



PARLIAMENT OF TASMANIA

LEGISLATIVE COUNCIL

REPORT OF DEBATES

Thursday 19 November 2020

REVISED EDITION

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The President, **Mr Farrell**, took the Chair at 11.00 a.m., acknowledged the Traditional People and read Prayers.

TABLED PAPER

Joint Standing Committee on Integrity - Annual Report 2019-20

Mr Dean presented the Joint Standing Committee on Integrity Annual Report 2019-20.

Report received.

LEAVE OF ABSENCE

Member for Pembroke

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

That a leave of absence be granted to the member for Pembroke, Ms Siejka, from the service of the Council for today's sitting.

Motion agreed to.

ENERGY CO-ORDINATION AND PLANNING AMENDMENT (TASMANIAN RENEWABLE ENERGY TARGET) BILL 2020 (No. 43)

ELECTRICITY, WATER AND SEWERAGE PRICING (MISCELLANEOUS AMENDMENTS) BILL 2020 (No. 40)

GAS INDUSTRY AMENDMENT BILL 2020 (No. 32)

Third Reading

Bills read the third time.

APPROPRIATION BILL (No. 1) 2020 (No. 46)

APPROPRIATION BILL (No. 2) 2020 (No. 47)

Note Papers - Budget Papers 2020-21

Resumed from 18 November 2020 (page 48).

[11.07 a.m.]

Mr WILLIE (Elwick) - Mr President, during my presentation yesterday the member for Prosser asked me about a jobs multiplier. As I alluded to then, our plan is to invest across a range of industries, so there would be direct and indirect job calculations. The figure of 10 000 is very conservative. We stand by that figure and are happy to be held to account if we are fortunate enough to win government.

[11.07 a.m.]

Ms WEBB (Nelson) - Mr President, our state, our country and indeed our globe have faced an extraordinary year and this Budget is being delivered in circumstances unique in living memory. I recognise the challenge faced by our state Government in terms of the health, social and economic crises we have experienced this year. I note the challenge of presenting a state budget in response to these circumstances.

In his Budget analysis, Tasmanian economist Saul Eslake noted that this Budget -

... has been presented in circumstances which are radically difficult from those which have confronted any Tasmanian government in living memory. And that also means that it should be judged by different criteria from those which I and other economists and commentators have used in assessing previous budgets.

I agree with Saul Eslake. I believe we should judge this Budget against different criteria, not only from an economic perspective but also equally from a community and a social perspective, and that is the approach that I have taken in noting the Budget today.

Rather than dive into the weeds of the Budget today, I am going to reflect on its broader context and impact. From that perspective, I will suggest two commitments the Government should consider making in the interests of accountability for this Budget and its impact and for those that will follow it.

The Treasurer began his Budget Speech with a reference to the twentieth century tragedy of World War II as the most recent catastrophic global event comparable in some measure to the COVID-19 pandemic we face today, and understandably so. Tasmania relied upon twentieth century approaches to deal with crises such as World War II and the Great Depression, with projects such as Ogilvie's Scar to stimulate the local economy and create jobs. I am concerned that the Gutwein Government still appears stuck in the trenches of the twentieth century, as its thinking and reliance on construction is very evident in this Budget. Instead, Tasmania needs an innovative and inclusive twenty-first century plan to take us forward from the circumstances we find ourselves in now.

It is fair to say that in some measure I was disappointed in this Budget but not necessarily because of what is in it - there are a good many positive things in it - but rather because of what it is missing. What is missing is a vision for our state, bold actions to transform the circumstances of Tasmania and its communities. It is missing an approach that would match our aspiration which is shared at this time when we look ahead and imagine where we might go to from here.

Perhaps it is too much to ask that we be visionary and transformative at this time when we are still grappling with a pandemic. Realistically, because of the delay in delivering this

Budget we are nearly halfway through the financial year to which it relates and much of the spending on initial emergency responses has and is occurring. I acknowledge we are still somewhat on the hop in reacting and responding to the initial crisis, but I find myself in agreement with the comment from the Tasmanian Chamber of Commerce and Industry - TCCI - that 'this budget could have been more creative and disruptive at this time'.

It is perhaps more reasonable then for us to look ahead. Perhaps we should be looking to the next budget for a more definite vision and transformation opportunity to be grasped. Can we expect the Government to get braver and bolder the further we get from the urgency and disruption of the initial crisis from COVID-19? We know a PESRAC process is occurring that is supposed to inform future medium- to long-term strategies and that the next report from PESRAC will provide recommendations for consideration in the next budget to be delivered in just six months time. In fact, the PESRAC tells us -

The Tasmanian Government, together with the Australian Government, is also looking at strategies to minimise the medium and longer-term impact on our social fabric and the economy, to ensure that the Tasmanian community is well placed to meet the challenges and grasp the opportunities that lie ahead.

The road to recovery will depend on a range of social and economic factors. Ongoing containment measures will impact the way all sectors of our society and economy operate.

We need to plan for a different future and look for opportunities to build a stronger Tasmania together.

I wonder whether the opportunity for that different future, that vision of not going back to the way we were but creating something better and stronger, will tend to diminish the more that time passes, especially the more we move on from that sense that we had of community cohesion and public trust in government that was at an all-time high during that initial crisis time. If we wait, does it become less likely we will see bold vision and aspirational transformation? Are we more likely to see cemented-in business as usual?

We have seen certainly that other states can act in bold and transformational ways in their state budgets of late, so we know it can be possible. The Victorian state government has committed \$5.3 billion to public and social housing, an extraordinary amount. Also, New South Wales in delivering its budget this week, appears to have begun a conversation about tax reform - the 'third rail' for a state government almost - something that most state governments tend to avoid at all costs.

Something that concerns me is that this Government might revert, in lieu of being brave and bold, to a previous approach. My observation would be that since 2014 this Government has had the attitude that the economy comes first, as if the economy is something that exists separately to the social context of our community, and its view is that we need to fix the economy and once the economy is fixed, we can assist people who are disadvantaged and fix the social problems that our state faces. This has never been shown to be true. Even in recent years as the Government was crowing about the health and strength of our state's economy, there was no indication we would shift to part 2 of that approach and begin the helping and the transforming.

While you make supporting those who are most disadvantaged contingent on the stars aligning in a set of ideal economic circumstances, you will never provide the support that is needed. When you only focus on growing the pie, you will never quite get around to sharing the pie in a fair and equitable way.

It is worth us asking ourselves: what did we learn from our COVID-19 experience during 2020? COVID-19 has conclusively demonstrated the false thinking in this economy first approach that we have seen. People always come first. Their basic needs are the priority, and economies can be managed to serve the needs of the people. It is important to consider what we learned from COVID-19 this year as that is the overwhelming context in which we consider this Budget.

We learned that health and wellbeing is the priority above all else. We can manage to upend virtually every aspect of our lives, our jobs and our economy to protect our health and wellbeing in our communities, when we need to - when we feel there is no other choice.

But there should never be any other choice. Strong, healthy people are the core of a successful community.

We learned from COVID-19 that in a time of crisis, if we leave anyone behind, our whole community is at risk. Our communal success is limited by the barriers and risks faced by those who are least among us. This is true under normal circumstances too, but we more readily ignore it then, and allow people to fall by the wayside. These crucial lessons were there for us in COVID-19 when we were able to grasp them in mere moments, as the crisis emerged, and respond accordingly.

The Premier's Economic and Social Recovery Advisory Council Interim Report acknowledged the fundamental importance of wellbeing in our community -

In developing our first-phase recommendations, we have considered the impacts on all aspects of people's lives. We see well-being for Tasmanians as a key measure of our recovery. A well-being focus balances the importance of things that make a good life in Tasmania.

These include having a job, or income security, accessing the basics such as food and housing, being healthy, loved and safe, having access to learning, connecting with culture and family, and participating in all our State has to offer.

A key question for us then: has this Government learned the lessons of COVID-19 and grasped the opportunity in this Budget to be transformative? There is certainly a hunger and an aspiration for this in the Tasmanian community. We can see that again. PESRAC reported to us in its interim report -

A survey by the University of Tasmania suggests that many people are hoping that a different Tasmania will emerge as part of the recovery process. Respondents strongly supported improvements in affordable housing, health care, education and sustainability.

As we reflect on ‘what are we looking for from the recovery’ it appears that Tasmanians are focused not just on seeing our economy start up again and jobs return but seeing us find ways to improve the well-being of all Tasmanians.

Did we miss the boat to achieve these aspirations that were clearly expressed by Tasmanians and reported to us through the mechanisms of government and PESRAC?

The COVID-19 pandemic vividly exposed serious pre-existing fault lines in our society, which places us at a crossroads now. We have been at significant crossroads before, but this time, taking the wrong turn could lead to even more catastrophic outcomes, given our COVID-19 pandemic context.

We can either take the steep road of addressing seriously the clearly evident fault lines and make the necessary structural changes to address challenges that include inequalities, economic resilience and protecting our environment which underpin all that, or we take the downhill path of short-term and outdated thinking, risking entrenching those fault lines and returning to those inequalities.

Despite being told there is no going back to pre-COVID-19 circumstances, that appears to be exactly what this Government wants to do if we take this Budget as our indicator.

