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PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON THURSDAY, 10 SEPTEMBER 2020

INQUIRY INTO THE TASMANIAN GOVERNMENT'S RESPONSE TO COVID-19

Mr MARTIN ANDERSON, TasICT, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mr Dean) - Good morning, I will start by introducing the committee members - Mr Josh Willie, Mr Nic Street, Mr David O'Byrne, Ms Ruth Forrest and Mr John Tucker. I also acknowledge Hansard and Secretariat staff.

This is a public session. Parliamentary privilege applies while you are before the committee. You may request that the committee consider some matters in camera, and we will consider your request.

Martin, in your submission to the committee you indicated that you would like the opportunity to address the committee and expand on some issues. I invite you to make an opening address to us if you wish, and then we can go on to questions.

Mr ANDERSON - Thank you. I am Martin Anderson. I am the current President of the Tasmanian ICT Industry Association (TasICT). TasICT is the IT association for Tasmania. We represent the 7200 IT workers across the whole industry from software development and telecommunications, through to project management. It is a sector which has obviously been hard at work over the last six months helping Tasmania to respond to COVID. Our members have been working night and day to assist Tasmanian businesses stay connected with their customers during this period.

CHAIR - Martin, that is 7200 individual members?

Mr ANDERSON - Yes, individuals, not member organisations. That is what we believe to be the size of the Tasmanian IT industry based on the ABS data. We have recently been doing some work to better quantify the size of the industry and the contribution to Tasmania. TasICT itself has about 126 members of our organisation from big corporates right through to individual members. Based on our recent research we believe we are the seventh largest sector of the economy, behind some of big players we would expect, but still a significant contributor.

We are very happy to be here today to represent the industry. We strongly support some aspects of the Tasmanian Government's response and support for the local industry but also acknowledge there are some challenges for our industry in operating in regional Australia.

The Tasmanian Government is the largest procurer of IT services in Tasmania, and we believe there is an opportunity to improve coordination between government and industry to build a thriving ICT industry in the state.

CHAIR - Do you wish to provide any further background details relating to your submission?

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Mr ANDERSON - This is the first time I have addressed a committee like this but I am happy to expand a little.

CHAIR - It is reasonably informal. We try to make it as easy and relaxed as we can. You have the opportunity to expand on any issues or we can go straight into questions. Which would you be more comfortable with?

Mr ANDERSON - The industry believes that there is an under-investment in ICT in Tasmania. The way in which ICT is procured by the Tasmanian Government also has a significant impact on the local industry. We see some of these issues in the response to COVID, where we were disappointed that digital infrastructure wasn't included in any of the infrastructure funding that was announced in the immediate priorities.

The industry would strongly like to see a clear roadmap from the Tasmanian Government in terms of the services that are going to be digitised and the technology that is going to be used, so that the local industry can build our skills and be ready to respond when that work is required. We see some significant challenges in the way ICT services are procured and we are keen to work with the Tasmanian Government to improve that for the benefit of the whole of Tasmania. For example, we strongly support the increase in the local impact to 25 per cent, the Buy Local policy. The challenge from our point of view is you can have a 25 per cent threshold for the local impact. But in terms of the sort of services that our members deliver, if you go out to something like Justice Connect, which is a huge tender for \$25 million, if you go out to tender for a single provider to provide a \$25 million service, the local industry struggles to deliver that.

In general, and not just the COVID response, we would like to see a clear roadmap for the kind of services that are going to be required in the future so that we can be ready when those services are called for.

Mr WILLIE - In your submission you referred to the responses in a couple of the submissions to the committee and the proposal to create a Tasmanian digital transformation authority.

Mr ANDERSON - Yes.

Mr WILLIE - You said today the Government has ignored nearly all the advice from the ICT sector provided in the documents. The committee hasn't taken those documents as formal evidence.

Mr ANDERSON - Sure.

Mr WILLIE - Are you able to talk to those a little bit and perhaps submit them as formal evidence to the committee?

Mr ANDERSON - Yes. We have both those documents. I'm happy to provide those. So, yes, TasICT provided a detailed response to Our Digital Future policy when that was requested late last year and we're very keen to engage with and support the procurement of digital services. However, I think, as we indicated in the letter you referenced, most of our recommendations weren't taken up in the final Our Digital Future policy. We certainly can provide those documents, which have really quite full responses to those issues.

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Mr WILLIE - What were some of the key recommendations, the really important ones, that were ignored?

Mr ANDERSON - What we see overall is that underinvestment is a really key issue so we are still tabulating the investment in ICT services in Tasmania. Our initial work suggests that ICT as a portion of the Tasmanian budget is somewhere about 1.5 per cent whereas some other jurisdictions, like New South Wales, have a significantly larger portion of their budgets going to ICT. I think New South Wales spends more like 4 or 4.3 per cent. We believe the underinvestment here hurts service delivery, but also the way the budget is spent, how procurements are made, makes it challenging for local industry to engage with and be ready to deliver services when required.

One of the challenging things about working in regional Australia is being ready when opportunities come along. Many of our members are small-to-medium businesses. We would very much like to work closely with the Tasmanian Government, but even with a 25 per cent buy local bonus in procurement, it's difficult to do that. I don't want to keep referencing New South Wales - obviously we don't live there - but the New South Wales parliament has set up a task force to investigate how ICT procurement can benefit small and medium businesses in that state. We would support something like that, but it's not simple as just saying that. For example, we support the proposal to replace Metro's current ticketing system -

Mr WILLIE - Yes.

Mr ANDERSON - If we could have real-time bus tracking, it would have a big impact on everyday Tasmanians, but, no, there aren't any businesses in Tasmania that currently supply ticketing systems so it's challenging for us to deliver a whole ticketing system tender by ourselves. Potentially some TasICT members could partner with other organisations and provide part of that response. If we had a clear roadmap of what services are required, we could break them into smaller procurement pieces, which would enable us to set standards about service delivery across agencies. That would mean that the Tasmanian industry could potentially be better placed to respond to requirements. We could then grow along with the requirements; we could skill up our teams and they could be available when required. That would benefit the Tasmanian Government and the industry, as well as people receiving services from the Tasmanian Government.

Mr WILLIE - You would need to see more intent from the Government working with local industry, maybe packaging up tenders and things that are more able to be delivered locally.

Mr ANDERSON - I think that's right. I understand that's challenging to do, but what we see is that the way the tenders are packaged into these large projects potentially makes it challenging. If we could deliver things in a more iterative way we see that would benefit the local industry, and we believe it would work well in terms of service delivery as well.

Mr WILLIE - The taskforce you talked about, that was a function of the New South Wales Parliament, was it? Not necessarily Government.

Mr ANDERSON - Yes it was the New South Wales Parliament. I can provide you more information about that too.

CHAIR - Martin, could you provide that information to our secretary? Thank you.

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Ms FORREST - The document you are going to provide, does that actually contain a priority list of projects that you feel are important for Tasmania generally, but also in response to COVID-19.

Mr ANDERSON - The document we wrote was pre COVID-19, but there are certainly priorities in there that still apply.

Ms FORREST - Your submission looks at the number of businesses that have shut down much of their ICT teams, to deal with the challenges that many businesses have faced. Could you outline the priorities that you would see, coming out of COVID-19, but in response to COVID-19 as well? I am talking about digital infrastructure projects at this point.

Mr ANDERSON - In terms of digital infrastructures, there are particular challenges around authentication of Tasmanian citizens to interact with the Tasmanian Government. There is no easy way for a Tasmanian citizen to fill in a form on line. That applies across a whole range of agencies. Whether you are applying for a boat licence, or trying to get your kid into school, or something like that, there is no easy way for you to say, I am Martin Anderson who lives in Mount Stuart, and this is really me.

If there was a method of authentication, that was endorsed by the DSS, [?] or if there was a central method of authentication that was provided to the agencies to apply to their existing services, that would unlock an enormous amount of value.

At the moment there is a bit of a hodge podge. Some agencies have accounts for some services, but there is no My Service Tasmania account, for example.

Most other states are moving to a model similar to mygov that is well understood in the community, where you have a log in that says who you are. Our view is that that work should be prioritised so that agencies can start delivering services on line. That is a real blocker. The perception, sometimes based in legislation, is that agencies need to have a physical signature on a piece of paper in order to deliver a service to people, or take an application for a licence, or all the kinds of things that the Tasmanian government agencies do.

If that work was prioritised, if it was delivered in such a way that there was a whole of government method of authentication that was available to the agencies for them to use, on top of their existing services, we believe that would be really effective rather than doing a lot of planning and doing a great big digital services portal that had some things within it.

Ms FORREST - What I am hearing you say, Martin, is that there are some people, particularly in my electorate, I am sure in the Chair's as well, who are very fearful of the mygov website.

CHAIR - Absolutely.

Ms FORREST - Because they feel like it is Big Brother, but if you have a similar sort of My Tasmanian Government portal, if you like, then I could go on and enrol my child into a public school, I could access my driver's licence renewal details, my boat licence, my gun licence.

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Mr ANDERSON - Gun licence is a perfect example. The Police department has to hire people to read the paper-based forms that come in with the gun licence because the handwriting is so bad.

Ms FORREST - That would be my form if I put it in. You wouldn't be able to read it.

Mr ANDERSON - The industry is very aware of the digital divide. We are engaging with TasCOSS to have a combined response to the issue of Tasmanians who don't have access to digital services. Our view is that given there are Tasmanians who have low access to digital services and potentially also have low literacy across other areas, that is a reason to deliver services better digitally rather than not do it at all.

Ms FORREST - So when people can't even spell their own email address, when they try to log in to get a voucher or whatever it might be, then we still have a problem, even with that sort of portal, don't we?

Mr ANDERSON - We absolutely do. We suggest you could take some of the weight off existing over-the-counter Service Tasmania staff by digitising some of the services for the 80 per cent of Tasmanians who are capable of accessing those services, then Service Tasmania staff can come out from behind the counter and help some of those people who can't access digital services. There are vulnerable people in any community but we don't agree with holding service delivery down to the level of the lowest common denominator.

In terms of the COVID response, the fact is that Tasmania is behind in terms of digital readiness. For example, the Intermedium report on State and Territory Government in Australia ranks Tasmania last behind Northern Territory, behind South Australia, and we are getting further behind. They are moving ahead at a rate faster than us.

Ms FORREST - Is this in terms of small businesses needing to develop an online presence to sell during the COVID period?

Mr ANDERSON - No, this was about the level of state and territory governments' digital readiness, across a range of policy and service delivery. Tasmania ranks last in that report and has done for a number of times. The fact that we are so far behind, in terms of COVID response, means that vulnerable Tasmanians are forced to come out and interact over the counter for services that in other jurisdictions they might be able to do at home. For example, you can only apply for the Seniors Card over the counter at Service Tasmania. Yet, potentially, seniors are a demographic that are least able to access digital services.

Ms FORREST - They are also one of the most vulnerable communities in terms of COVID.

