the Public Works Committee.

When the member was talking about what the committee does - which was really terrific because you are able to negotiate and mediate - that does not change because the threshold changes. It might change because they do not have a look because the threshold has been changed, but it does not stop the capacity of anybody to take an issue to the Public Works Committee.

Madam CHAIR - To clarify what the principal act says: it requires the House to refer, so the member would have to bring it to the Chamber and have the Chamber agree. It is not automatic - which was previously the case in the House of Assembly.

Mr GAFFNEY - No, I suggested that a person could bring it to the Chamber and then the Chamber has to agree to be able to take it to the Public Works Committee. That has been said before, so I can repeat that again.

Madam CHAIR - To refer it - no individual can demand it to be sent off.

Mr GAFFNEY - No, an individual brings it forward. I am saying that the process undertaken by the Public Works Committee which the member for McIntyre talked about is not going to change. If this place is convinced an issue that is brought to it by an individual deserves to go to the Public Works Committee, it will do so regardless of the threshold change. That is all I want to say on this.

Mrs HISCUTT - I am glad the member for Mersey clarified that because I was going to go hunting for the matrix on what they do, but we have here hopefully an answer that may satisfy the member for Windermere's request.

Ms Rattray - I thought my answer was quite good.

Mrs HISCUTT - Yes, I did too.

Right at the beginning of the project, the department develops a stakeholder engagement and consultation plan which identifies key stakeholders and community issues. Then the department develops a consultation plan. This occurs with all projects regardless of value. The plan is reviewed through all stages of the project, including the construction phase. The department makes changes to projects frequently as a result of consultation.

Is this what the member for Windermere was looking for?

Mr DEAN - Yes, thank you for that explanation. I go back to the amendment put by the member for McIntyre and the scrutiny PricewaterhouseCoopers undertakes in all these

circumstances. I use the example of the Mowbray roundabout again, where State Growth in the first instance determined traffic lights would be put in. It was not until the trucking industry came to me, and probably others, to complain bitterly about the process that that State Growth undertook to identify traffic lights at that junction. I never asked them; I am just taking from that State Growth did not go to the trucking industry when it determined it would put traffic lights in there. It could have done. If it did, the trucking industry did not tell me. The trucking industry came to me to ask me to try to do something about stopping traffic lights being put in there, and put in a much more acceptable roundabout because their trucks take a long time to build up steam. It is a 100 kilometre per hour zone and that would mean they would have to stop to negotiate the traffic lights and start off again and pick up speed to keep moving on north. They were concerned about that.

I am trying to ensure State Growth undertakes the proper process when it is dealing with traffic matters. The users of the road need to be consulted. With the amendment that has been moved and then supported -

Madam CHAIR - It has not been supported.

Mr DEAN - Yours.

Madam CHAIR - Sorry, mine, the previous one.

Mr DEAN - A member, in either place, would need to give notice of a motion to that effect they wanted that particular matter referred to the PWC. Notice would be given, and there would be a period of time before that could be debated. It would then be debated in this place and obviously we have the right to refer, as the Assembly has also the right to refer. It does not need to be supported by both places, one or the other can refer it. Hopefully, I am right on that.

How long is it going to take for the process to occur and how long would this hold up a project? That is what the contractors are complaining about and their concern in this whole thing - the slowing down of processes to keep personnel busy and their machinery operating and so on. The more I think about this, the more inclined I am to go with the lower amendments. I did say when I spoke that I was inclined to go with the Government's position, but that I would listen to everybody else.

Mr Willie - Are you saying we convinced you?

Mr DEAN - I would like to know how long that process is likely to take. A notice of motion would need to be submitted and we do not sit for another two or three weeks. That would mean a further delay in this project. It would then have to go-

Madam CHAIR - It is the current situation in the House of Assembly. That provision is already there for the House of Assembly and that is the process.