Instead, we need to carve out a new normal focused on building resilience, closing fault lines and building an innovative and inclusive Tasmania - a new normal that would put at the centre of our attention the need to comprehensively address intergenerational disadvantage and inequality.

Although the COVID-19 pandemic has thrown the dangerous fault lines in our community into sharp relief, it has also highlighted how we can look after the community to put people first and invest in the insurance policy of effective social safety nets and government support when we put our minds to it.

I have to mention one key example at the Tasmanian level, which is actually mentioned in the Budget Papers and which is worth highlighting - recognising the need for a functional, service delivery-oriented public service. This is indicated on page 9 of Budget Paper No. 2, Volume 1, where it talks about -

... the removal of all remaining agency efficiency dividend requirements, from 2020-21 onwards, to support the ongoing delivery of Government services and to support the Tasmanian economy.

This is significant recognition by a Liberal government that small government by itself does not best serve the interests of the community. It is an acknowledgement, long overdue in my opinion, of the need for the role and the contribution of a functioning and appropriately resourced public sector. It is an essential service. We need to take that new understanding and acknowledgement into the development of our new normal, among other lessons learned.

Mr President, I recognise the Government has taken significant economic decisions to invest in our state's recovery. I will make some brief remarks in relation to aspects of the economic approach in this Budget. There is a strong narrative of jobs and confidence. I must

say that I find the word 'community' tacked on there as a bit of an afterthought. From government media releases on the Budget, I note comments such as -

We're backing Tasmanian business ...

And -

... we're future proofing our industries and protecting the Tasmanian way of life

I dislike blanket statements such as 'protecting the Tasmanian way of life' - not only because they have an unfortunate Trumpian feel to them these days, but mainly because it is incredibly tone-deaf to the fact that a high proportion of Tasmanians experience significant barriers and challenges to their quality of life. I am sure those Tasmanians would prefer quite the opposite of having that protected. When we lionise the status quo, we further exclude those who are already marginalised by it.

Returning to the Budget. Clearly GST revenue has taken a hit with a \$347 million shortfall in our share of GST revenue in 2020-21. That shortfall is a result of lower consumer spending nationally, so our slice of GST is probably smaller than expected. However, we have also had higher-than-expected receipts from other Commonwealth grants across 2021-22 and 2022- 23. Those higher specific-purpose grants from the federal government outweigh some of the shortfalls in GST revenue, and in some cases brings us slightly ahead. We have seen new recurrent spending decisions that have increased recurrent spending by around \$2 billion over four years, I believe, in this Budget, which sounds quite alarming. But with economists such as Tasmania's economist, Saul Eslake, deeming those decisions, and I quote, 'quite reasonable', I am somewhat reassured.

We do see, however, that next year there will be an increase in borrowings of \$846 million, handily offset by cash and deposits on hand of \$1.2 billion. That will bring the total to more than \$3 billion at the end of June 2021 - that is, borrowings increased by over \$2 billion. That is an absolutely extraordinary number. If the plan does not work to stimulate the economy and build back from those borrowings - and, of course, we all hope it does - we need to ensure it is not the most disadvantaged Tasmanians who then suffer, that it is not those who desperately need services and support who suffer and pay for that plan going awry. We will need to support every level of government to do its bit to get the economy going again after COVID-19, to ensure that people have the opportunity to feed and house their families, to engage in their communities as contributors, and most importantly, to be safe and well.

If the plan does not work and we need to balance the books at a state level - unlike the federal government, which can print money - I suggest we must not go down the path of austerity, or cutting services to the most vulnerable. Instead we must be prepared to look at options for raising revenue, to ensure that this fairly eye-watering debt can be managed without hurting the most vulnerable Tasmanians, as has occurred, to some extent, in the past.

Turning now to tax: I note tax revenues are expected to be broadly similar in this Budget, with no new taxes introduced. Other than the previously announced land tax waiver for commercial landowners adversely affected by the pandemic-related restrictions, and the payroll tax waiver for employers accessing the JobKeeper program, there are no tax cuts as part of the stimulus strategy in the Budget - and that is a good result. The Government did not give in to

interest group lobbying to cut into our state tax revenue base in the pursuit of doubtful employment benefits. Again, I note Saul Eslake presenting evidence in his analysis that, and I quote -

Tasmania's very generous payroll tax exemptions for small business have done next to nothing to create jobs ...

The Premier has said we can never tax our way to prosperity, nor can we cut our way to recovery. However, we are unlikely to rebalance through economic growth alone. At some point we will likely need to contemplate either higher taxes or cuts to services and this, as we know, is a devil of a choice, but it is one in which I suggest political expediency and self-interest should not be prioritised over delivering needed services to the Tasmanian community. It is well past time that we bite the bullet on tax reform in this state. New South Wales in its state budget this week has begun steps in that direction, it would seem, and Tasmania should be promptly following suit.

When we look at how we come out of this current economic situation and contemplate this magical return to surplus, I note again a comment from Saul Eslake that just because Tasmania went into the current recession with an economy that was doing better than the national average does not mean we will do better coming out of it.

I would say that a rush to return to surplus may end up damaging our progress in making a successful recovery.

Arbitrary deadlines set for a return to surplus - 'our two-year time frame is good and your four-year time frame is bad' - are mostly political posturing. We will need to be responsive and strategic in progressing our economic recovery and that must sit alongside the more important task of our social and community recovery. A surplus in and of itself is not our primary goal. We need to remind ourselves healthy, happy Tasmanians and a thriving Tasmanian community are our goals.

Mr President, the centrepiece of this Budget is the \$5 billion infrastructure spend over four years. In 2020-21, only half the funding allocated to infrastructure will go to roads and bridges. Hospitals and health, human services and housing, schools and education combined only make it to around 32 per cent of the investment. In fact, when we look closely, the additional infrastructure spend is quite modest - really only about \$300 million of additional General Government infrastructure spending has been added since last year's budget.

I note that Saul Eslake's assessment of this modest additional spend is that it is probably okay, given that there are constraints on the construction sector's capacity to undertake these projects. This Government and, actually, in matter of fact, all governments historically - because we do not need to be political about this - have a quite poor track record on spending on budgeted infrastructure. Generally, the actual spend is around 70 to 80 per cent of the budgeted amount. If the same pattern of underspend were repeated in this Budget when purchases of around nearly \$1 billion are budgeted, the Government would underspend on capital by around \$200 million to \$300 million.

What will ensure we can deliver on this plan and get the full intended benefit from it? How robust is our reliance on the full economic results expected to be delivered by this so-far on-paper investment if we know we could well expect it to be underdelivering in actuality?

This Budget clearly articulates a goal to create 25 000 jobs in the next four years, largely focused on and driven by that infrastructure spend we just spoke about. Given the concerns expressed on the capacity of Tasmania's workforce to deliver the billion-dollar capital spend as it rolls out, is it actually the best approach to protecting the Tasmanian economy from the devastating economic impact of COVID-19? Would a more measured capital spend combined with more diverse stimulus measures - measures that build human, social and cultural capital - be a better investment?

Unions have said this Budget should have a wider job-creation path across all industries, and I would tend to agree with that sentiment. If the objective is supporting employment, would there be a more balanced way of investing in the Tasmanian economy and community - something less solely focused on male-dominated industries, for example? What we desperately need in this state is more inclusive growth. Does this Budget really put us on track for that? I would say no.

It looks to me as if this Budget presents us with a male-focused, narrow stimulus program that sees trades and fluoro vests as more worthwhile than caring, curing and nurturing. Of course, in Tasmania we had existing challenges when it came to employment. We know in this state that it is not just about jobs in terms of raw numbers; it is about having good jobs where we need them. Pre-COVID-19 we were already seeing workforce polarisation in this state which challenged our productivity, our social mobility and our inclusive growth. Along with that polarisation, we were experiencing low wage growth, increasing underemployment and Tasmanians having fewer opportunities for career progression from lower skilled jobs to develop their careers.

The healthcare, social assistance and educational training sectors are the two top industries in regard to hours worked in this state. The healthcare and social assistance industry is the highest standalone industry for workforce numbers in Tasmania.

The healthcare and social assistance industry is also the industry that makes the highest contribution to our gross state product. Healthcare and social assistance, education and training, retail trade and accommodation and food services are the industries in which women dominate the workforce. They are also industries in which employment is more precarious under usual circumstances. Casual, part-time, gig, underemployment and no entitlements for paid sick or care or recreational leave. Under our COVID-19 circumstances, they are also some of the hardest hit, either as frontline response services or through being decimated by the shutdowns.

In terms of focusing our massive jobs push in this Budget, have we hit the easy targets instead of the right targets to achieve transformative inclusive outcomes? I cannot help but reflect on whether a more inclusive and diverse approach to stimulus measures would deliver us jobs plus better social outcomes, jobs plus better health outcomes, jobs plus better housing outcomes and jobs plus breaking the cycles of disadvantage.

A key plank of the Government's immediate response to and recovery from the coronavirus pandemic is the Premier's Economic and Social Recovery Advisory Council - PESRAC. I would like to speak a bit about that council, its recommendations and how they relate to and are addressed in the State Budget we are noting today.

PESRAC released its interim report a few months back. It did so to identify immediate actions and inform the development of this delayed State Budget.