Mr ANDERSON - That is my point. If you are forcing them to leave their house to come into a public space to get their Seniors Card then that is a trade-off. We firmly believe that the majority of Tasmanians already access digital services. You do your banking online. You interact with other levels of government online. The fact that we are an older and a less literate population is the rationale to design digital services for the Tasmanian community and put the time into making them easy to use and appropriate, rather than what has happened over the last 10 to 15 years.

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Ms FORREST - Are there any other priorities, or is that the main one?

Mr ANDERSON - That is a key one. There are a number of key priorities across a range of areas. That one, we feel, is extremely important. There are TasICT members who would be keen to see the NBN blackspots addressed as well. There is a two-level of NBN readiness in Tasmania. Some of those communities that you mentioned, Burnie and Devonport commercial and CDB areas are on fibre to the node instead of fibre to the premises.

Ms FORREST - Even though the fibre runs down the street.

Mr ANDERSON - Then there are commercial areas of other rural centres like Penguin, Ulverstone and Perth that don't have fibre to the premises. That means that their service is less effective, less consistent, and there is a cap on their ability. Potentially it also is an upward pressure on the pricing for their services.

There is a suggestion that if you were looking for digital infrastructure projects there is travel ready work there to address that issue. If you addressed the whole of Burnie and Devonport as a block instead of individual businesses paying for it, there is an opportunity to bring the price down to deliver that service.

Mr TUCKER - I refer to your comments about the tenders. You said the loading for locals is 25 per cent?

Mr ANDERSON - I believe that has recently been lifted.

Mr TUCKER - And you talked about tenders being broken down into smaller amounts. This is something I discussed a lot when I was on Break O'Day Council with doing government jobs. I can understand the other side. It is a lot easier to do business with one person and do it all in one hit. Is there any possibility for small and medium businesses working together as a group to do something like this with government instead of going the other way and breaking the tenders down, as 25 per cent for locals is a fairly high percentage loading?

Mr ANDERSON - It is and, as I said, we are supportive of that approach. It is a good point that you make. We see that the way in which those projects are organised into large tenders is a response to the perceived risk. The perceived risk of moving services online is high. Within the Tasmanian public service there is a great deal of concern about moving to digital services. There is an awareness of cyber security risks at the moment, which is totally true, and the change that is required is disruptive, so doing little projects is considered too risky. Small projects are put off and a lot of work is pulled together into a large tender and then put out as a way of managing the risk. The reality is that large projects are extremely risky. If you look at Tasmania's history for delivering large scale ICT projects, there are some challenging ones, such as the Motor Registry System and others, that went well over time and budget. So a large project isn't necessarily less risky than a small project.

One of the recommendations from our response to our digital future was that we needed to upskill the digital readiness of the Tasmanian Public Service. Victoria has a program providing IT procurement skills to senior executives as they are the people who are making decisions about what services should be moved online and managing the risks. Victoria agreed to let some Tasmanian senior public servants go along to some of their courses but we understand it didn't happen. We would be extremely supportive of moves to increase the level

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of digital awareness of the Tasmanian Public Service in coordination with other jurisdictions to see the kind of services that have been moved online because we feel there is a real disconnect there.

I take your point that the big projects have a large amount of risk too but if we contracted on a service-by-service basis, rather than as a really big tender, we believe it would work better. It would be a more effective way to spend money and manage the risk, providing a more iterative and agile service delivery rather than saying 'we are going to have a beautiful system in two years' style of procurement.

Mr O'BYRNE - Martin, you talk about the under-investment as a percentage of the total budget, 1.5 per cent. Could you outline what the risks are to that under-investment in terms of potential opportunity cost, but also data security. There are many people, particularly during COVID, who have provided significant information to the state government about their personal circumstances and their health. What is the risk in terms of the chronic under-investment, as you outlined, and also potentially the risk to Tasmania's data?

Mr ANDERSON - We see that the under-investment has a real material impact on Tasmanians. For example, COVID-19 is a perfect storm from that point of view, because we believe that Tasmania is the only state and territory government without a digital health strategy.

The fact that there is no strategy in terms of digitising health services means that we are slower to deliver services in that space. I understand that there are challenges in collecting information and distributing it through the COVID-19 response. That could have been addressed if there were better services in that space. Also, the Tasmanian Government has no deployable cyber security capabilities.

Mr O'BYRNE - Sorry. No deployable cyber security?

Mr ANDERSON - There is no cyber security team that is available to respond to issues. I can provide more information.

Ms FORREST - That is the Tasmanian Government you said.

Mr ANDERSON - Yes.

Ms FORREST - I thought we had a cyber security person. I can't think of their name. They attend Estimates Committee.

Mr ANDERSON - I need to go back to some of our committee members who have provided that information to me, but I can provide more detail on that.

Ms FORREST - It would be interesting to know.

CHAIR - It would be appreciated, if you could do that.

Mr ANDERSON - In terms of the impact as we try to socially distance, there are so many services that you can't access online in Tasmania that you are starting to be able to do in other jurisdictions, so that you still have to line up at Service Tasmania to do things that maybe

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ideally you could do from home. If we were to go into another period of lockdown, there are a lot of things that couldn't be done here, that could be done in other places.

Mr O'BYRNE - Do you think in terms of the lack of that kind of ability, that increases a risk if there is a second wave?

Mr ANDERSON - I believe it does. I am aware that some agencies were slow to move to accepting information digitally. There was a reliance on paper-based processes early on in the response; for example, taking immigration information in paper format. The result is a slower response. I definitely think that the underinvestment has particularly bitten us now, as we try to respond to COVID-19.

CHAIR - I note the Public Health Association of Australia raised that same very issue of outdated information systems in Tasmania. They referred to it with the north-west outbreak, stating there just wasn't the infrastructure to access the information.

How can this be addressed? For instance, is the Government working with you in any way to try to improve on these systems?

Mr ANDERSON - We were delighted to be invited to respond to the Our Digital Policy. We appreciate the process that DSS went through to put out their draft policy and request invitations. Our Executive Officer has a regular monthly meeting with Glen Lewis [TBC] as the Government's CIO, and we really appreciate that. However, we believe despite good intentions, and the conversations that we are having, we are still continuing to fall further and further behind. Under investment is a major contributor to that.

There are no easy overnight solutions to improve in this space. This is a deficit that has built up over a period of time, in terms of underinvestment, and it will take work. It will take change as well. We believe there is a strong feeling that the Tasmanian community isn't ready or accepting of digital services. The message that has come through about the digital divide and that gap in digital inclusion in Tasmania means it has been easier to avoid upgrading any services. We are holding things to the lowest common denominator and it's important that we look at improving on that.

CHAIR - You commented that the Premier's Economic and Social Recovery Advisory Council (PESRAC), ignored the initiative to make change and that the stimulus package would be equally driven by local industry capability and Tasmanian Government requirements. You also said you believe the investment is long overdue and vital but that, to-date, PESRAC has failed or ignored your positions. Did PESRAC come back to you at all?

Mr ANDERSON - We had a letter thanking us for our response. I understand there is another round that we can contribute to.

CHAIR - Right.

Mr ANDERSON - We will contribute again and we're planning, through a joint response with TasCOSS, to address how digital services impact vulnerable Tasmanians. We consider that has been misconstrued - rather than improving services for vulnerable Tasmanians we're holding down service delivery for all Tasmanians.

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CHAIR - Thanks, Martin. Josh, did you have a question.

Mr WILLIE - Your submission also mentioned security - a cybersecurity assistance package for business. We talked a lot about government today. Are you hearing a lot of feedback from the business community that they feel exposed? I know that there's a lot of data coming out around the sorts of cybersecurity breaches in COVID times.

Mr ANDERSON - Yes. With every business being a digital business, and particularly in a time of social distancing, there is a level of digital awareness that all businesses need. Cybersecurity is part of that and it is challenging for small to medium businesses to stay current in that space. So, yes, we would definitely support anything that industry can do to support local businesses to deal with cybersecurity and the general challenges of moving business, and delivering services online, because the customers aren't walking past the front door.

Mr WILLIE - Is that something you're hearing a lot from business or have they got other pressing -

Mr ANDERSON - It's something that we are hearing. I was in a meeting only this week with TAFE who said one of the things that is being identified across a whole lot of industry groups is digital skills across all industries. A level of digital awareness is required across all sorts of sectors now. So, yes, we are hearing that that is a particular challenge for all industries as they respond to COVID.

Mr WILLIE - Along with some of the other grant packages available from the government, you would like to see some in that space for business to access?

Mr ANDERSON - Yes, something to assist businesses up-skill staff because a lot of small to medium Tasmanian businesses need staff who can do multiple things. Packages to assist to up-skill existing staff in digital awareness would be really valuable.

Mr WILLIE - There has been a lot of talk about the GOOD2GO app. Do you have any comment on that and how that's operating, and government apps in general and how they could be improved?

Mr ANDERSON - Yes. I only know a little bit about digital. I don't know that much about it, unfortunately. I understand there's quite a high uptake of it from visitors to Tasmania and so I think that's an example of where you can do things digitally. As I said, I don't know a lot about the specifics about how the program is being rolled out or operating. I am sure there was some initial chatter about it online. That is quite a broad question. We do notice there are a number of the other jurisdictions that have whole-of-government service apps - Service New South Wales app for example. I definitely think there are sections of the community that would use those kinds of apps if they were available.

Mr WILLIE - There have been some criticisms about government apps such as GOOD2GO, that it is difficult to provide the information required. People are arriving in the state and they are being sent to hotel quarantine when they had been told otherwise. You have the COVID-Safe app at a federal level that hasn't had the uptake. What are some of the reasons for government apps being ineffective?

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Mr ANDERSON - The COVID-Safe app was a challenging thing to do. One of my businesses does create apps that track people. We work with Tourism Tasmania to recruit tourists coming into Tasmania and to survey them and track them as they move around, voluntarily, all with informed consent about what they are buying into. That program is very effective in collecting information about tourists. That is a potential success story and an app that has been procured by the Tasmanian Government. It works quite well. I have a vested interest in saying that but I believe that Tourism Tasmania is happy with it.

In terms of the COVID tracking app, what the federal government was trying to do was extremely challenging. To have an app on your person that is in the background searching for other devices in the room at all times -

Ms FORREST - Only after 15 minutes.

Mr ANDERSON - Unless you were continually interacting with that app, the operating systems are going to kill it. That is one of the things that we know when tracking tourists. You have to keep giving them a reason to interact with the app, otherwise they don't do it.

Mr O'BYRNE - I have downloaded the app and I have probably opened it once or twice. Does that mean it is completely ineffectual?

Mr ANDERSON - Yes, unless you keep opening it the operating system on your mobile phone kills the background service. Keeping a service running in the background without you consumes battery life, it is bad for your experience of using the phone and Apple and Android don't want to do that. That makes it really challenging.

Mr O'BYRNE - The federal government has said this is the play and every state government was saying sign up for the app. This is the silver bullet for contact tracing.

Mr ANDERSON - The reality is it is very challenging. My device has to be looking for you at the same time you are looking for me.

Ms FORREST - With the COVID-Safe app?

Mr ANDERSON - There is no reason to keep opening. It is a button on your phone that says no more action is required. The only way it would work is for you to be constantly doing that, every couple of hours.