Mr DEAN - Yes. I am looking at the delay. The civil contractors are one reason I suspect these changes occurred. I suspect they went to the Government or the department with their concerns to try to speed up the processes. Could I be given an indication of the time frame?

Mrs HISCUTT - I think I have your question right. In the other place, it is a resolution of the Chamber, so it would be the same referral powers. It would be the same as what happens in the other place. I should imagine it would be a notice of motion put on the Notice Paper, then brought

on by the member on the following Tuesday or whenever; it would then be debated and brought on by parliament.

Madam CHAIR - It would be debated at the following sitting, after it has matured.

Mrs HISCUTT - Yes, the usual process.

Mr Dean - Yes, that is what I want to know, but the delay, giving notice of the motion and the time to debate -

Mrs HISCUTT - You could seek leave to have it debated the same day, I suppose. We are moving into areas you are well aware of, member for Windermere.

Ms RATTRAY - To the member for Windermere, that is all time; that is a delay. It will defeat the purpose of trying to assist the civil construction industry in having that continuity it is looking for with that opportunity. We do not sit week in, week out, in this place. Therefore, we are looking at the timeliness of being able to send a reference to the committee. By the time you find out about it, there would be no public notice and it might not necessarily be an adjoining landowner.

The member for Hobart was probably listening in to my contribution in another place. There are two projects on the Midland Highway, a P50 for \$16.8 million and a P90 for \$19.7 million, so neither of the two would have come to the committee.

Mrs HISCUTT - I will comment in regard to the delay. It is the same process that happens in the other place and there does not seem to have been a problem. As to how many have been referred in the last couple of years, I am not aware of any.

Mr Dean - They have not referred any.

Mrs HISCUTT - This has not been used. The process is there to do it and it has not been used, there have been no referrals. They would be exceptional circumstances. We are not talking a big delay of several weeks. Your point may be valid but it is extremely small so I do not think it is pertinent to this point.

Ms Rattray - The committee has been doing its job. That is why there have been no referrals in the other place.

Ms ARMITAGE - Madam Chair, I move to amend the proposed amendment to clause 4, proposed section 2(b), *definition relevant monetary threshold*, by -

Leave out '\$12 000 000', and insert instead, '\$15 000 000'.

Before I give my reasons for the \$15 million, I would like to answer the comment by the member for McIntyre about the two projects on the Midland Highway. Was it \$16.8 million?

Ms Rattray - It was \$16.8 million and \$19.7 million, yes.

Ms ARMITAGE - They would both go to the committee under my \$15 million, so we would be looking at the two of those. I also note, member for Windermere, that sending references to the committee can cause a delay, but only if there is a problem. Many times there will not be a problem,

particularly when we are looking at roads and bridges. That is the thing we have to remember. We are sticking with the \$8 million for the construction of buildings. When we talk about the police station at Devonport that was refused, that is building construction. How many times do we have issues with the roads and the bridges? That is what we are looking at, and \$15 million is quite a considerable amount.

I note that, as I mentioned to the member for Elwick, other states do not differentiate between building construction, roads and bridges. If they did, they may have very different thresholds than they have now.

The other thing that is really important to remember, is that many of the states I looked at have not reviewed their thresholds for a considerable amount of time. The fact is that what we are now reviewing is going to have to stand the test for a long time. We are not going to be coming back in two or three years. It has been 10 years now since we have reviewed. I assume it is probably going to be another 10 years before we come back and look at the thresholds. As the Government said, in the beginning they put up \$30 million; to me that is too much of an increase, and the middle ground is \$15 million.

I am also looking at \$15 million because that is the amount mentioned in the Federal Register of Legislation, as either the member for Elwick or the member for Mersey mentioned. When we look at South Australia, mentioned many times today, it is a fair while since it reviewed its public works. It says that -

Cabinet must consider all public works with the total to be applied to the construction of the work is \$15 million ...

It is interesting that anything in the \$4 million to \$15 million bracket goes to the Public Works Committee, but over \$15 million, it goes to Cabinet to consider.