The Premier's media release of 18 August 2020, 'Government to Implement All PESRAC Recommendations' stated -

Importantly, six recommendations have already been implemented, including further support to Tasmanian businesses, encouraging government agencies to purchase from Tasmanian businesses, and a further strengthening of our Buy Local Policy to support Tasmanian businesses.

A further 28 recommendations are currently being progressed, such as providing further support to Tasmanian businesses by allocating an additional \$20 million as part of the Small Business Sustainability and Recovery Grant program.

The remaining 30 recommendations proposed by PESRAC will also be supported by government and be implemented as soon as possible.

Many of the recommendations can be managed from within existing agency resources or have already been funded through the provision of additional resources, and any that require additional funding will be reflected in the 2020-21 Budget.

That is reiterated in these Budget Papers; specifically in Budget Paper No. 2 volume 1, Premier's Economic and Social Recovery Advisory Committee, which says -

The Government has addressed a further 28 recommendations through the allocation of funding for COVID-19 Response and Recovery Measures in the 2020-21 Budget ... the remaining 30 recommendations [will be addressed] through the use of existing agency resources, or other funding allocated in the 2020-21 Budget

What I see is the Budget Papers failing then to clearly identify and present which of these 64 recommendations are in each of those categories: Which are the six already implemented prior to the release of the PESRAC interim report? Where the 28 to be funded through the allocation of funding for the COVID-19 response and recovery measures specified in this Budget?

Nor is there a clear indication of which are the 30 recommendations to be implemented through the use of existing agency resources or the identification of those existing agencies or agency resources or line items that will now be reallocated to addressing those COVID-19 impacts relating to the recommendations.

We are told in Budget Paper No. 2, Volume 1, page 3, that -

- The Social and Economic Support packages implemented by the Government in response to the COVID-19 pandemic are unrivalled in the history of the State both in terms of the value of the support and the breadth of the measures. The value of the response, to date, has exceeded

\$1 billion supporting businesses, households, individuals and the community.

Then we are told that not all COVID-19-related expenditure -

... has been able to be explicitly captured and separately presented within the agency Budget information provided in this Budget paper.

On the one hand I can understand this - this is a rolling pandemic. It has required immediate and ongoing action required. Inevitably some actions will overlap with others. Some are immediate, some are short-term, some are longer term. Some cross over all those three. However, if the Government or Treasury, I guess, is able to quantify that the calculated value to date of the state's COVID-19 response 'has exceeded \$1 billion', surely we can also have a quantified amount of the new money provided for in this Budget to COVID-19-related expenditure and a clear cross-reference with PESRAC recommendations. A clear cross-reference tally against the different PESRAC recommendation categories where they apply would be an essential way to offer some accountability around the PESRAC process and how it is playing out, and the impact we can then track and measure as it does so.

After all, the Government has been able to quantify funding amounts under other sorts of broad headings. I see in the glossy colour liftouts that come with the Budget Papers that there are things titled 'Education support' and 'Business and industry support', with a whole range of things grouped under them, so it is not beyond us to group together and present clearly and publicly things that are relevant under certain headings. I think PESRAC would be a relevant heading under which we would expect to see information clearly shared and made public.

What I find is that of those PESRAC recommendations, we have a lovely table in the Budget Papers that lists recommendations and the agencies responsible for them, but it does not identify which are being funded, which have been completed and which are going to be funded or addressed within existing agency resources. I do not see that level of detail, and that is a failing because we should be able to track this process and hold the Government to account for it - and also celebrate its success and genuinely understand the impact it has had as we transition through this recovery process.

I made notes about a range of PESRAC recommendations that I tried to track through to see where they land and where they are expressed, to see whether there is some clarity there. I have struggled with most of them. Some, if you go looking for them, are clearly to be found but for others, it is quite puzzling. I will give one example of that. When I look at PESRAC recommendation number 61, which is allocated to the Department of Communities Tasmania -

The State Government should develop and provide Tasmanians with a 'whole of population screening tool' so the general public can 'check in' on their mental health and seek help early if needed. This should be supported by a public awareness campaign to prevent long-term impacts and raise awareness of the newly-funded access points for help.

That is an excellent recommendation. It is an important one, but it was not necessarily easy to find in the Budget Papers. I was also puzzled that it was allocated to Communities Tasmania. I thought it would probably be under Mental Health, in the Health portfolio. It was not clear to me where it landed, whether it was going to be delivered with extra funding or

through existing resources. I did identify that Health budget had COVID-19 response and recovery measures, an allocation of \$2.1 million which, under a heading of 'Mental Health Program', may have been an area that delivered on that PESRAC recommendation, but the Budget Papers did not provide any further detail about what was under that Mental Health Program so I could not cross-check to see whether that was true.

This indicates to me that for Tasmanians to be able to fully scrutinise the PESRAC process and understand its enduring value and ongoing impact, we need to be able to identify if and how we are progressing with its recommendations. We need the Government to provide clear and transparent presentation, a benchmarking mechanism perhaps, or a way in which we can have a matrix that presents those things going forward, not just attached to this Budget, but it will be relevant to the next budget and further budgets down the track as we see recommendations play out.

I do not consider this to be an excessive ask. It is a fairly standard practice to be able to report against. It brings to mind instances where say the government is providing a response to a report from the Auditor-General or a parliamentary committee that makes recommendations. The Government might provide information to the public about how such a report is accepted and acted upon, and how the Government is delivering on those recommendations. That is a standard accountability and transparency measure.

Given the prominence ascribed to the role of PESRAC in consulting so broadly with the Tasmanian community and providing important advice to government, and the significant investment many Tasmanians have made in participating in the process, I consider a clear commitment to thorough accountability and transparency needs to be applied to the Government's response to PESRAC and its recommendations. In calling for that to occur, I am in no way reflecting in any negative way about the value of PESRAC recommendations and their appropriateness in guiding how we move forward at this time. This is not about less efficiency; it is about accountability by the Government in how it is utilising a mechanism it has set up to guide it in this process.

I will also take some time to speak about who is missing out in this Budget. I will start by quoting from the *TasCOSS enews* that came out after the Budget; its introduction said -

However, despite the widespread acknowledgement across the political spectrum that a healthy population is the essential ingredient of a healthy economy, there remains a heavy emphasis by government on public and private infrastructure such as roads and buildings as a means to short-term economic recovery.

While an investment in roads and bridges will produce infrastructure to get us where we need to go more safely and efficiently, it is a direct investment in our greatest asset - our people - that sits at the heart of Tasmania's successful recovery, rebuild and increased resilience.

Now is the time for investment in the known solutions to the entrenched issues that have been a handbrake on Tasmania's prosperity, such as lack of affordable housing, poor access to health care services in regional and remote communities, and rock-bottom digital and adult literacy rates.

Solving the long-term issues that have plagued our state for generations can be done should the government make it a priority. Just last week, the Victorian State Government announced a \$5.3 billion spend on public housing to deliver 12,000 homes over four years. This happened through sheer will, and our State Government can do the same should it make the choice to break the back of our unconscionably long public housing wait list.

Mr President, I thought that was a very nice summary. It aligned with my view of this Budget - that it is missing the opportunity to best support some social and community outcomes.

One of the groups I will particularly mention is Tasmanian women. There is a growing consensus that the pandemic has left women more than men economically disadvantaged through unemployment, underemployment, reduced incomes, increased work insecurity, greater household and family demands and increased risk of family violence. The PESRAC Interim Report acknowledged this, stating -

In many ways, women have been disproportionately impacted by COVID-19. The reasons for this include:

- women heavily dominate the industries that are on the 'frontline' of the COVID-19 crisis, including health care, social assistance, education, retail and cleaning;
- social norms mean women are more likely to take on additional household and caring responsibilities arising due to COVID-19, such as home-schooling and caring for older family members, those with a disability and those who are unwell;
- women are over-represented in casual work as well as in industries that are suffering in the crisis, such as accommodation and food services, which makes their re-employment opportunities vulnerable depending how these industries recover; and
- a higher proportion of women have lost jobs, compared with men - between March and May, female employment in Tasmania fell by 8 per cent while male employment fell by 6.9 per cent (Figure 4.5). While more women lost full-time employment than men, total employment lost by men and women is broadly the same.

It is also worth noting the impact on women in some other areas, such as education. Australian Bureau of Statistics data released earlier this month revealed a 7 per cent drop in the 2020 number of women enrolled in Australia's tertiary sector, universities and some vocational courses, compared with the 2019 figure. That is a reduction of 86 000 women nationally. For the same period, there was a drop in male enrolment of 21 000 equating to a 2 per cent reduction. This is a highly gendered pandemic. It is evident that the obstacles it presents to women are tangible and significant, and we need to take into account a gendered approach to our recovery and rebuilding. The example I just gave around the tertiary sector in many cases relates to being a federal responsibility, because universities are a federal responsibility. It is an indicative example and has real flow-on ramifications in Tasmania. We need to assess

whether the state Government is pulling the appropriate levers in this Budget to address all the worrying components we have identified as being a pink recession, when we are managing and constructing our new normal from this circumstance.

Later the PESRAC interim report says -

The health and community services sector is dominated by female employment, and therefore additional resources that have been deployed into this sector in response to COVID-19 will contribute to potentially creating additional jobs for women.

...

As with all employment, the most effective way to rebuild the sectors that have higher levels of female employment and continue to be adversely impacted will be the unwinding of the COVID-19 suppression measures.