Mr O'BYRNE - Surely that would have been known at the beginning and that advice would have been provided to governments?

Mr ANDERSON - It is just the way these things work. My understanding is it was based on something that they thought was successful in Singapore. Singapore is quite a different population from Australia and I don't know a lot about that app in Singapore. What they were trying to do with COVID Safe is extremely challenging.

Mr WILLIE - Should the Government messaging around using some of these apps be more cautious and not over sell it, and explain to the public the purpose of the apps? Are there difficulties involved in using apps for these sorts of areas?

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CHAIR - Martin, if you could answer the questions quickly that would be good as there are still questions to come.

Mr ANDERSON - TasICT has some industry knowledge about this, and we have board members who have some app experience and some cyber security experience. We debated whether we should support the app and in the end we decided if it did work, it was doing a public good and the downside was probably minimal. So we did provide a safe enough support around the COVID-Safe app.

Mr WILLIE - The downside with the COVID-Safe app was quite significant in terms of opening up from the lockdown and relying on that to contact trace and it is ineffective. The consequences of that are huge.

Mr ANDERSON - It is certainly isn't providing any sort of community safety. It hasn't contributed to community safety. It didn't help with contact tracing, as far as I am aware.

Ms FORREST - In your submission at the bottom of the first page you talk about the 'Tasmanian Government was left flat-footed as many private enterprises moved their entire teams to work remotely to assist with social distancing'. This will be important if there is a second outbreak. What needs to happen as a priority to ensure that we don't have challenges and to make it easy for people to be able to work from home, regardless of whether they work for government or in private enterprise?

Mr ANDERSON - TasICT represents a broad range of IT experience and we are clearly a broad industry and we have multiple people contribute to this response. I might need to provide some points following this around that. It is slightly outside my area of expertise.

Ms FORREST - The question really is, and I will put it in writing to you: what are the barriers to making it easier for people to work from home, including in a bathroom that echoes because that is where some people have to work when they have kids in the house as well?

Mr ANDERSON - I am very happy to provide a response to that. In terms of that particular sector of the ICT, it is slightly outside of my experience.

CHAIR - Thank you, Martin. We are out of time. We could go quite a lot longer with you. Having read through your submission as well, you raise a lot of interesting points. Thank you for the way in which you passed on the information we have been seeking.

For further information, the secretary will write identifying those points. If you could pass on that information we would appreciate that very much. It is not to say that we may not at some time invite you back again. It is going to go on for a fairly extended period of time and this committee will probably put in some interim reports on our way through to keep up with this and keep abreast of it all. We will be doing that as we move forward.

Thank you, Martin. Your first experience of one of these committees, well done.

THE WITNESS WITHDREW.

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Mr BERNARD DWYER, CHIEF EXECUTIVE OFFICER and **Ms KYM SAYERS**, CHIEF FINANCIAL OFFICER, TT-LINE, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR - Thank you for your attendance, here this morning. I think you are well known to the members around the table. This is a public session. It is being recorded and will be transcribed.

I think Bernard has given evidence to these committee before. We will keep it relatively informal. While you are in here, as Bernard is aware, parliamentary privilege applies. You have that protection, but once you leave here, it is not quite known what the situation is. You are perhaps on your own.

If we get to a stage of where you would feel you would be more comfortable if you want to give the evidence in camera, you can ask the committee take that course of action. The committee would then make that decision as to whether that should happen. Feel free to do that.

You haven't made a submission, and I think we have written to you a couple of times. We believe that the TT-Line, the service and so on, has information and evidence to pass on to this committee in relation to our terms of reference, and where we are going with this.

Is there anything that you would like to say to the committee, a verbal submission you would like to make?

Mr DWYER - Certainly I would like to say that it is really interesting times for everybody in Tasmania in relation to COVID-19. It is certainly changed our operation from day one, and we have had to really work very hard. It has almost changed day by day, certainly in the earlier periods of COVID-19 and the border shutting.

Also, we have had to change our business model. I would certainly, publicly, like to commend my crew and staff within the business. It has been very tough, especially the crew on the ships. As an example, they used to be able to get off every second day in their home port, but they actually now have to stay on the ship for four weeks. They can't get off the ships at all for that period of time.

Ms FORREST - How long, Bernard?

Mr DWYER - For four weeks. For their full shift. To make sure that everyone -

CHAIR - So they live, sleep, the whole time? Not off?

Mr DWYER - Yes. They have always lived and slept on the ship, instead of being able to come off the vessel. I certainly commend everybody in TT-Line, how they have actually adjusted in the very trying conditions on COVID-19, for their support, obviously, the Government and what everyone has done in relation to COVID-19. If you look at the numbers of incidents we have had in Tasmania, it has obviously worked.

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That is probably the main things. I am happy to go into detail of what we have changed from day one, in relation to processes of the vessel, and what we have had to do to actually adjust for the substantial drop in revenue for the company as well.

Ms FORREST - Can we talk about that? I am interested in a timeline of decisions that were made and the financial impact they have had. Rejigging a business model, if you like, would hopefully have had some positive impact on your bottom line, but if you could just talk us through a bit of a timeline, or some way provide a timeline to us.

Mr DWYER - I do not have the data off the top of the head. When the borders shut that effectively stopped our passenger revenue substantially. People were cancelling their forward bookings. We were also trying to get Tasmanians home, and people in Tasmania who were needing to go home from Tasmania. There was a lot of work in those early days in relation to that. Especially around caravaners and the motorhomes in Tasmania, as well, making sure we had ability to get those caravaners and motorhomes back on the mainland.

Ms FORREST - Did you have to put on extra sailings to achieve that?

Mr DWYER - We already had double sailings scheduled for that time of year any rate. We did move some around. Instead of leaving it later, we brought those double sailings closer to the border shutting. We brought those closer so that we could facilitate that.

Basically, that was okay for the business at that time, but then as soon as, say, three or four weeks after that when most of the caravaners and campervanners had left the state and also had come back into the state because a lot of Tasmanians actually bought their caravans and campervans back the state rather than leaving them on the mainland - our figures dropped substantially.

I think - and Kim will correct me if I'm wrong - for the three-month period April, May and June, we lost 85 per cent of our passenger revenue, so it was a substantial reduction.

Over that time, obviously the company did a lot in relation to passengers on the vessel. That changed as the pandemic changed and the Health department advised as well. We certainly immediately implemented social distancing on the vessels. Then the next stage was actually changing the buffet restaurant to providing only packaged meals, while the final step was closing some of the bars and eateries - they're combined on the ship - and then, post that, we eventually shut all the restaurants and all the public areas on the ship.

So now passengers, when they board, actually go to their cabin and stay in their cabin. We're only doing -

Ms FORREST - Can you explain the air circulation? I know I asked the question some time ago on the record, but it would be good to have in this forum how that actually works to protect people who are in their cabins.

Mr DWYER - Yes. The air circulation is actually full fresh air. There's no recirculating air in the public areas or in the cabins themselves, so that's totally drawing in from and exhausting outside as well.

Ms FORREST - Outside.

PUBLIC

Mr DWYER - Yes. A lot of deep cleaning happens continually. We have swabs taken every two weeks on the high-traffic areas for analysis, and so we're keeping on top of that as we need to and as we want to.

Ms FORREST - Did you have to put extra staff on to undertake those tasks?

Mr DWYER - Not really because we've maintained the full crew level. Even though we're sometimes carrying 10, 15 or 20 people from Melbourne, we've still got 70-odd crew on the ship at the moment so there are plenty of people to fulfil those duties. The crew is fantastic. They're multiskilled, as David would know, so not only are they cleaning cabins and looking after people, they do all those functions on the ship as well.

Ms FORREST - As we have reached the end of the financial year, what's the financial impact? I mean, the first part of the year would be - for the financial year - would have been pretty much business as usual and the latter part of this financial year has been anything but, so what overall impact has that had?

Mr DWYER - It has had a substantial impact on the potential performance of the company. The company was running a record year up until the pandemic happened, so we were still increasing in all aspects of the business. The pandemic has had a big hit in relation to that. That's on the passenger side.

Ms FORREST - Can you quantify that or not?

Mr DWYER - I probably can't at the moment because I don't have the final Tasmanian Audit Office letter in relation to those figures.

Ms FORREST - Okay.

Mr DWYER - But -

Ms FORREST - Any day now?

Mr DWYER - Any day now, yes, that's right. Yes. So that's from a passenger viewpoint.

From a freight viewpoint, we have been running record freight levels throughout the pandemic; we have never carried more freight than we are at the moment. There are a couple of reasons for that. We've been able to reduce - well, we haven't been able to reduce - there's been reduced passenger requirement for the vehicle deck so we've been able to increase the freight vehicle deck capacity. We are seeing freight volumes that are just astounding; that's ourselves, and our colleagues SeaRoad and Toll as well are doing very well, as I understand it, in the freight market. We're still making sure we provide the best service in and out of the state as best as we possibly can.

As an example, I think it was only a few weeks ago we had that snow in Launceston where a couple of roofs caved in on some distribution centres, which stopped the ability for cold storage for produce -

Ms FORREST - Funny that.

PUBLIC

Mr DWYER - Sorry?

Ms FORREST - A snowstorm stops the cold storage.

CHAIR - The irony.

Ms FORREST - A bit ironic, really.

Mr DWYER - I hadn't done that parallel, but yes.

That meant there was a backlog of trying to get produce into the state, especially frozen and refrigerated produce, so we actually held up a few of our sailings in and out of the state just to make sure that those goods could come in and out of the state. We are able to have more of a flexibility on our sailing schedules. To fully answer your question, Ruth, we have changed the business model. Because of the reduced demand, we have stopped the Sunday pm sailings from early in the piece - this was once everybody was able to get in and out of the state. We have changed our sailing schedule from instead of leaving at 7.30 p.m. to 6.30 p.m. and get in at 6.30 p.m. That has significantly saved on the fuel costs of running the company as well. We have pulled every lever we possibly can -

Ms FORREST - How has that changed the fuel costs?

Mr DWYER - Running slower, and substantially less fuel. There are a lot of levers we were able to pull in the business to do that.

One of the other great supports we have had is from the crew on our vessels under the Maritime Union of Australia. Very early in the piece we went to AMSA in Canberra because we have safe manning levels on the vessel for passengers over 500 and passengers over 200. We never had certificates for safe manning under 200 and under 100. AMSA turned that around quickly for us to be able to do that. We then spoke with the MUA and our crew and they agreed for, I think, the first three-month period - I can't remember exactly how long - to drop the manning instead of 71 down to 52, and those crew took their leave. People who had really large -

CHAIR - No crew has been stood down?

Ms FORREST - They had a holiday instead.

Mr DWYER - No crew has been stood down. Using their leave and we are appreciative of that because it has helped the company longer term being able to do that.

Mr O'BYRNE - Thanks, Peter. I will start off by commending the work of yourself, the team and all the staff at the *Spirit of Tasmania*. Being an island state, particularly when a lot of the airlines have dropped away, it highlighted the importance for the economy, particularly the exporters and importers. It highlights the valuable role you play in our economy.