I know what the member for Mersey is also coming to, and I agree in some ways that you need a threshold when things can come, but there would be delays - that is, by the time you find out about something and it goes to a committee, and then it comes to the Legislative Council and the House of Assembly to be brought to the committee - so there are reasons to have a ceiling. I was reasonably comfortable with a ceiling of \$20 million, but listening to the \$8 million and the \$12 million, I felt that \$15 million was a little more middle ground, a little more comfortable for those in the construction industry. We all have some comfort that \$8 million for the building and construction is a comfortable amount.

Many other jurisdictions have not been reviewed for some time, so I find it hard to say whether they have \$4 million or \$8 million or \$6 million, because of how long it has been since they reviewed their legislation. I am quite sure when I tried to find out that some were 1992, some were 1999 and some were a considerable amount of time, so I ask members to consider the \$15 million. It is not quite the \$20 million. It is a bit better than the \$30 million proposed previously, but it will have to stand the test of time. It is going to be there for, I assume, some considerable time before it comes back to this place. It is almost double the \$8 million we have for building construction.

We heard in the briefings from contractors that roads and bridges are usually fairly straightforward. If something comes to us that we know is going to be a problem, we will bring it before the Chamber at the earliest opportunity and ask for it to go to the committee.

I really appreciate that, in the member for Murchison's amendment, members from this Chamber can also have something raised because many times it is a bit like the situation in local councils. For many local councils, most planning is now by delegated authority. If a councillor knows there is an issue, they can still raise that issue and take it to the council table. I see this as very similar to that. If you know there is an issue, you know there is a problem, you can take it to the Chamber and have it taken before the Public Works Committee at the earliest opportunity.

I really appreciate the work the committee does. I am in no way denigrating or saying anything detrimental about the committee. It does a great job. I also listened to Mr Macklin and the chap from Hazell Bros when they were talking about their workers, about any delays, when you have 300 or 400 workers and all this equipment waiting on something that is straightforward. It is not a building. It is not something that has an issue. A simple straightforward bridge or road might even be \$14 million. Under mine, it will need to be above \$15 million. It would not come under \$14 million, but \$16 million would, as the member for McIntyre mentioned -

Ms Rattray - I have been getting some advice from another place and I will clarify that.

Ms ARMITAGE - It has gone below \$15 million now, has it?

Ms Rattray - No, I want to clarify something.

Ms ARMITAGE - I would appreciate the support of the members. I believe it is middle ground, \$15 million. Not as bad as \$30 million, a little bit less than \$20 million, but certainly a little bit more comfort for the contractors than \$12 million.

Mr WILLIE - I have a procedural question. I would prefer the opportunity to vote on the \$12 million. Essentially, we vote down this one, we get to \$12 million, which could potentially be voted down, but \$15 million could have got up, maybe without support.

Ms ARMITAGE - Then we go back to \$20 million.

Ms Webb - I agree with the member for Elwick; it would be better to work our way up.

Mr WILLIE - The procedural question I was about to get to: can the member for Launceston put the \$15 million again to the Chamber if that scenario plays out?

Madam CHAIR - We virtually have both proposals on the Table right now, so people can decide whether they want to accept any of those - that is, the amendment by the member for McIntyre, the amendment by the member for Launceston, or stick with the Government's proposal at \$20 million. They are the choices.

Ms WEBB - I agree with the member for Elwick. What we have is the option to vote for the \$12 million and try for that. Then, if that does not get up, vote for the \$15 million and try for that. If that does not get up, vote for the original. If we forgo the \$15 million first, and then the \$12 million does not get up, we do not have the option to go back to the \$15 million, before it goes back to the \$20 million.

Madam CHAIR - That is because the Chamber has rejected \$15 million as a threshold. Unfortunately, it is a bit like higher and lower. Every member needs to make their own determination about what they believe should be the right threshold for this work. All the arguments

have been put. It is up to you, as individual members, to determine which one. I alluded to this in my second reading contribution. It is going to be a judgment call from all of us.