The PESRAC interim report made recommendations specifically in relation to women on page 60, recommendations -

- 47 The State Government should support further industry programs to enhance workplace cultural change and development pipelines for women
- 48 The Tasmanian State Sector should create traineeship pipelines within Government and maintain at least gender parity in recruitment
- 49 Government agencies should embed flexible working arrangements delivered successfully through the COVID-19 suppression period, to support the recruitment and advancement of women in the State Service.

What have we seen in this Budget? The Government would say it acknowledges the disproportional impact and is seeking to address it, but I would say the efforts they have made are fairly lip-service. Getting women into construction - I can only think that when the tool you are willing to use is a hammer, everybody needs to look like a nail. That is unfortunate. We need to remember that, while not bad in and of itself, is not enough. It is certainly not enough to deliver on the PESRAC recommendations, let alone what we could think of beyond those first interim recommendations as being required. It is not just about getting women trained, qualified and technically able to enter an industry, it is also about ensuring that industry is ready, receptive, appropriate and safe for women to enter.

It is a good start to see the Government acknowledging support needs to be provided if we expect women to take up non-traditional employment, that we can assist women into those sectors and begin pioneering a new normal, but to solely rely on that risks appearing tokenistic. It also risks kicking down the road the actual delivery of outcomes for us. It takes a while to get trained up and fed through a pipeline into a non-traditional industry. There are only certain women in our community who are going to find that to be an appropriate and palatable way forward.

I am going to compare that to the New South Wales state budget, which came out this week. That state government announced a \$10 million investment to broadly assist women find employment. The investment it is making provides grants of up to \$5000 to assist women

to find work. Women can apply for the grants through Service NSW and be assigned a coordinator to help them return to the workforce. The NSW government will be providing up to \$5000 for training and support, \$500 for text books, up to \$2000 for technology and office equipment, \$3500 for child care, including before- and after-school care, and \$500 for transport. Obviously, there may be more devil in the details warranting close analysis of that commitment in New South Wales, but what we can recognise is New South Wales is seeing more needs to be done than relying solely on a vague wave of a hand at addressing serious and systemic issues when suddenly trying to shoehorn women into traditionally male-heavy and potentially hostile work environments such as building and construction.

The first step to empowerment is self-determination and self-agency. But I do not believe, or so it appears, that women were asked what assistance they need in Tasmania to help inform either this initial sweeping decision that a construction solution is our way forward for the state or how to make that decision work for Tasmanian women, once it was decided.

While the COVID-19 pandemic has thrown into sharp relief our pre-existing structural fault lines, with sharp edges to those fault lines and widening gaps, it also highlighted where we have the opportunity to comprehensively address these challenges, to really pivot Tasmania to a permanently stronger, more equitable footing.

There was an opportunity to really engage with Tasmanian women to see - given the impact of this COVID-19 pandemic circumstance - what would be best, most effective, to provide support going forward. What would work immediately? What would work in the medium- and longer term? It may be our PESRAC process begins to deliver more meat to the bones of that, but if the Government holds back, and so marginally responds to those further potential recommendations, as I believe it has to the ones presented in the interim report, I fear we are still not going to see an appropriate response here.

We know that in encouraging better gender representation in the State Service - particularly into management roles and positions - there was so much work done in recent years to change the culture of the public service around management, recruitment and all those sorts of things. It is not just about women being present. It is about the culture and the environment of an industry becoming receptive to and comfortable and safe for women.

I am concerned we are intending to funnel women into male-dominated industries, as our gesture towards greater support and a gender balance in our response. What are we doing alongside that funnelling that ensures those industries are being transformed to become less hostile work environments, more receptive to women, more appropriate to the needs that a gender-balanced workforce might have within them? I am interested to hear more about that. I have not heard commentary about that accompanying work that would go alongside the pipeline.

I find one of the interesting catchphrases from this Budget, has been about the 'glide path'. When I think about gender in relation to this Budget, and think about what it provides and doesn't provide for women, I wonder whether this Budget is the glide path that Tasmanian women were looking for, and I can't help but think not. What then to do about that? How do we better hold ourselves to account?

Nationally, we know there have been calls for the reinstitution of a federal budget gender impact statement, which had been initially introduced under the Hawke-Keating government, back in the day, but which disappeared under the Abbott-Hockey government.

As we move forward, in this state, and develop Tasmania's 'new normal', I think it would be highly beneficial to have our own state-based gender impact statement accompanying the state budget, and the interim fiscal statement updates. According to national political commentators, gender-responsive budgeting, and I quote -

could make a substantial contribution, documenting the extent to which investment in childcare and other services is more likely to create jobs, and jobs for women, than spending on construction.

Further it is worth noting that -

Almost half of the 37 countries in the Organisation for Economic Co-operation and Development now have some form of gender budgeting. The former head of the International Monetary Fund has declared it good budgeting.

So today I am calling on the Tasmanian Government to move beyond narrow and tokenistic efforts to support Tasmanian women, and calling on it to start the task by holding itself to account by instituting a gender impact statement on this, and every future budget. That would be a genuine way we could know and have confidence in the fact that we are delivering and are planning for all Tasmanians.

Mr President, I would like to mention briefly some other groups that I believe have been overlooked in this Budget. In some ways the early months of the COVID-19 crisis were a time of real relief for people who were already marginalised and experiencing disadvantage through things like our higher social safety net payments. There are many people and certainly many Tasmanians who found that their basic needs in life, their needs for certain support services, were alleviated by those early measures. Some people had access to the basics in life - things that we would consider essential to a dignified life - for the first time in years.

What we heard from some community services was that those who had made up, say, 80 per cent of their emergency food relief clients prior to COVID-19 who were on very low Centrelink payments, were suddenly not presenting for emergency food relief after the COVID-19 crisis began and social safety net payments were raised. What that shows us is it was never possible to live on some of those very low amounts prior to COVID-19.

When people were given what was really just enough, they no longer presented to services and those services were then available to other groups who came into sharper relief during COVID-19, and in the case of emergency food relief what we saw was a shift away from those on Centrelink payments towards temporary visa holders who had no support.

Then, sadly, what we have seen now in recent months as the Centrelink payments have been dropping away again, is a return to the more usual cohort of people accessing emergency food relief and that is those on Centrelink payments who have now had that additional support - which really just gave them the basics - taken away.

Tasmania as a state was incredibly generous with the support provided to households and businesses through the pandemic and we see that reflected in this Budget. So many efforts and initiatives. Whether it was to households, to businesses, through local government, through state Government, through community organisations, Tasmania really shone in much of the support it provided.

That initial support was enough and will be enough of a boost to help many people stay afloat and get back on their feet but for others it will not be, especially those who are already highly marginalised. Saul Eslake, again, in his budget analysis quoted the warning from the International Monetary Fund in relation to these COVID-19 support measures -

... governments should ensure that lifelines are not withdrawn too rapidly. Improvements in the ability of social protection systems to reach, target, and deliver benefits to the most vulnerable people should be preserved ...

It also says -

... governments will need to foster the recovery while addressing the legacies of the crisis - including elevated private and public debt levels, high unemployment, and rising inequality and poverty.

We know here in Tasmania 20 000 people lost their jobs; 12 000 are still out of work from that, and we have dozens of people available for every job vacancy. Is this Budget delivering on addressing disadvantage? Is it going to continue to provide that generous support and that effective and targeted support we saw early, or are we going to see it withdrawn here, like we are seeing it withdrawn at a federal level? I hope not, because that would disappoint Tasmanians on certainly many fronts.

Children and young people are of concern to me. I am particularly concerned that we have not yet fully seen and measured and understood the impact of COVID-19 on vulnerable families, especially children. Areas such as children and youth services, out-of-home care, family violence and homelessness services for children have received some gestures of extra support and these have been important, but I fear that they are also only band-aids.

I fear that the small, extra supports will ultimately be insufficient to support the extra need that is generated by the COVID-19 circumstances, let alone the underlying need that we know was already there. We will probably see more details around this coming to light during our Budget Estimates process and I think we will also continue to see it playing out in coming months, if not years. I am afraid if we miss an opportunity to improve and transform our state and our support for vulnerable children in particular, we will fall even further behind.

There are other disadvantaged groups I wonder about in terms of the impact and opportunity presented or missing in this Budget and in relation to that, some of those groups I am thinking about are older communities and also people with a disability.

I recently read a speech from Dr Ben Gauntlett, Australia's Disability Discrimination Commissioner. He gave a speech as part of the Columbia Law School's Human Rights Institute virtual event series in May this year. He said -

COVID-19 exacerbates disadvantage – but in doing so it highlights the importance of the Convention on the Rights of Persons with Disabilities ... and human rights more generally.

Post Covid-19 there will be a need to be equally vigilant to protect the rights of people with disability. This is done by including people with disability in the policy decision-making framework.

...

In conclusion, as the health issues caused by COVID-19 dissipate the economic and social participation concerns for people with disability will arise.

In Australia, as in the rest of the world, a disability inclusive COVID-19 response and recovery strategy is good policy. It ensures no one is left behind now and in the future. But it is made with and not for people with disability.

Those words are really important for us to consider in light of this Budget and future budgets. Do we have a disability-inclusive COVID-19 response and recovery strategy that would be good policy? I do not believe we have seen that represented in this Budget and there is an opportunity for us to do better.