That takes me to a question around the vessel replacement decision. Perhaps by way of background, could you inform the committee of when TT-Line first commenced the vessel replacement process? If you could broadly step out the phases you have gone through to get to this point and the kind of money you spent to get to this point.

PUBLIC

Mr DWYER -I am trying to drag up all the years of memory, David. This process has been going on for a very long time. Certainly, it was under way when I became a director of the company back in early 2011-12. There was a lot of investigation into different options. You, as minister, would have been aware of the detail we got to at that point.

In late 2014, we put a proposal to the government to refurbish the current vessels. That was a strategy to increase the capacity in and out of the state for passengers and freight using the current vessels. That worked extremely well. I think we spent \$31.5 million on those refurbishments to the vessels. We went from about 340 000 passengers a year to last year was just shy of 450 000 passengers. That was purely a function of an improved product, especially for the day sailings. That is where we have been successful in putting more of those day sailings on. So we are sailing twice a day for that demand.

In parallel with that, we obviously need to look at replacement of the current vessels. We went through quite a lengthy process about what would be the best options for TT-Line to make sure we have capacity as a key piece of infrastructure for Tasmania for the next 30 years, which is the lifetime of new vessels. We did a lot of work, a lot of analysis on projections of demand going forward from a freight and a passenger perspective.

Then we worked out the best option for the company and then we went to the market. I think there were about 16 shipyards around the world that matched our criteria for shipyards that we could do business with in relation to that. It was shortlisted down to four and then we got down to the final one with FSG that you were aware of that we signed the contract with.

Unfortunately, FSG got into financial difficulty. We are working through legally, as well as financially, with FSG in relation to that contract. As you can imagine, contracts worth over half a billion dollars are very complex contracts. There is a lot of protection for the shipyard and also for our company as well in those contracts. It was a delicate process to keep moving that forward. We then were able to rescind those contracts at no penalty to either side, the shipyard or ourselves, in relation to those contracts.

We always have a backup plan to the backup plan, as you would be aware, David. We had been working quietly in the background with one of the shortlisted original shipyards. That was RMC in relation to that.

The process around shipbuilding is you provide a concept design. The concept we have worked with, with Four-Ship [TBC] in Europe to design the best ship for the capacity for the future for the conditions on Bass Strait. You then sign a heads of agreement with the shipyard and then you work with that shipyard on your design specification to come up with a technical specification.

Mr O'BYRNE - You would have an established internal team working on that?

Mr DWYER -That is right. An internal and external team. We are not the experts in shipbuilding. We know our business better than anybody, but we are not naval architects. We are not interior designers in the marine industry. We have key partners working with us in relation to those aspects. When you get to a heads of agreement you then go into a process of having a technical document that attaches to the contract. So we got to that phase, both with FSG and with RMC. With FSG we never really went past that phase.

PUBLIC

The next phase is when you get to almost the build specification where you have the plan, you have the steel, every nut and bolt is defined. With RMC we got to the point of having the contract ready to go. We had that technical design agreed with RMC. That is what we presented to the Government.

Mr O'BYRNE - When did you have that contract ready to go?

Mr DWYER - We were ready to sign, I think, by mid-July.

Mr O'BYRNE - You mentioned, and I will come back to that in a moment, there were 16 shipyards you identified. Were any of those in Australia?

Mr DWYER - No. The criteria we had there were no shipyards in Australia that could have met the criteria at that time.

Mr O'BYRNE - During that process, could you outline to the committee the consultation process you have with the Government to update them on progress?

Mr DWYER - I can't go into detail because it is a Cabinet sub-committee. There was a Cabinet sub-committee we were invited to that works on the ship replacement. That is the mechanism for us to inform the Government.

Mr O'BYRNE - The process you go through is obviously in depth. It means significant hours in terms of your team on this and contractors getting in and getting advice, and obviously travel to Europe and meeting with the shipyards. Over that period, how much would you estimate has been spent and invested by TT-Line to get to the points where you had contracts?

Mr DWYER - It is a little hard to answer because I haven't got sign off from the Tasmanian Audit Office, but the net effect is very minimal, because we also had -

Mr O'BYRNE - To be clear about my question: the amount of money you have invested to get the project up and going to continue it, to get it to a point where there is a contract, over the last few years. Is it millions, is it hundreds of thousands?

Mr DWYER - It is low millions. Low millions.

Mr WILLIE - Can Bernard provide that figure to the committee, on notice? He is waiting for the Tasmanian Audit Office.

CHAIR - I wanted to say at this stage, Bernard. Having regard to your first response to this committee's seeking of a submission, I am allowing these questions because it does fit with, I believe, to Reference (3). The Premier has made a big issue about the recovery of the state and the *Spirits*, the ships, being built within this country. I am allowing those questions along this line.

Mr O'BYRNE - Obviously there has been a significant amount of money invested. You have made a whole range of decisions which have led you to the point, based on the best advice. You have given evidence to Estimates inquiries and committees over the years, backing in that decision and providing the evidence. The government and the public of Tasmania takes that at face value.

PUBLIC

Obviously, getting to a point where you are signing a contract, that is a pretty key moment. That is a big deal. It is anywhere between \$600 million and \$800 million. It is the biggest investment in the state's history.

When did you find out that the Government had changed its mind?

Mr DWYER - I do not know if the Government changed its mind. I think it was more of a process. We cannot sign contracts and go into those sorts of arrangements without Cabinet approval. There had been a lot of discussion in relation to our findings and what we put forward through our ministers, and the Cabinet sub-committee. It was really a discussion around what we finally presented - as the Premier and the minister have talked about - is there any other way? Especially in the environment we are now, to get more Tasmanian and Australian content. It was more borne out of those sorts of conversations that the Government had quite prudently said let us put a pause on this, and really make sure the Government understands if there is any more ability for Tasmanian and Australian content than we had identified in that process.

Mr O'BYRNE - Essentially you are making a recommendation to the Government to sign the contract with RMC. When did they inform you that they had rejected your advice?

Mr DWYER - I cannot remember the date. We would have had the letter. We had been discussing this since early June through the July period. That is the time when all of this technical information comes together.

CHAIR - Once again, Bernard, if you want to take that on notice, that you are able to provide a more concrete time, that would be acceptable.

Mr O'BYRNE - In terms of the decision by Government, what is the status of the project as you see it?

Mr DWYER - The TT-Line has put a hold on the contract with RMC, and the task force has been formed by the Government to look at more opportunities again within Tasmania and Australia for input into supplying replacement vessels. TT-Line is on that task force. I probably can't answer much about the task force. That is probably a matter for Tony Ferrall for future comments.

Mr O'BYRNE - Why isn't the chair on that task force? In terms of the membership of the representation, how was that decision made?

Mr DWYER - That decision was really made by myself, in conjunction with the Chairman. I can spend as much time as needed being within TT-Line and knowing a lot more of the operational and the detail level of the ship design. We thought it was more beneficial for the task force to have myself on it, plus all the support that I have got, obviously, within TT-Line, and with our external contractors, as well.

Mr O'BYRNE - Given all the work you have done, and even in the 16-shipyard shortlist, there were no Australians within that 16 list? What has changed to the point where this process is now either an academic process, or it's a genuine process? You have provided advice to the Government time and time again, for the specifics and the concepts that you have. What has changed, in your view, that would have -

PUBLIC

Mr DWYER - First of all, it is not an academic process. It is a genuine process that the Government is going through. I think that that would need to be a question of Cabinet. We are not privy to discussions in Cabinet but, as I said, it's very prudent of the Government to put it on pause and just have another scan and see.

Mr O'BYRNE - That means that you've lost your slot with RMC as a shipbuilder and there's no forward booking in terms of any potential build. The current ships were due to be replaced next year, 2022, I understand?

Mr DWYER - 2022 with RMC, late 2022.

Mr O'BYRNE - Yes, in 2022. What does this mean now for the delivery? In your assessment when is the earliest potentially we could have - or what's the scope now? Obviously finding a shipbuilder, getting the right design, getting a slot - there's a fair bit of work to go, isn't there?

Mr DWYER - Well, it would depend on what the task force really comes up with in relation to RMC. RMC is still there. They have all the technical expertise. They have all the technical design work that they've done with us as well. I don't know this at this point, but there's nothing to say that there's not more building slots with RMC. I mean, the Government has said that they - and we totally agree - these ships need to be replaced by 2028 and the Government has always said by 2028, not in 2028.

Mr O'BYRNE - Well, it was 2022, the original replacement. That was their election announcement. So they're expecting you to increase capacity in freight and increase capacity within two years and now it's another -

Mr DWYER - Well, that was brought forward from our date of always 2028 when we knew the ships had to be replaced. That date was brought forward because we had the ability really to bring that date forward. And we've proven in TT-Line with the extra capacity that the demand is there for the service. Adding those extra days sailings has proven that capacity and through COVID, obviously, the freight as well.

Mr WILLIE - To pick up on what David is talking about, you've gone through the history, you've been part of this since 2011, significant work done. You are part of the board decision that made the unanimous recommendation for the Government to sign the RMC contract. Now you're sitting on the task force. Do you feel conflicted at all sitting on the task force, given all that work and what you know?

Mr DWYER - No, not at all. The view of TT-Line is still the business case that we put up for signing the contract with RMC. So we're very happy to work with the task force, support the task force and see if anything else comes out in the ensuing period that we've had within Australia and Tasmania, as we've said. So, conflicted? No. The task force will make recommendations to the Cabinet sub-committee and then TT-Line - I'll put another hat on - we will then obviously review that with the Cabinet sub-committee as well.

Mr WILLIE - So with your TT hat on, the board's position is still that the RMC contract is the preferred option?

Mr DWYER - Well, that has been the recommendation of the board.

PUBLIC

Mr WILLIE - Yes. Okay. Can you talk a little bit about the criteria? You mentioned the criteria helped you select 16 and then narrow that down to four. Do the criteria still apply to the task force?

Mr DWYER - You would have to ask Tony Ferrall that. I certainly don't have that detail.

Mr WILLIE - You're sitting on that task force -

Mr DWYER -Yes, but I can't speak for the task force. I can't -

Mr O'BYRNE - Has the task force met yet?

Mr DWYER - Yes. So that has to be a Tony Ferrall question. I can't answer that.

Mr WILLIE - Right. Are you able to expand a little bit on the criteria? What are some of the criteria?

Mr DWYER - Are we still within the realms of what we're here for?

Mr WILLIE - I think we are.

CHAIR - I think we're getting -

Mr DWYER - I'm just seeking clarification.

CHAIR - We're getting very close to probably not but this is still to do with the whole recovery process of this state. As I said, the Premier has been very strong on his point here that for us to do whatever we can toward the building of these ships that we get the benefit of it. So I think it does fit there. I will allow it at this stage.

Mr WILLIE - Chair, just to reinforce my point that it does fit, that the Government has given a specific reason for this approach, which is to do with COVID. So it does fit within our terms of reference and the line of questioning.

CHAIR - I'm allowing it on that basis.