Mr WILLIE - On that ruling I am going to sit in my chair, listen to members' comments and try to do the numbers.

Mrs HISCUTT - Just so members know where the Government stands on this. Our preference is for the \$20 million, as I have explained to you before. We will support this amendment to the amendment, because it is getting closer to where we want to be. Am I clear?

Ms Webb - You have that prerogative. But if people wanted the lowest possible, they do not have the prerogative to try to get it lower.

Madam CHAIR - The reality is that if we did - in explanation again - if we were just dealing with one amendment as the \$12 million, the Government, from the Leader's comments, has made it clear it does not support that. But it will not oppose, or will support - I am not sure what language the Leader will use - the \$15 million. It has already made it clear it will vote against that anyway. That is why we are listening and the member for Elwick is doing numbers.

Ms RATTRAY - I thank the member for putting forward her amendment for the \$15 million. When I thought about the \$12 million, we are raising that from \$5 million. We are getting caught up with the fact of the \$8 million and \$20 million, but it is being raised from \$5 million. That is still a pretty big step up, from \$5 million to \$12 million, which was my rationale.

I want to clarify something. I indicated the two different projects, P50 at \$16.8 million, and P90 at \$19.7 million. As you know, I have not long been a member on that committee, but it is only one project. There are two ways of expressing the value of P50 and P90 - they are called a Monte Carlo simulation. That is just one project, just two ways of expressing it, but it still would not come in under the \$20 million. I repeat the point I made: yes, there would be an opportunity for a member of this Chamber to bring in an issue with a project and have it referenced. As I said: how do those community members know about that if they are not adjoining landowners or not directly impacted but still are members of the community and have concerns? How do they find that out if it is not in the local advertisement which I said is what the Public Works Committee does? I am concerned it will go under the radar, particularly when people are busy and doing what they need to do. That is my concern about relying on the Chair's amendment, which I am pleased we have passed, but I think that just relying on that as a backstop to get any project that might fall through the cracks is fraught with danger. I expect members will not be surprised that I am sticking with my \$12 million.

Mrs HISCUTT - We have been through this many times, but I will quickly run through it again. How can they be sure? How do they know? Besides the advertising, at the beginning of the project the department develops a stakeholder engagement and consultation plan in which it identifies key stakeholders and community issues, and it is advertised. The department then develops a consultation plan. This occurs with the project regardless of the value. The plan is reviewed through all stages of the project, including construction. The department makes changes to projects frequently as a result of the consultation. There is a lot of community consultation as is, but if for some reason somebody has not read it in the paper or is not a stakeholder -

Ms Rattray - Or has not had their issue addressed.

Mrs HISCUTT - And just sees something happening down the road, they can come to any member of parliament's office, and they can then put the process in place to have it referred. There are backstops to the backstops. I will not go through it all again. The Government is still keen to keep the \$20 million, but I can see the compromise to the amendment to the amendment.

Mr GAFFNEY - Madam Chair, I go back to where the Government got its advice or where the process came from it put in place to be able to get to the thresholds. It consulted with the people and the communities who did most of the work. It went through the process, which meant it consulted with the professional groups that work on the roads or the bridges or do the major projects. Out of that stakeholder gathering with the people who do the work, it felt there were efficiencies that could be had in this state with our public purse if the threshold were raised.

Instead of having three \$10 million projects, they could do it more effectively and cheaper; for \$30 million, they could probably get extra road links because they do not have to go back to the well all the time; they do not have to advertise for \$5000 in the paper all the time for the project, so their overheads are lower and they can get more work done. I think they have come to the Government saying, 'Look, we can get more work done for the same amount of money you are paying out because we only have to put in a project brief which was \$30 million'. The Public Works Committee said, '\$30 million is too high; let's start the discussion at \$20 million'.