Another group I am concerned about in regard to the current circumstances would be the absence of carers in this Budget. Again, it is a group of Tasmanians who are already highly marginalised in a range of ways. They face challenges in regard to participation, to accessing services and support, to managing on low incomes and facing poverty. COVID-19 would have hit our Tasmanian carers very hard indeed and added additional extra pressures, burdens and costs.

Again, some effort and investment made to early support measures was touched on and have been important, but again I am concerned it represents a bandaid not a plan.

It looks like this Budget is missing any focus on meeting the needs of carers. When I say that I am thinking about things like digital inclusion, which is particularly important for carers who may be isolated and unable to be out and about accessing and participating; extra support for carers whether that is financial or additional services or respite and those sorts of things that can make life more bearable and more possible.

I am thinking about younger carers in schools whose additional responsibilities are exacerbated and their educational opportunities challenged in this time.

How are we assisting carers into employment? What flexible arrangements have arisen during COVID-19? Are we now proactively applying to assist with carers and their participation in the workforce?

Another matter that I do not see well represented in this Budget, but hope we may look ahead to doing better next time is around meeting the demographic challenge of our population ageing. This has been a significant challenge for some time particularly, for our regional areas. Where in this Budget is the strategic medium- or long-term planning and investment to meet

that demographic challenge we face as a state, especially in regional areas and especially now in COVID-19 circumstances?

Many local government areas in this state will find that ageing populations restricting their economic and demographic future is a factor that must be considered. As we see progress from here, recovery and rebuilding playing out, where is the proactive policy planning and purposeful interventions to address this?

Another nifty catch phrase we have encountered in this Budget is futureproofing. The Government talks about futureproofing our state. Futureproofing, we could agree or have a shared understanding of, is about anticipating the future and developing methods to minimise the effect of shocks and stresses. It is having a plan where you can face the future with resilience.

I absolutely agree with the Government: there is no better time than now to be futureproofing Tasmania, but futureproofing does not come from business as usual. It does not come from doing the same things you have always done and expecting a different result. Futureproofing our state will come from bold, visionary planning and action. Prior to COVID-19, despite the claims of a strong economy, we saw increasing polarisation in our community, a widening gap opening up between what we have often called the two Tasmanias. We saw dire social indicators that were in some cases at best intractably stalled at unacceptable levels and at worst heading further into negative territory.

Genuinely futureproofing our state should come from breaking cycles of disadvantage we have seen and continue to see in our communities. Transformative steps to ensure we shift these entrenched disadvantages unneeded to create a future that delivers, not just for some Tasmanians but for all Tasmanians. I was interested to read in *The Mercury* newspaper the day after Budget date, on Friday, 13 November, an analysis article that had this comment. It said -

It is a budget for transport, housing, hospitals and schools, with law and order thrown in. It is a big-spending stimulus budget. But it is also a budget imagined by bureaucrats, not politicians with a bolder vision. There are no projects which will transform the state or recast our state's direction, but we will have better roads and bridges.

While it would be nice to have better roads and bridges, to recast the direction of our state and achieve genuine transformation we need much higher aspirations. We need to aim to solve our major social challenges with tangible plans that have accountable outcomes and commensurate investment. For example, futureproofing our state we could plan and deliver -

- 100 per cent literacy for all school leavers and across our community members
- zero primary homelessness and a minimal public housing waitlist
- minimal incarceration rates and zero recidivism
- accessible alcohol and other drug programs for all who need them in this state
- no children removed from Tasmanian families.

A commitment to even one of those would be genuine futureproofing for Tasmania. In this Budget real social futureproofing is not evident; it is an afterthought.

My observation is that this reflects the approach of this Government we have seen since 2014 - that social challenges come a distant second, to be given attention once the economy is fixed, whatever that may be. This kind of thinking has been turned on its head by COVID-19 and I have to wonder why we would return to discredited approaches rather than making the most of this opportunity to re-imagine our state.

In conclusion, we are presented with the need to create a comprehensive vision firmly underpinned by social policy, economic policy, strategic industry policy, industrial relations and education and training policy. That vision needs to be an expression of our aspirations for our state. What sort of community do we want? What sort of lifestyle do we want? What sort of economy do we want? What sort of jobs do we want? We cannot just skip to the last part about jobs and pray the other questions are magically answered.

I am looking forward to delving into the weeds of this Budget next week during Budget Estimates which will be important to drill down and gain further insights into the details. Having made my comments today, I especially want to say thank you to the Premier, to all the ministers, and to the departments that sit behind them for their leadership and for the work they have done this year to respond to the crisis we are faced with. I have focused today on speaking about the ways in which this Budget falls short, but I recognise the work that has gone into developing what we would agree is a shared intent we all hold to see our state recover and thrive.

While I am talking in relation this Budget, I also want to recognise and thank the local government in my electorate, the City of Hobart, and the Kingborough Council for the work they have done to support our local communities. I also thank the community organisations in my electorate who have provided support to the communities and the people who have needed it, within in my electorate and throughout the state. I thank all the small businesses who have struggled through and managed to stay afloat this year, and wish the very best to those who are still struggling to do so.

I give special thanks to the public servants who have kept government services and the governance of our state ticking along - adapting, rising to the challenges of shutdowns and social distancing, and continuing to support the Tasmanian community. Finally, in particular, I thank frontline workers in the health sector who have really faced the most daunting challenges and the highest risks. We are not there yet, but we are getting there.

Mr President, I note the Budget.

[12.10 p.m.]

Mr VALENTINE (Hobart) - Mr President, it has been interesting to hear members bringing out different aspects, and to consider how effectively we are travelling as a state going forward. From the outset, I especially thank the Premier, Mr Gutwein, and the Director of Public Health, Dr Veitch, for trying their best to engage with the Tasmanian people, to make sure we are all doing what we can to keep ourselves and the broader community safe. I also thank the Minister for Health, Ms Courtney; Mr Hine, the State Controller; and the Deputy Director of Public Health, Dr McKeown. They have done an amazing job.

Every state has gone through this. When Tasmania was going through the really difficult period in the north-west, I am sure people in other states were saying, 'Oh, that is a bit over the top, poor Tasmania, they did not do it well'. However, here we are now, in a very good place because we had leaders who were not willing to cave in to the naysayers, but who stayed focused and were directed by Public Health advice. It has been so important. I hope they can have a safe and relaxing Christmas. They have worked hard and they absolutely deserve it.

The Budget has been described as probably one of the worst since World War II. In a way, World War II required the community, as a whole, to step up and work their way through very difficult times. I am just publishing my mother's book about her life; it took her about 20 years to write it. She came from the United Kingdom to get away from the bombing in London, and to bring her grandmother out here to be with Teddy Brooker, her son, who was premier for about three months. It is interesting to learn what it was like to be in London at the time. There are parallels in a sense, in the restrictions on life for all Tasmanians during COVID-19. However, we are not out of the woods yet. We have seen what second waves of COVID-19 have done in other places; our borders are open now to those places that are on top of controlling the virus. It only takes one or two cases and then we can be back where we started - look at Adelaide - and the cost of that is huge. I will get to that later.

The cooperation of the community, just as it was in World War II is important for the safety of us all. Always remember what you do today is not only good for you, but it is also good for the wider community in terms of social distancing. The old sanitiser, no doubt, and we could be back to face masks if we get outbreaks, so we need to be diligent and vigilant.

None of us in this Chamber has experienced such a circumstance before; others in the community who are old enough may remember the Spanish flu pandemic. For example, there is a person over 100 who recalls the days of the Spanish flu pandemic, as reported in the *Mercury* - it is quite amazing to think this person had been through two such events. None of us has experienced such a pandemic before. It was never going to be pretty. It has been devastating to people's lives and their plans. As has already been mentioned, sadly, it has taken the lives of 13 Tasmanians; again, I offer my condolences to their families as they face Christmas without their loved ones as a result of this pandemic.

Many people - about 19 000 - have lost their jobs. Two-thirds have regained them, but are those who were full-time still full-time or has that changed? It looks good to say two-thirds of the people have their jobs back, but maybe they are in a circumstance where they do not have their full-time job back and are still on their straps and relying on government assistance.

Everyone has been forced to rethink what is important in life and we have all learnt as the Premier says in his speech, 'Tasmanians have demonstrated compassion, courage, great resilience and ingenuity'.

That is so true. We all experienced the coming together of the community during this terrible time. We did it the other day, and I will reiterate that by thanking the doctors, nurses, garbos, supermarket workers and government service providers - they have kept us alive and kept us functioning as a society and need recognition. We are better for it though - it pulled us all back to a bit of reality. It was a real reality check for us as to what we see is important in life, as the member for Nelson spoke about - in that rethinking, in that jar, we received a jolt. Looking at things in a different way is important. Let us not lose that opportunity; it could be soon that this is an opportunity lost. I will come to that later.

The Premier says we must continue to manage the risk, and indeed we must. A second wave is not something we want to see. How we behave will determine our future as a state. It is literally in our hands - the old sanitiser - it is in our hands.

As far as the health response is concerned, our budget is in a pretty bad state now, but if we have another wave of COVID-19, it is goodbye to another \$500 million to \$600 million. That is what we are told. That is the extra money that will be required according to the Premier's speech. He says our response must be 'proportionate and strategic'.