Mr WILLIE - Yes. So are you able to expand on the criteria?

Mr DWYER - Certainly the criteria for TT-Line in the initial evaluation of those 16 yards, and staying with the shortlisted yards when we had issues with FSG as a shipbuilder, was that they had experience in building the type of vessels in our specification, and that it was economic. You can go to many different shipyards and you can get a wide range of quotes or costs on that. It had to be economic for us and within our ability to repay as a company> However, the shipbuilding slots are really a real key piece to this. Once we got it down to three, those shipyards actually had to guarantee us the slots before we could go any further with them. Similarly, RMC had to guarantee the slots -

Mr O'BYRNE - For 2022.

PUBLIC

Mr DWYER - For 2022. There was no point going to any yard unless you knew the building slots and had a legal hold on those building slots as well.

There were the major criteria. Obviously, the biggest criteria outside that were the ship's specification and whether they could build exactly what we require in Bass Strait as a service.

Mr WILLIE - With your TT-Line hat back on and not the task force's, and I guess you can speak on behalf of TT-Line, you wouldn't like the task force to move away from those criteria - the experience, economics, building slots and the specs?

Mr DWYER - They are the criteria TT-Line have in relation to -

Mr WILLIE - From a business perspective and with your TT-Line hat on, you wouldn't like to see the task force move away from those criteria?

Mr DWYER - Those criteria and the decision the management and the board have made on those ships fits within the risk profile the company is prepared to take. There is always a risk in doing anything.

Mr WILLIE - Moving away from those criteria could increase the risk profile, which wouldn't be advisable?

Mr DWYER - It would be up to our owner, which is the state Government if it decided to change the risk profile.

Mr O'BYRNE - On that, and also clarifying a question, when were you informed by the Government that it had rejected your advice?

CHAIR - That is on notice, David.

Ms FORREST - It is relevant to this line of questioning, but I am interested: there has been some toing and froing of a certain bucket of money for the TT-Line Vessel Replacement Fund. I understand it is sitting back with TT-Line now?

Mr DWYER - Some.

Ms FORREST - Some still with TASCORP?

Mr DWYER - There is an amount still within the Vessel Replacement Fund within government, and some was given back to TT-Line to pay the deposit, which is still there to pay the deposit.

Ms FORREST - This is an issue for TASCORP and is probably one you can't answer for it. The economic crisis we are facing globally is affecting the interest rates. What sort of impact will that have on the fund?

Mr DWYER - I can't answer that.

PUBLIC

Ms SAYERS - I would say that is a question for TASCORP which effectively manages that fund. As Bernard said, some is locked away in terms and some was given back to us. Physically those funds are still sitting with TASCORP.

Ms FORREST - So it is managing all of them still?

Ms SAYERS - Yes.

Ms FORREST - I wasn't aware of that. I thought they were back with TT-Line.

Ms SAYERS - There are the two buckets, if you like.

Ms FORREST - I understand that had TASCORP put some under a lengthier time, it might have gotten a slightly better insurance rate than we get now. It is a bit hard to say.

Mr DWYER - They are the experts.

Mr O'BYRNE - With the delay in the replacement from 2022 to 2028, clearly with the new vessels, there was a promise of significant uplifting capacity. Have you modelled the cost, the lost revenue and the lost opportunity cost in terms of the difference in capacity between the delivery of the new increased vessels in 2022 and the earliest, 2028?

Mr DWYER - No, I don't agree with the earliest 2028. As the Government said, it wants these vessels replaced before 2028. As I have said, RMC possibly still has building slots that would be well before 2028.

Mr O'BYRNE - Just to confirm: RMC is still a live prospect from your perspective to rebuild the ships?

Mr DWYER - Yes, possibly. Again, it depends on what the task force comes up with, but as we stand today, that is where that is.

Mr O'BYRNE - Let's not go 2028; let's say each year there is a delay. What is the cost in revenue to the business in terms of lost revenue?

Mr DWYER - In the earlier years, David, it will not be lost revenue. In earlier years it may be an increase in expenses.

Mr O'BYRNE - Maintenance, is that -

Mr DWYER - Yes, well, the crux of our business case was that we would have 40 per cent larger vessels so we would be able to take the demand in the earlier years with less a.m. sailings, because you have that extra capacity. That means less operating costs, less fuel costs, less costs for taking the same and increased demand. If the ships are delayed by a period then we will just need to keep running more day sailings than we had budgeted for. We will not be impacting the supply coming in and out of the state -

Mr O'BYRNE - But the overall is a loss.

PUBLIC

Mr DWYER - Well, there may be an increase in expenses. We have not modelled that. You can model till the cows come home. I would rather wait until the task force has finished and then we have some very solid work to do.

Mr O'BYRNE - There was all indication particularly in freight that that 40 per cent would be snapped up very quickly.

Mr DWYER - Possibly, yes.

Mr TUCKER - Bernard, what future customer demand might you look at, or what might it look like?

Mr DWYER - Future customer demand post-COVID?

Mr TUCKER - Yes.

Mr DWYER - That is a great question. It is talked about a lot at the board and also within TT-Line as you could imagine.

The fact, and I think David may have alluded to, that the airlines have reduced flights in and out of the state substantially. Looking at some of the research and some of the commentary around the markets at the moment is that will not come back overnight. That will increase demand on TT-Line, no doubt. We are very conscious that as soon as the borders open we believe it is going to snap back very quickly because we are the main route for passengers in and out of the state. The demand before COVID was substantial.

The board used to ask me what keeps the CEO awake at night? The only thing that keeps me awake now that my children have grown up is the fact that we cannot really gauge what the pent up demand is. We were always finding when we were putting day sailings on, increasing sailings, that we were getting really good patronage there. So the demand was there but it was pent up and it is very hard to judge what the pent up demand is.

Ms FORREST - You have to balance that with the fall away in international tourism and that sort of thing too in the short to medium term?

Mr DWYER - That is what I was about to say. Thanks, Ruth. You are absolutely accurate there. Now that the international tourism has basically stopped for a longer period than domestic travel, we hope that people will not be able to go overseas and they will be travelling more around Australia as well. If you talk with the industries like the caravan associations, if you want to buy a caravan now you are on a six-month waiting list. You cannot buy caravans in Australia because everyone is doing it. It is a safe way to travel, especially post-COVID and within COVID.

Tasmania is just a fantastic destination as you all know for that market as well. We are very keen to facilitate especially that market which is so crucial to the regional areas of Tasmania. They are the people that travel. I think there was an article in one of the papers today from the west coast that reflected from the West Coast Wilderness Railway saying that they are looking forward to when the *Spirit of Tasmania* comes back online from a tourism point of view because that feeds directly into the west coast and tourism.

PUBLIC

Ms FORREST - We know what that like because we get held up on the road.

Mr DWYER - Before I was at TT-Line, caravans were annoying, but they are beautiful.

Mr TUCKER - One quick follow on from that. How have you stayed engaged with the customers going forward?

Mr DWYER - We have stopped, as you can imagine, most of our advertising because there is no point in advertising in this process. But we are still heavily involved in our social media and contact with our customers through our loyalty clubs as well.

CHAIR - Even with North Melbourne?

Mr DWYER - Even with North Melbourne. We still survey every passenger on the vessel and every day we are getting feedback on our service. We are currently sitting at just a tick under 95 per cent satisfaction, which is fantastic.

I remember putting a system into the Henry Jones earlier. We were in the nineties. Got to 91, 92. To have a mass transport operator getting 95 per cent satisfaction ratings off our passengers, we are doing something right.

Again, I take my hat off to my crew again. They are the front face. They really lead the way of introducing people into Tasmania and they do a fantastic job of it.

Mr STREET - Before we finish, there has been a lot of talk about the replacement vessels. How confident are TT-Line that the current ships can meet the demand that is going to come after COVID-19, and any increase in demand before the ships are replaced?

Mr DWYER - As I said, Nic, it is really about putting more day sailings on. We changed our schedules three years ago because of caravans and campervans. You might remember there was some concern about being able to get in and out of the state. We put a day sailing on in September, on Saturdays, for campervans, and we kept that going through until after Easter. The market has really responded to that well. It will again be, looking at where we can put those day sailings on that maximise passengers. But also, passengers will move to the day sailings and that will give us more capability on the p.m. sailings for freight as well. It is a balance that we look at every day on scheduling.

Mr O'BYRNE - In terms of the task force membership, there is no-one on that task force with shipbuilding experience, apart from yourself in terms of your role as CEO on TT-Line. Given that it is your view, and it is the view of the Board of TT-Line that the plan that you had was the plan they should go for, what shipbuilding experience is going to be put to bed by the other members of the committee when they have no experience in making a decision on fit-for-purpose sort of build?

Mr DWYER - That is a great question for Tony Ferrall. I can't answer that. That is a task force matter.

CHAIR - Thank you, Bernard and Kym very much for being here today. Thank you very much for the way in which you have answered the questions.

PUBLIC

The questions you have taken on notice, or the issues, our secretary will write to you so you have that. We appreciate it very much.

This committee is likely to continue for some time because it is dealing with the recovery side as well. Our intention is to put forward some interim reports on the way through, so we can keep up with it and allow the Government to know what is coming through this committee as well, and the people. We thank you very much for being here today, and for making your time available to us.

THE WITNESSES WITHDREW.

The Committee suspended from 10.48 a.m. to 10.55 a.m.

PUBLIC

Ms KIM JOSE, BRANCH PRESIDENT TASMANIA and **Ms SILVANA BETTIOL**, COMMITTEE MEMBER, PUBLIC HEALTH AUSTRALIA WERE CALLED, MADE THE DECLARATION AND WERE EXAMINED and **Mr TERRY SLEVIN**, CHIEF EXECUTIVE OFFICER, PUBLIC HEALTH AUSTRALIA WAS CALLED VIA WEBEX AND EXAMINED.

CHAIR - Good morning, I will introduce the committee members. We have Nic Street, Josh Willie, David O'Byrne, Ivan Dean, John Tucker, and Ruth Forrest. At the back we have our secretary, Nat Exel, assistant secretary, Ali, and we have from Hansard, Margot Scales, who is making sure everything is being recorded and as it should be.

This is a public session. It is being broadcast and it will be transcribed in due course. If we get to a stage at any time where you think the evidence you would like to give us should be in camera, then if you raise it with the committee we can consider that position moving forward. We would rather you do that than miss out giving the evidence to us.

You have parliamentary privilege. You have that protection. However, once you leave here it becomes a different thing altogether. I am not quite sure whether you are protected. Some say you are and some say you are not. You have that parliamentary privilege while you are in here.

We are reasonably informal and first names are acceptable. You have made a submission and we appreciate that very much. You have covered a number of important areas in that submission. You have indicated that you may well be able to expand on some of those points or make a further submission to us. I leave it open.

I am not sure who is going to be the lead person here but we will leave it to both of you if you want to make an opening submission to us, add to your submission, there is an opportunity to do so now.

Ms JOSE - That was going to be me. I have prepared something. I thank you for the opportunity to come and speak today. Obviously we are speaking to the health aspect of your inquiry.