We heard Hazell Brothers and the Civil Contractors Federation say, 'We would probably prefer \$30 million because we think for the public purse we can get more roadworks done for a \$30 million project than we can for three \$10 million projects because you are making us go back to the well all the time to get different projects to put it into the process'. From that point of view I think they have come to this place saying we can get better value for the money allocated as part of the budget process. If we were to take this to Education or the medical fraternity and say 'Give us some advice on how we can improve and be more efficient', they would come back and say we can be more efficient if we did this, this and this. We would be ticking it all off, but what we are doing now is saying, 'No, the threshold is too high, we better keep it down here so we can keep closer tabs on it.' It is not about keeping closer tabs on it; it is getting more bang for our buck. We are looking at this in the wrong way. We are looking at this and seeing things that might go wrong or seeing that somebody is making a bit too much money on the side. This is about efficiency.

Ms Rattray - That is not my view.

Mr GAFFNEY - No, I know it is not, but I am up here speaking. It is not about whether the Public Works Committee is doing its job. Nobody is questioning that. It is saying you do not need to judge 70 projects at \$5 million each, you can judge 50 projects at \$10 million each and it is better value for money for our budget and for our community. I think we need to be thinking about thinking a little bit bigger. We are the smallest state, let us do things differently. Let us allow our construction and civil workers, who know how to do their job, to get on with it without having to come back here all the time. If there is a problem we now have a process in place where people can take that problem to the parliament and bring it to this or the other place. Then they can say we hear what you are saying, you have convinced us all here; this needs to go to the Public Works Committee because there are some issues.

Again, I go back to there being one in the last 10 years so we should take heed of the people and yes, they might get a road wrong, it might not work because of the base for example. If you think about the many kilometres these people work and the space they work in, they are very good at their job and it is that professional body that has come to the Government to say it would be more

efficient if you had this threshold. We need to keep that in mind. Here we are bringing out numbers we are not really sure about but it seems to be - it was \$5 million, let us take it to \$8 million or \$12 million or \$15 million where our professional body that undertakes the work wanted \$30 million but the Government came to \$20 million. I encourage members of this place to stay with the Government's proposal. It is not every time I vote for the Government either. Voting in this place, in this time, they are right. We should take that into consideration.

Madam CHAIR - On the referral power, and I am not suggesting you said this, you cannot refer a project once it has started, it has to be before it has commenced. There was some sort of comment that made people think maybe you could do it during - you cannot, according to the act as it is currently drafted.

Mrs HISCUTT - Thank you for that clarification. I think I might have said that.

We did consult with the experts as alluded to by the member for Mersey and I would like to tell members which experts we consulted with who did decide that \$30 million would have been their preferred number. Roundtable attendees included -

- Local Government Association of Tasmania
- Civil Contractors Federation
- Engineers Australia
- Australian Water Association
- Housing Industry Association
- Master Builders Tasmania
- Tasmanian Division of the Property Council
- University of Tasmania
- representatives from government business, including -
 - TasPorts
 - TasRail
 - TasNetworks
 - Tasmanian Irrigation
 - TasWater
 - Hydro Tasmania.

Consultation on the bill from Treasury went to the committee and agencies about the bill, as parties which were directly impacted about the change in the thresholds in the referral to the committee.

It has been consulted by the experts and this is what the experts came up with. They wanted more - the Government thought \$20 million would be a reasonable figure. I urge members to stick with the \$20 million, but if we are going to vote, we will certainly vote in favour of the amendment to the amendment to see how we go, but the Government still thinks \$20 million is the place to settle.

Ms ARMITAGE - I really do not have a problem with \$20 million, but I am concerned if I do not put the \$15 million up, it might go back to \$5 million if it does not get up. The reason I am moving -

Mr Willie - That's not on the Table.

Ms ARMITAGE - No. That is the reason I am moving it. I am concerned the bill will be thrown out and we will not have \$20 million. If the bill goes, obviously the default would be to go back to what we had before if we do not have a new bill.