This is an opportunity to focus our spending. Providing for infrastructure, yes, it stimulates certain sectors, but I think it was the member for Murchison who pointed it out, only 50 per cent of it has been spent. So, we can provide all this infrastructure money, but if only 50 percent is spent, maybe a rethink is required as to what is best. What is the best way forward? Ongoing support for Tasmanians is important.

The Government entered the COVID-19 pandemic from a position of strength, and the Premier says 'no net debt'. I immediately think, after being here for a few years and listening to people's budget speeches and listening to the queries about what money has actually moved overnight on 30 June. Is that the case? Was it no net debt, or has it been a little manufactured? We will all get the opportunity to be able to dig down into that during our Estimates process.

It is always an interesting process. You learn so much. The only problem is you do not know what you do not learn. We all would like to think we are getting the full information, but I am sure we do not. It must be horrendous for those officers - those public servants who are sitting behind ministers - having to try to get that information we are seeking. I was talking to one the other day. They put in so much work and effort in this Estimates process, and then one of our members will come out with a question that they just had not foreseen, and they are scrambling for information. I pity them in some ways, or take my hat off to them, I suppose, for their resilience.

Mrs Hiscutt - I am glad the member recognises the work that goes on behind the scenes.

Mr VALENTINE - I think everyone recognises how much work there is in it.

The important thing is that we get full information. That is the important thing. I am not pointing at this Government or any other government. Whatever government is in power, or is in that position, they need to understand that transparency is important. We know that has been brought up, in more recent times when it comes to right to information requests and all of those sorts of things.

That \$1 billion - the largest economic support package per head of population, the Premier tells us. During this COVID-19 pandemic we have seen the community out there helping themselves too, helping others to get through this. I do not think I have ever spent as much as I have over the last three months in restaurants and cafes around Hobart, out there, trying to do my own bit. You just get out there, and you do your best to support those areas that are needed. If a cafe has to try to survive, you get there and you buy your coffee at the cafe rather than making it at home. You go and have breakfast out, instead of making it at home, if you can afford to do it. Not everybody can afford to do it, but it just one of those things. The community stepped up. Look at the Facebook pages, and the initiatives that have been taken by people in the street trying to do their bit.

The \$1 billion the Government has put in has been so well supported by the community as well. Who knows the true value of the amount of money that has been spent to keep this state afloat? We have seen, in the Budget, \$4.3 million for emergency accommodation and homelessness services. Well, I tell you what, if ever it was needed, it is now, as people would have struggled significantly to keep themselves going. I am sure we do not know the true statistics on people who lost accommodation or found themselves in a spot mentally where they simply were not able to cope and found themselves on the street.

It has been so important to see support coming through from our City Missions, the Salvos and all of those street-to-home programs. I thank the Government for putting a little more into the mix there, including -

- \$5 million for community organisations for vulnerable Tasmanians. I am sure a lot of those organisations are finding themselves stretched to provide the support that is needed.
- \$2.5 million for child safety and wellbeing. Stresses bring out the worst in people sometimes and that comes down to family violence. We know that is something that has occurred.
- An extra \$2.7 million for family violence is probably not nearly enough to address that, but at least there is \$2.7 million there. They are all most important after this most difficult of times.
- Grants for health workers if they needed to self-isolate away from home. People on the front line who are working with those who have the virus. It is so important that their needs are met. It is good to see that happening.
- \$3 million support for temporary visa holders. That is essential compassion. How would you feel if you were in a foreign country and all of a sudden this virus hits? Your job has gone, you have no way of supporting yourself. You cannot travel back home because of the virus. You would be in such a lonely space without some form of support. I think that showed real compassion, to support temporary visa holders. It was such a great thing to see.

There has been a slew of assistance provided to businesses. If we go to page 2 of the Premier's speech, you will see a lot of support there - frozen, waived and capped government fees and charges for businesses; electricity bill relief for more than 20 000 businesses; waived payroll tax for the entire 2019-20 financial year for over 440 businesses in the hospitality, tourism and fishery sectors, which were the most hardest hit, and for businesses with wages less than \$5 million; delivered business support grants totalling \$80 million; waived rent on government leases; billions provided in low-interest loans; and land tax relief provided for affected businesses for 2020-21.

That is a lot of support for businesses. We know that if we do not have businesses, we do not get employment and it is felt all the way down the line, and so it is fair that indeed the Government has provided that level of support.

Then we come to the arts. Many of us found it great to be able to go online and get a taste of the arts when the lockdowns were happening, and yet, as a sector, it could be stated that the arts was getting very little support. It is good to see that the arts has some support in this Budget. I do not know how many are in the arts sector here in Tasmania - I am led to believe there are about 200 000 across Australia and 3 per cent of that would be about 6600 - but it is a lot of people. The Government has put out a budget that recognises some of the support. I will read from one of the press releases here, 2020-21 Budget: Building on Tasmania's cultural and creative sector', and this is by Elise Archer, the Minister for the Arts -

The Tasmanian Government has a Plan to rebuild a stronger Tasmania and part of this includes a strong and vibrant cultural and creative industry.

The 2020-21 State Budget builds on the sector's significant momentum of recent years, as well as investing for further growth.

She says -

Today I can announce an additional \$4 million in the 2020-21 State Budget to support the arts.

A sum of \$2.5 million of that is over two years for an arts and cultural support fund including a million for grants to support performers and artists to bounce back and \$1.5 million to support the arts and culture sector to produce new work. There is a little bit of paraphrasing there rather than direct quoting but it is good to see that. The minister then goes on to talk about a further \$500 000 over two years will be additionally provided to Screen Tasmania's Screen Innovation Fund -

The Screen Innovation Fund was established by our Government in 2018 to drive the production of strategically important film and television projects in Tasmania by leveraging investment from outside the state. Screen Production creates local jobs and drives expenditure in hospitality, tourism, skilled crew and creatives, whilst delivering content to be sold and shown around the world.

I know there are some other initiatives that will help some, but it will not help all. You only have to go to the markets in Tasmania at any time and you will see that many people are doing a lot of things to brighten the day of other people in lots of ways. It might earn them some money. It might not be a major income stream for them and so, therefore, one could say that maybe that is not something that needs to be supported but from a mental health perspective the arts is really important for our state. It gives us entertainment, it stretches our thinking, it provides community glue and cohesion, and we must not forget that.

Ms Rattray - They are very talented people.

Mr VALENTINE - There is no question about that, either. They certainly are very talented -

Ms Rattray - No matter what field they excel in.

Mr VALENTINE - That is right. I agree with that wholeheartedly.

One thing I seem to have skipped over is that the Government is paying some attention to mental health. This whole circumstance has brought out the need for people to have access to services to help them through these tough times. In 'Delivering Statewide' documents, one of the Budget Papers, the Government points to \$4.1 million for mental health integration and reform. This is really important. I go back to the acute health services inquiry the member for Murchison, myself and the member for Rosevears -

Ms Rattray - The former member for Rosevears.

Mr VALENTINE - the former member for Rosevears was on. That was a very interesting dive into acute health services in this state. In the second interim report we provided, we made some recommendations -

6. The Government continue to work with the Australian Government to ensure there is adequate investment in mental health services within the community, in step-up and step-down facilities and in acute mental health services.
7. The Government continue to critically review mental health patient access and care models for patients requiring acute mental health care.

This morning when I went to a men's breakfast, we were hearing from Mitch McPherson of SPEAK UP! Stay ChatTY and he has talking about the fact that when people are in a state where they are feeling fragile mentally the last place they really want to turn up to is an emergency department of the Royal Hobart Hospital where everything else is going on around them and here they are in a state of not being able to cope, and they are expected to communicate that to the person behind the desk. That would be the hardest thing for a start. Far better to be able to go somewhere else and to go through the door and find somebody there who understands the basic circumstances in terms of wanting mental health support.

I turn to page 11 of the Premier's speech in that regard because he says he is -

pleased to confirm that more than \$8.1 million is provided over two years to implement phase one of the Child and Adolescent Mental Health Services review recommendations and continue the Tasmanian Mental Health Reform Program initiatives.

Thank goodness that there is that money being spent. During the inquiry we heard that there was no mother and baby unit. People that might be suffering postnatal depression or however it is termed these days - the honourable doctor over there might be able to tell me the latest terminology, but there is no bed in the north-west or the north of the state for somebody in that circumstance so they are forced to go south to St Helens Hospital and there is a unit there. While it is a private hospital, it is publicly available apparently. They have to go away from their networks of support with their child to have access to the services they need. That is not good enough.

Mental health services for adolescents are so important at that time in their life. Another thing Mitch McPherson brought out this morning was dealing with young people taking their lives. If they can get the right service at the right time and help them focus, it can mean all the difference. Knowing, for instance, what their aim is in life. Having something to aim for is so

important. It is important that whatever the Government does in a budget, that it supports those really essential services. When you look at the money side of it, it is an extra kilometre of road; the amount of money spent on infrastructure compared to what is needed. I understand we are talking about recurrent expenditure and it is not always easy to find the money. The Premier's speech mentioned land tax support for commercial people. I believe it is causing a lot of angst. Everybody is complaining. A couple who came to see me were very concerned about the land tax situation. They were self-funded retirees, and they have a house they are renting out. When local government sets its rate, for the most part it does so on assessed annual value and the assessed annual value of property is what you can rent it for the year. That is the assessed annual value of a property. If a council has a budget of \$100 million to find, it cannot take more than \$100 million so they strike a rate of so many cents in the dollar of assessed annual value to meet whatever their budget requirement is. The budget requirement has to be stated, of course, so it is not all secret information - it is in the paper.