Public health practice is about protecting health, saving lives, millions at a time. Public health is built on prevention activities rather than health care and its focus on treating illness. Because of the way public health practice is operationalised its effects often go unnoticed and unrecognised until we have major public health crises such as COVID-19.

The public health workforce is a multidisciplinary one as well. So during the COVID-19 pandemic that work has involved functions such as sample taking and testing, case investigations, contact tracing, data analysis, household level public communication among many other tasks. Such functions depend not only on front line clinicians and nurses and other allied health professionals, but specialised public health physicians and nurses, behavioural scientists, communications experts, epidemiologists, statisticians and genetic tracers. Health workers need to engage with communities in all languages and cultures to ensure appropriate information is shared. This requires specialist skills and training in public health alongside more disciplines, specific skills and capabilities.

PUBLIC

In Tasmania we have been well served by a small but highly skilled core public health workforce. The public face of that workforce has been the Tasmanian Director of Public Health, Dr Mark Veitch, who has extensive experience in communicable disease surveillance and control. He served as Chairman of the Communicable Diseases Network of Australia from 2015 to 2017. Dr Veitch has been well supported by the Deputy Director of Public Health, Dr Scott McKeown, and the CEO of Public Health, Dr Sean Harper. The work of the entire public health workforce to date needs to be commended.

We have also in Tasmania been well served by our relative geographic isolation and our natural border. The introduction of the early travel and border restrictions and those factors combined have contributed to our low population and case fatality rates from COVID-19. However, the pandemic has highlighted the extraordinary needs for surge capacity both locally and nationally, and in Tasmania the local response did require short-term secondment and employment of people from outside the core public workforce. Initially an additional 40 staff were seconded from the university to provide support to the core public health team. Some of those still remain seconded across to the public health workforce at this time. Twenty four of those staff came from the Menzies Institute for Medical Research alone and they included epidemiologists, outbreak modellers, bio-statisticians to assist with surveillance and cluster management.

As well as those skills the pandemic has highlighted gaps in the current public health workforce such as the limited numbers of nurses with training in public health to support response efforts and manage contact tracing and testing processes; limited numbers of trained field epidemiologists who can provide critical contextual information for managing local clusters such as what happened in the north-west of Tasmania; and also outdated information and data systems to support the effective response at the scale that was required.

In addition to that, here in Tasmania many of our roles are single person dependent, which is not unexpected in a small jurisdiction, but in an event of such scale and complexity and over such an extended period of time places significant stress on individuals to coordinate and respond appropriately.

While COVID-19 has been happening the work that normally happens by public health officials, that as I said is often unnoticed and unrecognised, has had to continue as well. They monitor a large number of other notifiable diseases, more than 70 here in Australia. They are responsible for licence and compliance checks, and a whole range of other prevention activities such as screening for preventable non-communicable diseases.

It has clearly been demonstrated over the past six months in Tasmania, nationally and internationally, that the public health incidents and responses require a skilled, flexible and responsive workforce led by those with public health experience and expertise.

Due to a range of factors such incidents as we are currently experiencing are predicted to increase in frequency in coming years. In order to respond to these types of incidents as well as continue the work that they usually undertake around prevention does require increased investment in public health. That is not just about personnel but the whole range of aspects that support that work: infrastructure, education and training, and public health systems both locally and nationally.

PUBLIC

Ms FORREST - Many people up until COVID did not perhaps appreciate the role that public health plays and the importance of a strong public health team. A light has certainly been shone on that.

You talked about the single person dependency and other positions and things like that, which is difficult. You cannot have all this additional redundancy in these positions. In your submission you have touched on this area. One of the recommendations you made under the response, Public Health Workforce section, was that for the government there's a need to invest in critical infrastructure required to support the public health response. Can you outline more fully what critical infrastructure you think is missing and what is actually needed in that space?

CHAIR - Terry, are you hearing?

Mr SLEVIN - Yes, I'm happy to follow and, just to be clear, Chair, I'm very happy to be guided by my branch president from Tasmania when it comes to first pass. We've already discussed that Kim will have first pass on all the questions. If I can chip in and assist, I will be happy to do so.

CHAIR - Thanks, Terry. Thank you very much.

Ms JOSE - Yes. Okay. So, yes, in terms of infrastructure - and I will speak locally and because a lot of the requirements are not just specific to Tasmania. I mean, public health doesn't sort of operate in small pockets. A response like this has really highlighted that it's not just local infrastructure, it's that connection nationally. Terry can speak to that more directly.

Some of the feedback I've had from members and colleagues have just even been things like the software to support, say, contact tracing and all that happened around screening didn't exist at the time, in that it wasn't sort of capable of supporting their response at that time. So that's things like software, mobile technology, those sorts of aspects of that in terms of contact tracing.

Ms FORREST - Do you believe that's up to a standard now that should there be a second or another outbreak in Tasmania we are much better placed to deal with that?

Ms JOSE - That would probably be something nationally to get some feedback from places - I'm just thinking, say, like Victoria where you've got a lot more numbers. So, I mean, we probably did put in place at times - and it's supporting the work here - whether it would be sufficient to really manage thousands of people, which is what has been happening in Victoria. Terry might be able to speak to that more specifically. So I think they have been supported and the response has been to enable them to do that but whether it would be sufficient going forward, I -

Ms FORREST - Yes. Just stick with contact tracing for a minute. I know the political argy-bargy goes on around this. Victoria has had a particular challenge. Some of the investigations that are going on at the moment in regard to the management of the hotel quarantine has drawn in the whole contact tracing scenario. We've got people claiming that New South Wales do it so much better. So either there's an inconsistency with the approach, or it's just political argy-bargy.

PUBLIC

What I'm really wanting to understand is, on a nationwide focus from a Tasmanian perspective, should we have another outbreak do we need to do more state-wise or federally to ensure that we have an adequate contact tracing process? We seem to do pretty well. When you look at the lockdown in the north-west, put 5000 people into quarantine overnight effectively, and it's a bit easier when everyone knows everyone, I guess, in the community and you're not living in a high-rise where you've never spoken to your neighbour. Obviously you can't just compare Victoria to Tasmania from a lot of those perspectives. What we're trying to understand in this committee is, are we prepared?

Mr SLEVIN - Can I answer?

Ms JOSE - Yes, you can go, Terry.

Mr SLEVIN - Yes. It's an important question. If I can start internationally and then perhaps drill down nationally and then to Tasmania. It's an international phenomenon. It's certainly the case in Australia that public health broadly is the poor cousin. When all of you face election, and the normal election cycle whether it's state or national and the issue of health comes up, the focus is very much around health care. It's around doctors, it's around hospitals, it is about emergency services, and so on.

In terms of the investment of resources in the health sphere, you won't be surprised to learn that public health is a very, very small part of the pie. Broadly, in Australia we spend less than 2 per cent of our health resources on public and preventative health. At the national level when we take into all sources of funding, it's about currently 1.6 per cent.

At that starting point, recognising that the urgent, the sick patient, the person with the immediate health problem is always going to trump what we consider as the important and, that is, that infrastructure that is necessary, and we're now seeing tested to the greatest possible extent of a capacity to respond to circumstances like this.

I also know from your background that you understand the healthcare system as a practitioner in the past. You will appreciate the importance of all that infrastructure that doesn't get the kind of attention of the ongoing healthcare system. When it comes to issues capacity with regard to public health physicians and specialists, with the planning and expertise around communicable disease and the prevention of both communicable and non-communicable disease, generally there is a far lower level of priority of investment, which results, when there are always tight budgets and continuing restriction in investment in public health.

You raised the New South Wales versus Victoria scenario that has been playing out in the last week or so. We know, for example, that a public health officer training program has been operating in New South Wales for 30 years - every year for the last 30 years, New South Wales has recruited people with undergraduate and post-graduate public health training and put them in a competitive process to be entered into this public health officer training program. They have trained over 200 people in this program; more than half of them still work in New South Wales Health and the public health system. They have a network of public health units around the state that are trained and have a high level of expertise, and can respond in these circumstances. When the outbreaks occur, at the most local level there is someone nearby with senior public health expertise who has a network of public health workers around the state who they can work with and draw upon the best possible expertise.

PUBLIC

That is why many people believe that is why New South Wales has done better than Victoria, which hasn't had a similar program. It had a public health officer training program that ran for a short time with a very modest resource but that stopped in 2013. Over the last probably 20 years, the DHHS infrastructure in Victoria, and we are starting to understand more of that, has been diminished. IT and a whole range of the infrastructure necessary to respond in this crisis circumstance has been degraded over that time or hasn't kept up.

When it comes to the issue about the national response, the logical situation of a much smaller jurisdiction in terms of population that you are in Tasmania, it doesn't make sense for Tasmania to generate all that infrastructure as a standalone. It needs to take part in the national system, and one of our arguments, and it has been around in public health for a long time, is that there the need for an equivalent of a Centre for Disease Control-type model in Australia, not drawn directly from the version in the US, which is very national and federal focused. However, we believe now is the time in Australia to start the discussion about looking at a CDC with state and territory buy-in so there is a genuine seat at the table for all jurisdictions with both cash on the table and a seat at the table to contribute to developing that national infrastructure. Through that mechanism we could have the centralised best intelligence expertise and international-facing capacity to capture the intelligence that has evolved as this disease has over the last nine months, but also national standards in terms of issues like contact tracing, processes and machinery to do so - IT systems. The whole infrastructure should be done and cooperatively created at a national level, but with all jurisdictions at the table to ensure their needs are met.

We believe now is the time to have that discussion. It wouldn't work if it were just a federal agency. It needs to have the jurisdictions involved because the powers for intervention, as well you know, at a legal level and in terms of local capacity, are at the jurisdictional level. When it comes to Tasmania's next step, there is a fundamental question: do you have enough public health people who are adequately trained? Every jurisdiction in Australia should be asking that question. I believe all will find the need to improve their public health capacity.

Whether it is drawing upon systems that exist elsewhere, whether it is people taking part in the New South Wales program, whether New South Wales is happy to cooperate - and I have spoken to the senior people there and I know they are - out of this crisis Australia must respond in a coordinated manner to ensure the infrastructure, whether it is IT systems, processes, information-sharing and intelligence capacity, plus the training necessary to bring people on board to ensure there is a pipeline of frontline workers, mid-level managers and senior decision-makers and experts, is in place in an ongoing way. The only time you realise it is not there is when you need it.

There is no doubt in the mind of anybody in public health that we will face more of these kinds of infectious disease crises in the future. I will leave you with one final thought before I finish this particular soliloquy: this is not just about communicable disease.

Viral infections are certainly the thing that have highlighted this problem, but in Tasmania today, you also have a chronic non-communicable disease problem. Your hospitals are full of people with preventable chronic disease. Diabetes, heart disease, cancer and many more. You can build your public health infrastructure and expertise with people who can work in an ongoing way on those preventable chronic diseases, and also build into them the capacity where necessary for surge response to communicable diseases.