Going through cost of roads, I came across the Australian Government Department of Infrastructure, Regional Development and Cities research report No. 148, which looks at data from 2015. Even though it was the seven jurisdictions of New South Wales, Victoria, Queensland, South Australia, Western Australia, Northern Territory and Australian Capital Territory, it provided data for 32 road construction projects with 23 procurement processes completed or in delivery since mid-2015. It was 2017. You would have to think, if it is there, even if they are a little more expensive to do roads, it was two years ago and the average road project costs were around \$5.1 million per lane kilometre in 2017. It did not mention Tasmania; they did not put data in. But it certainly was two years ago. All my \$15 million would build, on those figures, is three kilometres of road.

If I knew members were going to support the \$20 million, I would be very happy to withdraw the \$15 million, but I am concerned they actually may support the \$12 million and it is too low. On 2017 figures for 2015 procurements and contracts, \$5.1 million per kilometre. I ask members to go for \$15 million.

Mr DEAN - I have heard \$8 million, \$12 million, \$15 million, \$20 million and \$30 million, I am not quite sure where it has all gone to. I have been considering this. Is there not some other way around this whole thing? Is there not a position of where we could support and go along with the Government's position here, the \$20 million for roads and bridges part of it? This addresses the matter raised by the member for McIntyre - where the concerns of the public or stakeholder cannot be satisfied by State Growth. If there is a dispute, or whatever with a stakeholder, State Growth would have a requirement to refer that matter to the Public Works Committee. Is there another way around this whole thing?

We have the process through the parliament now in both places. It has been in the other place for some time, but we now have it here. That could be a drawn-out process. If you took it to when we go on our winter break, the motion could be given on the last week of our sitting week, and not be addressed until we come back after the winter break, or it could be moved on 29 November, on our last week here now, and would not be addressed until we come back in March.

Madam CHAIR - On that point, there is the opportunity for moving a motion without notice, as we do in this place from time to time in matters of urgency. There is that option.

Mr DEAN - We addressed that before. We can always move a notice of motion and Standing Orders would be satisfied. That is not a problem, but for a normal run of the mill situation, is there not some other way around it? I do not disagree with what the member for Mersey is saying about this. He put a very strong argument. The experts have looked at this, the people have looked at it very closely. I have been all over the place with it.

Madam CHAIR - You have been in and out of the member for Elwick's spreadsheet like no tomorrow, then.

Mr DEAN - The Government's position is it will be supporting the amendment to the amendment. That then excludes the \$20 million it currently has in the bill. If it supports the amendment to the amendment, the amendment will be put.

Madam CHAIR - There is a motion then for that amendment to be agreed to.

Mr DEAN - I am thinking on my feet as to the best way to get around this whole thing. It has just gone on and on. We really are getting ourselves in a bit of a bind here. There is no doubt about that. Obviously, the concept I have put forward is not of interest to anybody.

Mrs Hiscutt - Thank you, anyway.

Mr DEAN - It is probably aggravating it, but that seems to be the concern of the member for McIntyre when State Growth did not compromise -

Madam CHAIR - Can I just make a point here, member for Windermere? We are debating an amendment to an amendment, which is very specific. Talking about a completely different model like getting rid of the Public Works Committee or something is not relevant to this amendment that is before the Chair. It is a matter you can put at another time.

Mr DEAN - With the greatest respect to you, Madam Chair, my argument is on the amendment. The amendment put forward to the amendment is that it increase to \$15 million. I am looking at how can we get around that \$15 million in another way. That is the argument I have put forward: is there another way around it?

Ms Armitage - But you were on \$8 million a minute ago.

Mr DEAN - Yes, I know. It has been \$5 million; it has been \$8 million; \$15 million; \$12 million; \$30 million - it has just gone on and on. I will listen to the rest of the debate on this, but I am not quite sure where I am.