However, local government does not gain a windfall; as soon as the value of the property rises, it has to reassess the cents in the dollar required to give them the \$100 million they have budgeted for. I am putting it in simplistic terms, because there are different rates for different things, but that is what occurs - there is no windfall at all for local government when your property value rises. By law, they can only charge to meet their budget need. Clearly, that is not the way it is with land tax. It is the aggregation aspect of land tax. I was speaking with the member for Nelson recently, to the effect that if people have multiple properties and they are obtaining an income from those properties, it is fair enough to tax them. I can appreciate that point of view - except there is the issue of how land tax is sorted in Tasmania and the thresholds.

The reason people are screaming is because the value of their land has gone above the next step. I will read an extract from some figures we put together. With a land value of \$25 000, you pay \$50 land tax in Tasmania. Nowhere else in Australia has land tax on a \$25 000 property. A land value of \$100 000 in Tasmania incurs \$462.50 land tax, but nowhere else in Australia has land tax for \$100 000 land. For land value of \$200 000 in Tasmania, you pay \$1012.50 in land tax - again, nowhere else in Australia has land tax on a property of that value. For land value of \$300 000, you pay \$1562.50 land tax in Tasmania. In Victoria, for the same land value the land tax is \$375.00. In all the other states there is no land tax. Land value of \$500 000 incurs land tax of \$4087.50 compared to \$775.00 in Victoria. New South Wales and Queensland would be zero; South Australia would be \$250; and Western Australian metro would be \$780. On \$750 000 in land value, in Tasmania land tax would be \$7837.50, whereas in Victoria for the same land value the tax would be \$1725 -

Ms Rattray - I think it is lucky we are sitting down.

Mr VALENTINE - New South Wales would be \$356; Queensland would be \$2000; South Australia would be \$1702.50; and in Western Australian metro, land tax would be \$1755. As you can see, it is unbalanced. That is not to do with the aggregation side of it, which is that if you own two properties you actually pay more land tax on both properties, if they are land taxable. A person from the mainland could buy a Tasmanian property; if a Tasmanian person then wanted to buy that same property but already owned two properties here, they would pay more land tax than the person from the mainland because it is the mainlander's first property in Tasmania. That is called aggregation - the more properties you own, the more you pay. That was the conversation I recently had with the member for Nelson.

Ms Rattray - It is referred to as a wealth tax.

Mr VALENTINE - That could be considered reasonable because you have the capacity to pay. However, when it comes to this sort of land tax and the stepped arrangement, we really need to look at indexing it. I believe Government seriously needs to look at indexing land tax, not having this stepped approach. We know the Government has its revenue sources, and is struggling. Everybody knows that - but we members are here for the community. For example, a bus driver might have a family shack because it was handed down through the years, and all the family uses the place. All of a sudden, land tax goes from \$400 up to, say, \$1200 .

That is a lot of money for a person like that to find. Bang goes the lifestyle.

Now, you might say there are a lot of people in Tasmania who do not have the ability to go to a shack; many people go to caravan parks, for example, to get away. However, we have to look at how we are affecting the Tasmanian lifestyle with the land tax arrangements as they are. I had a meeting with a couple who told me their land tax increased by 25 per cent last year, but this year's land tax was a very nasty surprise, being 46 per cent higher than the previous year. It is a three-tier tax, with the third level being exceedingly regressive.

By the Government's own admission, the tax table has not been indexed for 10 years. Ten years ago the highest level of land tax would only have applied to extremely wealthy property owners with large numbers of properties, and/or expensive CBD commercial properties. Not everyday people like us. The Premier's response was to state that the rate of land tax had not increased. He thought this was disingenuous, and we should be grateful the value of properties has increased, and praise the robust state of Tasmania's economy. That attitude is both extremely arrogant and shows total indifference to the challenges faced by residential landlords that is totally caused by this Government and its poor legislation.

Subsequent to the latest legislation being introduced, the Government has since waived land tax for commercial landlords for the entire year. Nothing for residential landlords. You can understand why they are aggrieved, because they cannot increase their rents to pay for this land tax that has gone up. They are not getting relief in that sense. It is worth noting that subsequent to the latest legislation being introduced, the Government has since waived land tax for commercial landholders for the entire year, nothing for residential landlords. I believe if you approach the State Revenue Office, they will happily allow you to defer payment of land tax at the princely sum of 8.1 per cent interest.

That is 8.1 per cent. What is the going rate from the Reserve Bank now? It is 0.2 per cent! That is a rip off. It is worth noting this is on a tax that was supposed to be abolished this year. They were very upset. I have made the point and do implore the Government - Leader, if you can do anything to get them to look at that table and understand where they sit in relation to every other state. Yes, it is little old Tasmania and Victoria has higher levels of values, but the indexation of it is really important. Think about the local government model. Somehow there has to be some stricture around it, otherwise there are going to be a lot of Tasmanians such as self-funded retirees missing out. There is no question about that because they cannot lift their rent if they are renting a property and that might be their only income.

Ms Rattray - Those property owners may well choose to leave the rental market and then that puts more pressure on having rental properties available for people.

Mr VALENTINE - It is a wicked problem for government because they have to find money and that is not easy. Clearly, they have not been able to find enough money and that is why they are borrowing. The future is not looking fantastic either for GST receipts. I have already mentioned employment with 19 100 who lost their jobs. Two-thirds have returned and whether or not they were full-time previously, have they a full-time job back? I do not know, but it might be an indicator as to how hard some people are finding it.

Apparently, activity in the June quarter was still 20 per cent higher than the decade average. Apparently, the best performing economy in the nation. That is a good outcome but it is only good if the community as a whole is surviving. I take that point from the member for Nelson. Equipment investment is up 15.2 per cent on the decade average. It will be interesting to see what was up - what type of equipment. I know one place that has a new coffee machine because of the lockdown. It is a place I wake up in every morning. I am forced to make a coffee for my wife before she goes off to work.

Ms Rattray - I still boil the kettle at my place.

Mr VALENTINE - Yes, this thing boils it, grinds the coffee and tamps it down. It does all sorts of things. It is the most automatic manual machine you will find. I can tell you all about it if you want to know about it.

Mr PRESIDENT - You have already done one ad so far in your contribution. I do not know if we can stretch to two.

Mr VALENTINE - Retail is 14.1 per cent higher than last year. That is interesting. I wonder in those retail figures if they are capturing what has been sold on the internet. Is it captured in the 14.1 per cent? People sit on the couch internet surfing and next minute see a box turn up at your doorstep from a courier.

Mr PRESIDENT - I have seen it happen here.

Mr VALENTINE - Yes, and I am sure Australia Post is doing very well, thank you very much. The Premier talks about a glide path approach to carefully and sensibly ease our way back to business. Businesses are so resilient that they do need lead time and as much certainty as they can have. Even more so at this critical time, and in a way, they are relying on us to do the right thing because of the possibility of a second COVID-19 wave.

Support will continue this year and next, the Premier says. Well, thank goodness for that. But looking at the Budget impact - we talked about the GST receipts being \$347 million lower. The national pool is \$25.4 billion over the next four years.

The Premier says the impact has been mitigated by our own source revenues. That is the wicked problem - land tax.

Mr Dean - Maybe it is time to increase the GST amount.

Mr VALENTINE - Yes, but is it? Think how that might bite the person in the street who does not have anything at the moment.

It could be regressive. It would be an interesting debate, member for Windermere.

He is talking about his own source revenues. These are expected to be broadly similar with previous forecasts of strong growth expected over the forward Estimates period.

It is, if we can keep a little invisible COVID-19 virus away and the cost of servicing our very significant debt does not overtly rise. Imagine a big jump there and its impact on the state Budget. Bit like a shacky paying \$450 and now having to pay \$1000, as I have mentioned.

Quite a number of those people on wages with shacks simply do not have that sort of money and will end up either having to sell the place or pool their resources. You might say well, that is a fair thing to do, if everyone is on their straps. Anyway, I will have my say on that in a bit.

We have a deficit this year of \$1.1 billion; next year, it will be \$281 million - back in the black by 2022-23 is the hope. In 2021 net debt is estimated to be \$1.854 billion, going up to \$4.38 billion in four years. These are not small numbers.

I want to turn to another document and go through a bit of that.

The trend of increasing infrastructure expenditure is impacting directly on Tasmania's net debt position. There is a \$2.1 billion turnaround in the net debt position between the 2017-18 budget. If you get 2017-18 budget papers and this year's papers, there is a turnaround of \$2194.4 million in the net debt position between those years. So, between 2017-18 and 2020-21 - adding to this turnaround in Tasmania's net debt is a further increase of roughly \$2.5 billion over the remaining three years of the forward Estimates.

It is interesting to look at that as this change in net debt is largely due to the expanded infrastructure program initiated in the 2018-19 Budget, which has accelerated since that time.