PUBLIC

That is what every jurisdiction in Australia, Tasmania included, needs to give thought to and use its voice to call for a national coordinated infrastructure. Tasmania also needs to ante up: our argument is that all jurisdictions should follow the lead established by Western Australia where they have committed to investing 5 per cent in public and preventative health over the next now nine years.

Western Australia's Sustainable Health Review was brought down in 2019 and made that commitment to build its investment in public and preventative health up to 5 per cent of its health budget by 2029, and the state is progressively doing that. Every jurisdiction should consider the same kind of commitment because in that way, over a period - not in the chock, not with the suggestion of cutting down vital need for curative health and hospitals and related services, but rather progressively building that capacity in public health. You build the infrastructure you need to respond both to these kinds of crises and to the slow-growing crisis of non-communicable disease progressively getting worse and worse, like the frog in the saucepan.

Ms FORREST - I accept all that, and bang on about a lot myself. In terms of the 5 per cent health budget, I question whether that is actually enough. But, anyway, let's say it is -

Mr SLEVIN - A good starting point.

Ms FORREST - Yes, it is - more than double what we are doing now anyway, so it has to be a good start.

The challenge we have, not just in Tasmania, but everywhere in Australia, is the cost shifting stuff that goes on, with some of it funded by the feds and some of it funded by the states. There are no real clear pathways of accountability around that. We see the stuff-ups that go on with pathology, for example - when it is done in the public hospital, the state pays; when it is done at your GP, the federal government pays through Medicare.

Do we need to fix that as well as part of this whole response?

Mr SLEVIN - There is no doubt that across the board effort is necessary to avoid some of those structural problems of cost shifting, as you point out, whether it is in the primary care system or in preventative health as part of the national preventative health strategy, and it's put out its first consultation paper.

The vehicle by which all governments look to find somebody else to foot the bill is a constant frustration. The energy and effort invested in that kind of cost shifting is such an extraordinary waste of public resources.

I suggest that if all jurisdictions were to seriously consider that 5 per cent full preventative and public health model, hopefully that would diminish the motivation to do that kind of cost shifting. There is a clear model that will serve the Australian population rather than just looking to serve individual jurisdictions and their secular needs. There is a basic infrastructure that is essential for Australian good health. This crisis has pointed to our paucity with regard to our capacity to deal with communicable disease. It is important for us to take the opportunity to think about it in terms of the broader public health needs that we know exist, but have not been able to give much attention to because there hasn't been, until now, that urgent crisis.

PUBLIC

Mr WILLIE - Before I start, I am not making a comment on the border position. I am just asking some questions around your submission.

You talk about the impacts to the health workforce, access to services for Tasmanians, and the social and psychological impact of the border controls. You recommend that the Government conducts an evaluation. Do you have an idea of how long that would take, or who should do it, or how urgent it is?

Ms JOSE - It can take as long as you want it to take. I guess in terms of urgency, it probably would be better to be done sooner rather than later, while people are either just experiencing, or have just experienced those. I think you would want it probably within the next six months, I would have thought, to be able to evaluate that. A six-month period would probably be feasible in terms of conducting that type of thing.

It is an unprecedented situation we are in. We do not necessarily really fully appreciate the impacts of that. Obviously, it has been positive from a COVID-19 perspective, but it has had some of those other consequences as we are aware. We do really need to understand those more clearly in order to understand the full impact of those closures from a health perspective.

Mr WILLIE - Are you aware of any other think tanks or anyone else in that space? It is a national conversation that is happening not just Tasmania.

Ms JOSE - It is a national conversation and it is interesting. I know that Terry has been to a few various inquiries. I know that Queensland was calling to understand more the impact of border closures for them. I am not aware of anyone who has actually commenced any work evaluating that. I think people are so busy in the operationalising of that and addressing the immediate day-to-day challenges that that is throwing up that nobody has necessarily really put their mind to the evaluation of that and the impact that that has had on a broader scale. I suspect people are still focused on the more immediate management of the borders rather than the longer term impacts.

Mr WILLIE - I guess my question leads to the different approaches being taken by states who are all being advised by their public health bodies. Can you elaborate on that a little bit? Why are we seeing that happen?

Ms JOSE - I guess there is an understanding, and again at some point I am sure Terry will have a perspective. We have our national committee that has been the public face and the whole idea of having a national committee that provides some over-arching guidelines around the response so there is some consistency, but by having a more localised response allows people to respond to what is happening in your local area or context.

At a national level we have some broad, you know, around distancing, the need to restrict travel and all of those sorts of things. The decision to close borders is obviously a state one but that is how public health devolves down even to the experience that Ruth referred to that we only closed and locked down the north-west part of Tasmania. We did not do that to the whole of Tasmania because we did not need to. It allows that flexibility to make the response quite local if that needs to be the case. Under a broader national over-arching guideline, so it is not all coming from a federal perspective down it creates some flexibility, I guess, to respond locally if you need to.

PUBLIC

Mr WILLIE - So there are some common principles being agreed to at a national level but each state is making their own decisions at a local level. That is why we are seeing different approaches around the border controls.

Ms JOSE - Even now we are seeing internationally - our travel restrictions in and out of Australia are tighter than most other countries. If Terry wants to add to that as well.

Mr SLEVIN - I guess it is worth taking the first stage a step back bearing in mind this is a virus that has been known to us for about nine months. It has been the biggest assault on health of humans for 100 years.

In the context of what I was saying about the capacity infrastructure in public health, the fact that we have got to this stage is close to a miracle. It has been assisted by our natural advantages, the moat around Australia, the moat around Tasmania, the capacity to shut airports, and largely keep the greatest source of infection out of our populations. But along the way the issues that you raise about the different approaches in different jurisdictions again reflect the circumstance in those jurisdictions. It also reflects the Australian Constitution where the powers and decision making we are seeing more and more playing out being made at a state level, and that is a reflection of our system of government.

Public health advice is based on the evidence that we have available. It is evolving as the weeks unfold and is responding as best we can to the information that is available and advising each of the jurisdictions as to the best way to serve that population. The creation of the National Cabinet has been the means by which there has been discussion about how that can best proceed. Only this week we've seen the Prime Minister make the point that, you know, he might get seven out of eight or eight out of nine agreements on various issues but it's hard to get 100 per cent agreement on just about anything you might argue, especially in circumstances where there's (a), so much uncertainty but, (b), we're playing for such big stakes.

So there's the fundamentals of infectious disease control and this is what we refer to as old public health. The tools we have available to us are the things we've had around in the infectious disease world forever: staying away from each other; I saw you earlier coughing into your elbow; all of the things that are the very basic and what we called old public health. And until we have another solution, until we -

Mr WILLIE - I have had a test and I've been cleared.

Mr SLEVIN - No, you did well. It didn't reach me so I feel okay.

But I guess the point I'm making is this is an evolving circumstance and you probably have heard, in the public discourse, debate amongst the experts. Now, in a lot of people's minds that has been very disturbing: why can't they agree, why aren't they all saying the same thing? And the answer is because the science is evolving week by week, so you've seen different scientists interpret the science in different ways. That's normal in science. But in the catastrophic circumstance that we've been facing that's very disconcerting to people. My observation is this is all people making their very best possible effort in an uncertain time with imperfect information to get the best possible outcome. My observation is that, for the most part, Australia has done extraordinarily well.

PUBLIC

We've just published a piece this week - and I'm happy to submit it as part of the evidence - doing a comparison of even just the Victorian population and on a per head of population basis Victoria is still doing better in the coronavirus stakes than most jurisdictions around the world. Pretty much every equivalent country through Europe - the one that we're closest to when it comes to comparing just the Victorian outcomes in Europe is with Denmark who have also responded in a fairly hard-nosed way in terms of its closing borders and the like, but still superior to the vast majority of comparable populations around the world.

I'm proud of the response of the public health workforce in Australia. We gave our precedence to all the Australian health protection principle committee, the chief health officers and the experts who have been working every single day since January to respond to this crisis. But along the way when you're fighting a battle it would be good to make sure there's troops coming up behind you with some resources because you know this battle is a long way from being over.

Ms FORREST - You need a backup team.

Mr SLEVIN - Well, we do need a couple of backup teams, I would suggest, Ruth.

Ms FORREST - Yes.

CHAIR - Are there any questions on the point that Terry has just been making?

Mr O'BYRNE - Well, sort of, yes.

CHAIR - Sort of yes?

Mr STREET - Sort of so you can get the next question or is it -

Mr O'BYRNE - Well played, Nic. Thanks, Terry. You've talked about the capacity - and I think your submission identifies some of the gaps and some of the issues we had on the north-west coast. you've referred to it as a miracle and I think we were very lucky in terms of the outcome on the north-west coast. You've proposed and you've talked about a model based on New South Wales, which makes complete sense. You look at it across jurisdictions or in other forms of emergency response - the firefighting agencies, the national coordination. That all makes sense but, as you say, we're in the fight of our lives, it's happening.

What are the things that you can recommend that can assist, particularly the Tasmanian Health Department and the Tasmanian Health Service, about what things we can implement now which will build that capacity in the short term, that will buy us some time to get to the more structural things?

Ms JOSE - I know that already they are employing more epidemiologists. I know they have invested in software to support contact tracing. They did that early. I know that some of those things have already happened in that sense. Some of the other aspects, there would be some things I'm not as across in terms of the actual testing capacity in the laboratory side of things. I mean, people would probably argue - and this is why our borders are still closed - that that has served us well to now. I know it has other impacts, but from a health perspective that has been used and the travel restrictions and I suspect that that will be because we actually can't magic up a workforce and we can't -

PUBLIC

Mr O'BYRNE - No, and that's the irony of the restrictions -

Ms JOSE - and we can't magic up the skills and expertise and capacity. I know my colleagues in public health are keen to do a bit more training for some key aspects say around aged care workers or nurses. But trying to roll that out while you are managing the operational day-to-day demands - and even though in Tasmania it might appear like we don't really have COVID here now, there is a lot of work being done behind the scenes still around what is happening, decisions being made, people coming into the state, contact. All of that is still happening. It is just that we don't currently have active cases.

There is still a lot of public health work that is happening. I know that those things have happened but in terms of right now, that is why we are in a situation where we are with our current restrictions and border closures because we can't magic up in a month a workforce with the skills and capacity that we really need.

Mr O'BYRNE - That being said, I think that is partly the irony. The border restrictions are absolutely doing their job. We are seeing an acute and primary settings on the north-west hard to recruit - we have relied heavily on locums, et cetera, to fill that workforce. Essentially what you are saying is that we are where we are and we have to accept the fact that we can't build capacity at this moment in time so is the answer is just more border restrictions until we get a vaccine? That is the multimillion-dollar question.

Ms JOSE - I am sure Terry has something to say about that. That is the million-dollar question. You are exactly right. We can't magic-up a workforce because it is not just our workforce. In the past Tasmania has been able to draw on people from interstate to support us. We can't at the moment because they are all needing to be where they are doing their work. So it highlights - and really what we are experiencing is it has not been a short-term lack of resourcing in this space. It has been decades of lack of resourcing in public health. There probably isn't a quick fix. I know Terry did want to contribute.