Mr WILLIE - It is very difficult to do the numbers because not every member has been up and had a word.

Ms Rattray - I have done them.

Mr WILLIE - Yes, I still go back to the point that I would have preferred to vote on the \$12 million threshold first. It would have given us more of an indication on whether we could support the \$15 million or not. I find myself in a bit of a conundrum. I am going to have to think about that very quickly.

Amendment to the amendment agreed to.

Amendment, as amended -

Mrs HISCUTT - I was just going to say that the \$15 million is better than all other figures that have been put forward, but the Government is still of the opinion that \$20 million is more appropriate.

Mr Gaffney - Point of clarification. If we are voting on the \$15 million and that is passed, we then have a discussion whether the \$20 million that is on the Table is still in -

Madam CHAIR - No, we are looking at an amendment now. The proposed amendment now is to leave out '\$20 million' and insert instead '\$15 million'.

Mr Gaffney - So we have three speaks to this.

Madam CHAIR- Yes, this is the new amendment. We have dealt with the amendment to the amendment. This is the new amendment as it now stands before the Chair.

I will put it again, so people are clear what we are voting on: we are voting on \$15 million or \$20 million - aye is \$15 million; no is \$20 million.

The member for Elwick, who is having trouble with his numbers -

Mr WILLIE - Point of order. I thought you called the vote. A division was not called, and it passed -

Madam CHAIR - No, I have not called it. It was too close to call.

Mr WILLIE - Sorry, I missed that. I thought you had called it.

Madam CHAIR - No, I have not called it. The first one I called, and there was no division call.

Ms Rattray - There was only one vote, Madam Chair.

Madam CHAIR - I will now call -

Mr GAFFNEY - Point of clarification. I think when there was the choice between the \$15 million or the \$12 million, members had a chance to get up and speak. Now, I think members are a little bit confused.

Madam CHAIR - There is the chance to speak.

Mr GAFFNEY - Now that we are voting between \$15 million and \$20 million, when you say let us put it to the vote, we should be able to speak as to why we think it should be \$20 million. Is that correct?

Madam CHAIR - I did give members a chance to speak. No-one stood, so I put the vote.

Mr GAFFNEY - I was a little bit confused. Could you put it again?

Madam CHAIR - I will put the question again. The new proposed amendment be agreed to, which is the amendment relating to \$15 million.

Mr GAFFNEY - I want to make certain we are aware of where we are in the process. I think it should be \$20 million. All the professionals wanted \$30 million and it has come down to

\$20 million, which is a 33 per cent reduction from where they wanted it but they can work with that. I encourage all members in this place to stay with the Government's position of the increase from \$8 million to \$20 million in this case.

The Committee divided -

AYES 7

Ms Armitage
Mr Dean
Ms Lovell (Teller)
Ms Rattray
Ms Siejka
Ms Webb
Mr Willie

NOES 5

Mr Armstrong
Mr Finch (Teller)
Mr Gaffney
Mrs Hiscutt
Ms Howlett

(Mr Valentine has absented himself as Chair of Public Works)

Amendment, as amended, agreed to.

Clause 4, as amended, agreed to and bill taken through the remainder of the Committee stage.

**PUBLIC SECTOR SUPERANNUATION REFORM
AMENDMENT BILL 2019 (No. 41)**

First Reading

Bill received from the House of Assembly and read the first time.

ADJOURNMENT

[5.43 p.m.]

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

That at its rising the Council adjourn until 11 a.m. on Thursday 31 October 2019.

I remind members who wish to participate that there is a briefing on the north and north-west bus services review in committee room 2 between 9 a.m. and 10 a.m. tomorrow. Members are invited to attend that briefing. That will be followed by a briefing on the Burial and Cremation Bill 2019.

Ms Rattray - Everyone will be interested in that.

Mrs HISCUTT - Just dying to get there, I am sure. That briefing will be at 10 a.m.

Motion agreed to.

The Council adjourned at 5.45 p.m.