Mr SLEVIN - Nic, I understand the question and I understand the urgency and everybody gets that and there aren't any perfect answers to be taken off any shelves.

Mr STREET - It was so good a question you thought it was me.

Mr O'BYRNE - It was David. It was a good question from Nic!

Mr SLEVIN - My response is that ultimately there are a couple of responsibilities of Government and one of them is to allocate public resources. One of the things that is certainly available if the Government so chooses is to allocate an amount of money it sees fit and calls for proposals for initiatives that are going to be useful in the short- to medium-term, but understanding that these public health time frames are not overnight. But if the Government sees fit to, say, pluck a figure out of the air - and I will invite you to do that rather than me put a number in your head - call it \$5 million or \$10 million or whatever it might be, and say put forward proposals that are going to get Tasmania ready for a potential subsequent wave.

I have been talking to my colleagues across the Public Health Association and some of the work they have been doing. A lot of people are in the process of thinking through and working through the prospect of a third wave and how to deal with that in their circumstances.

PUBLIC

You will appreciate dealing with that in tower blocks in the big capital cities is a different phenomenon than might be the case for dealing with it in a small town in north-west Tasmania. But what they are doing is doing the strategic planning, the thinking, the gaming, the kind of preparation that is necessary so that if there is a subsequent outbreak in Tasmania, the thinking is in place and the infrastructure is in place better to respond. As part of that, of course, anybody who submits to such a program would also need to demonstrate their connection to intelligence within Tasmania so as to ensure it is a 'team Tasmania' effort as best it could possibly be, but also connections elsewhere, so where they could draw upon experience and expertise from outside Tasmania.

The best people in Tasmania absolutely have those kinds of connections with expertise, not only nationally but internationally, so providing them with some incentive and some resources and say, we want you to put forward the things that we need to do, put The case for what things are missing and what infrastructure can be addressed in the short term. What are the things that could be prepared for in the medium term? How would we deal with the third or substantial wave or outbreak in Tasmania that we have not had the time, or capacity, or chance, to do so far?

When you are dealing with the hole in the dam wall that becomes the immediate priority and thinking about the water supply later on becomes a later problem. Now is the time to think about the later problem. That is an opportunity the Government can put in place to show that it is serious, to put some cash on the barrel head and say we want your best ideas, and then put together an appropriate group of experts to make an assessment about what is most likely to put Tasmania in the best position of responding into the future.

Mr STREET - My question is almost answered by that, Terry, in that I was going to say I think Australia's response off what you have said is about 1.6 per cent of the overall investment in health, in preventative health, has been remarkable. I am interested in how we sell the increase in public health investment up to 5 per cent like Western Australia has done going forward. We are all politicians sitting on this side of the table. Let's be frank, our government has under-invested in preventative health, previous governments have under-invested in preventative health. The reason is because preventative health investment does not fit within the election cycle. The investment you make today will not be seen until after the next election so there is short-term thinking.

Ms FORREST - Or when a pandemic hits.

Mr STREET - Or when a pandemic hits, like Ruth just added. My question is how do we sell investment in preventative health both to governments and to the public?

Mr SLEVIN - My answer to that is that it has to be bipartisan. It has to acknowledge that both sides of the fence have under-invested in this, and not just in Tasmania but certainly around Australia. It is not a party-political issue and never has been.

The way you sell it is to say that people who have been the most vulnerable in Tasmania, the people who have been most vulnerable in Australia, the people who have paid the greatest price, have been the people who have been doing it the toughest anyway.

In public health broadly, the principle is those who are doing it the toughest are the ones who pay the greatest price. If you are going to pull everybody up to a greater standard of living,

PUBLIC

to a higher level of safety, to a higher level of health, then it is those people with the greatest challenges and problems who are the ones where you need to focus your investment. If you get it right those are the ones who are going to benefit the most and that will result in the greatest advancement for Tasmania and Tasmanians.

The way you sell it, and now is the perfect time to do so, is if we do not do this we will be facing a tsunami of disease. It might be through infectious diseases, or it might be through non-communicable diseases, but there is no doubt that unless we fix the public health system Tasmanians will be paying the price and the truth is the most vulnerable Tasmanians will be paying the price. The way you sell it is by helping those who need the greatest help. That is where public health investment should and must be focused.

Ms JOSE - I would argue that probably politicians have under-estimated the public's capacity to understand this and their desire for this. It has probably been the lack of courage on behalf of politicians to take this on board, whereas we know from successes whether it is from introducing seat belts to vaccinations, all of that in general the public have been willing to support our prevention initiatives to date. In a state like Tasmania if you do not have a chronic disease you will know someone who does. It speaks to people's lived experience here anyway.

CHAIR - One point I wanted to make was, and I refer to your submission, Terry, was that the broader social and psychological impact of the border control measures, travel restrictions and quarantine measures are currently unknown. I think we are saying that the mental health impact on people is almost unknown as well. What do we do here? We have some measurement on that as to where we are going to go or what we should be doing? What is the position there?

Ms JOSE - In public health we often know that you can respond, and the response here around border closures has been about managing the spread of COVID-19. Obviously, that was completely appropriate and is what needed to happen.

Often we introduce things and they can have unintended consequences. We need to understand those better, and that is something that as public health professionals, we fully understand that sometimes we can't always predict and anticipate those unintended consequences. That is why we really probably do just need to understand - yes, it has worked from a COVID-19 perspective, but we need to understand more fully what some of those unintended consequences and flow-on effects have been in the broader psychosocial aspects in Tasmania. I think we need to investigate them to really get a handle on them.

Ms FORREST - With that, you look at the effect of the extended period of lockdown on the mental health of many people in Victoria - particularly people living on their own. My daughter and son-in-law had a baby at the start of the lockdown, and they have basically been locked down the whole time.

Potentially there will be many lasting impacts that will take some while to surface. Even for me - when we were up in the north-west, at the peak of the lockdown up there, I was too busy to think about anything else except just getting up in the morning and starting really early and finishing really late, and doing what I could to help.

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The toll will hit some time later, and it might be some time later. We said the lockdown in Victoria, where I have family, brings it all back again. A whole body of work needs to be done here. I am interested in whose job that is: Is it Public Health? Is it the Menzies Centre? Who should be doing this work?

Ms JOSE - Certainly my understanding is that the Public Health workforce here would be really interested to know and would really value that. They probably don't necessarily have the capacity. The university certainly could have a role in supporting some work in that space. I know it has been doing bits and pieces, but something that is a little bit more focused in that area, and longer term.

Ms FORREST - You need a longitudinal study, I think.

Ms JOSE - Absolutely. The flow-on effects, not being able to be with a family member who has died during that period - those ramifications can flow for a long time.

Ms FORREST - It often happens when the next family member dies. It brings it all back.

Ms JOSE - There is some short-term work and then some longer term work as well. We know that we will need to understand the impacts, and certainly the university could play a role. It would be something that obviously government would need to support.

Ms FORREST - This sort of information is needed to feed into our planning for future health - preventative health and primary health.

Ms JOSE - Yes, and our Public Health workforce would want to know that. It does feed into its strategic planning. If something like this happened, it would want to know what types of supports, responses and communications - all of that - have been effective to inform future strategies and approaches. It is not to say that we shouldn't have done it, but you can offset that with the support that is necessary to see people through it.

Mr SLEVIN - My other observation is that, in my conversations with my members in Victoria over the last fortnight, it has been very clear - they have volunteered, without me raising it - that their experience has starkly highlighted what we call social determinates of health. I talked earlier about the most vulnerable.

A very obvious examples that we can recognise: If you are meant to be locked down, and surviving at home, and you are homeless, where does that leave you? If you are subject to domestic violence and the only place you can be is at home, which is your place of greatest torture, where does that leave you?

We could go on and give more examples of the kind of disadvantage people experience, that further exacerbates the reality that the most vulnerable are those who are most starkly affected.

While it is always essential to have local data, I have lived in various places with smaller populations, but some of those lessons can certainly be learned from other places. Keeping an eye on the research as it evolves from the public health world about capturing some of these measures and quantifying some of these impacts will be an important of Tasmania's response

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as well. That means ensuring that people in Tasmania have the expertise to filter the wheat from the chaff, in terms of that research and reporting on its relevance and impact within Tasmania. That is what can be done locally so the people at Menzies and other places who have that expertise and who have national and international connections are the people who need the greatest support.

I will offer you this observation: I see some outstanding, even international quality, work that happens in Tasmania. One example is the work done on the aerator now used nationally that was funded by two bob and a bit of string by Tasmania and the ACT, the smallest jurisdictions, on a service that the Australian population needs in the context of the bushfires. Tasmania can and does on occasions punch above its weight when it comes to contributing to public health expertise within Australia.

What you can do is find ways to ensure that those people are best supported and do not have to spend so much of their time simply financially surviving and applying for the next grant in national NHMRC funding rounds and the like. Rather, you establish centres of excellence in public health research in Tasmania that focus on serving Tasmania, that have a national and an international view, so that the best available information can be most quickly and readily brought to bear and influence and impact on decision-making locally. That kind of infrastructure and commitment made in Tasmania would set you up to have the best advice from the best people, would have a local relevance but would draw upon international and national expertise.

CHAIR - One quick question; we are out of time again. You made the observation that we do not use local government environmental officers and their expertise as we probably could and should have done. From what you are saying, is that a reasonable observation?

Ms JOSE - That was the feedback I had from our members. I do not have the knowledge about how or why, but I think the environmental health officers themselves have come forward recently - Silvana made the same observation. I am not quite sure why that was the case. I am not quite sure what mechanisms are in place to support that, but we know that having people in local areas who obviously have training in and understanding of public health - our environmental health officers. I am not quite sure why that was the case, but it is an observation that has been made.

Ms BETTIOL - It is a misunderstanding of what public health is. Environmental officers are very quiet in their role et cetera, but I think public health is a multidisciplinary discipline. For example, I teach the Master of Public Health program at the university at the School of Medicine, the University of Tasmania. We started that program in 2012 and we have a range of individuals - they can be veterinarians, engineers, social workers, nurses, a variety of people interested in public health - and I do not think people understood that environmental officers or people in Biosecurity, the farmers themselves, or veterinarians, can support even this outbreak or pandemic. They have a role in the community during these times. They are very skilled in that.

CHAIR - Having worked in local government, as my colleague here has as well, I think we can identify very clearly that there is a lot of expertise, a lot of knowledge, within local government in these areas.

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Having said that, we are out of time. Is there anything you would like to leave us with that has not been referred to.

Ms JOSE - No, thank you for the opportunity.

CHAIR - Thank you very much for being with us, for the information you have provided to us and for your submission as well. It is very valuable to this committee and its terms of reference. That is not to say we may not have to come back to you as well - this inquiry will go on for quite a long time because we are looking at recovery process as well and that will be over an extended period.

We hope to provide interim reports throughout this process; we should be thinking of that very shortly in actual fact. It is something I need to raise with the committee.

We appreciate that. Thank you very much.

Mr SLEVIN - We will contribute as your inquiry unfolds and thanks for the opportunity.

THE WITNESSES WITHDREW.