Given such rapid expansion in infrastructure projects, has there been a sound assessment of the viability of the many new projects being placed on the agenda? That is a question that could be asked.

When comparing figures over the four budget cycles, there have been dramatic increases proposed in the out years when compared to the out year estimates of previous years.

I get a little bit of an analysis done each year, so I am reading some of the stuff we have found. For example, the Department of State Growth allocation for 2020-21 has grown by 28 per cent since last year; Health by nearly 80 per cent; Housing by 96 per cent; and Education by 30 per cent.

Given these dramatic increases, it must be asked how such a need has arisen in such a short time frame.

Have either past budgets been hiding the need for investment or is excessive investment being undertaken in the hope of giving the economy a needed injection? I suspect it is that.

Second, what is the capacity of both the public and private sector contractors to ramp up their capabilities and skills to make sure these record levels of investments are efficiently implemented? You have to ask yourself that question, when only 50 per cent of the money gets spent.

Project management skills and effective -

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

QUESTIONS

Northern Tasmanian Netball Association - Investigation and Support

Ms LOVELL to MINISTER FOR SPORT AND RECREATION, Ms HOWLETT

Since the allegations of horrific crimes perpetrated by a former Launceston nurse, James Griffin, first came to light, it has been established he also had a long affiliation with the Northern Tasmanian Netball Association with frequent direct contact with children. You have confirmed your office has had contact with members of this sporting group.

- (1) What was the nature of that contact and specifically, what support has been offered to families, children, staff, and volunteers?
- (2) What investigations have been carried out in relation to James Griffin's contact with the NTNA?

ANSWER

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

(1) and (2)

I am really concerned Mr Griffin was associated with the Northern Tasmanian Netball Association. I have since spoken to the NTNA and offered the Government's continued support. Last month my colleague, the Minister for Health, who instigated the independent investigation and who is the member for Bass, reached out to the chair of the NTNA. I have also spoken to the chair and offered my support to the association. I am advised the association has been extremely proactive with its clubs in offering support and that has been very welcomed.

I acknowledge this has been and continues to be a very difficult time for many in our community and as a government we are committed to supporting anybody who has been affected by these very serious allegations and rightly so. The whole community is appalled. While the criminal investigation into Mr Griffin cannot be added to or pursued through the courts, the matter is not closed as it continues to be the subject of the independent investigation by Ms Maree Norton. We must ensure this never ever happens again and safeguards are put in place to minimise any risk.

Northern Tasmanian Netball Association - Police Investigation

Ms LOVELL to MINISTER FOR SPORT AND RECREATION, Ms HOWLETT

Can the minister confirm if there is an ongoing police investigation into Mr Griffin's affiliation with the NTNA and what is the nature of that investigation?

ANSWER

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

This matter was the subject of a police investigation, not an ongoing one. The matter is now the subject of an independent investigation. Tasmania Police has advised it encourages anyone with information regarding criminal activity, regardless of whether the offender is alive or not, to contact the police who will assess the information and, where appropriate, investigate.

Northern Tasmanian Netball Association - Contact

Ms LOVELL to MINISTER FOR SPORT AND RECREATION, Ms HOWLETT

My question is again to the Minister for Sport and Recreation. Can the minister please confirm on what date you or your office made contact with the NTNA?

ANSWER

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

Because this is such a serious matter, I will need to go through my diary and take that on notice and come back with an exact date for you.

Northern Tasmanian Netball Association - Action

Mr WILLIE to MINISTER FOR SPORT AND RECREATION, Ms HOWLETT

In light of the very serious matter concerning James Griffin and his involvement with the NTNA, what actions have you taken to review child safety measures in Tasmania's sporting organisations?

ANSWER

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

I will need to seek leave to answer that question to see what other departments are doing. As I have said, I have reached out to the NTFA today to make sure that they are receiving enough support, and have offered additional support.

Tasmanian Sporting Organisations - Child Safety Measures

Supplementary Question

Mr WILLIE to MINISTER for SPORT AND RECREATION, Ms HOWLETT

[2.35 p.m.]

My question is specifically related to the Minister for Sport and Recreation. What actions have you taken as the minister to review child safety measures in Tasmanian sporting organisations in light of the very serious matters surrounding James Griffin?

ANSWER

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

This is a really serious allegation and something that I and my department will need to look at, including what steps we can put in place moving forward to ensure this never happens again.

Royal Hobart Hospital Redevelopment - Contamination

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

[2.36 p.m.]

Mr President, I ask this question again because I was not satisfied with the previous answer; with respect to the Leader, I believe there is further information -

Regarding the nearly \$700 million redevelopment of the Royal Hobart Hospital, can the Leader please provide definitive information as to any outstanding performance issues including, but not limited to, the water supply, including any levels of contamination, either by heavy metals or otherwise; the number of water tests undertaken since handover; and a summary of results recorded?

ANSWER

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

This is an answer to a question that the member has asked before so I will not read the whole lot, just the extra bit, which pertains to Part 1(a).

Since practical completion and handover occurred, monthly testing of water fittings has continued across K Block. The monthly testing involves testing a minimum of 40 samples from at least 20 fixtures across K Block, targeting taps previously identified as returning noncompliant results.

In addition to the monthly testing, in July 2020 alone, approximately 1100 water sampling tests were conducted, with water sampling to continue for 12 months.

Royal Hobart Hospital Redevelopment - Contamination

Supplementary Question

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

[2.38 p.m.]

That is all very interesting, but we do not have any results. Do we know what sorts of results are being received? That is the nub of the question. Any levels of contamination heavy metals or otherwise; the number of water tests, you have given me, that is fine, since handover; and a summary of the results recorded. There is no summary. Am I to expect a summary at some point in time?

Mrs Hiscutt - While the member is on his feet, yes, I will resubmit that for results.

APPROPRIATION BILL (No. 1) 2020 (No. 46)

APPROPRIATION BILL (No. 2) 2020 (No. 47)

Note Papers - Budget Papers 2020-21

Resumed from above.

[2.39 p.m.]

Mr VALENTINE (Hobart) - Mr President, I was on my feet talking about the capacity for public sector and private sector contractors to ramp up their capabilities and skills to make sure that these record levels of investment are efficiently implemented. Project management skills and effective contract supervision skills become essential in these circumstances. In fact, we just had a bit of a briefing with the Auditor-General, not specifically with infrastructure per se, but in relation to roads.

Underlying this concern is the shortfall between the 2019-20 budget for infrastructure expenditure and the actual level of expenditure undertaken with only 50 per cent of the budget spent - I mentioned that earlier. The Department of State Growth could only manage to spend 84.3 per cent of its 2019-20 infrastructure budget. Communities spent 90 per cent; Education, 80 per cent; and Health, only 51 per cent. You can see it is an issue. It is all very well to put infrastructure projects into the mix when it comes to a budget, and it is significant money, but to see projects come to fruition is another matter. I know COVID-19 caused problems and is probably a significant factor; I have not done an analysis. However, the point is that for 2021, the infrastructure spend is up by 50 per cent on what was budgeted in last year's forward Estimates. There is no clear pathway identified in Budget Paper No. 1 to support such an increase, especially when the actual spend for 2019-20 is considered.

In the context of getting the Tasmanian economy moving as part of the COVID-19 recovery process, is even more infrastructure expenditure the best use of debt funding by the Government? There is considerable evidence that past efforts at infrastructure investment are simply not delivered. We must question how it can deliver over the coming years, given the

magnitude of the spend proposed over the forward Estimates. Simply pouring more resources into the same old approach is unlikely to deliver different outcomes. Instead of a small proportion of the infrastructure spend being directed to preventative programs, programs of significant size and capacity could be put in place if a greater proportion of the new infrastructure spend identified in the 2021 budget was released into recurrent preventative programs. We always have this problem.

Preventative programs are really important. The trouble with them is that they take years to actually show results. However, if we do not start down that path, we are never going to see preventative programs put into place. There is ample evidence to show that preventative programs work across a wide range of areas if they are sufficiently resourced. The problem in the past has been finding the right quantum of funding on a recurrent basis to support such programs. With the level of infrastructure expenditure being proposed and the level of debt which is now considered sustainable, there is no excuse to not invest in such programs. Infrastructure spends usually end up fighting today's fires, rather than looking at how we can step ahead of the problems and deliver more sustainable community and economic outcomes.

I appreciate the problems arising from COVID-19, but, as I said, if we do not make a start we will never see some good progress made by good preventative programs being put in place. If the infrastructure proposals from last year were appropriate to meet the emerging needs of Tasmania, it is unlikely that all the additional funding proposed as part of the COVID-19 recovery is actually needed for infrastructure. There really is a clear opportunity to rethink how we do things and start down a path of preventative programs across each of the infrastructure areas and deliver benefits across society.

I realise the Government believes that providing infrastructure projects stimulates the economy, but if 50 per cent is not going to be spent, is it a form of rolling money over to the following year? Or being somewhat cynical, is it because reannouncements are provided for? I do not know. Perhaps some of these sorts of things could be considered - looking at ways of reducing incarceration rates and reducing the need for prisons and detention facilities. I know that we are going to hear from Greg Barns, per kind favour of the member for McIntyre, at a briefing, as to a different way forward. It will be interesting to see what Mr Barns has to offer in that space. We could look at how we can better utilise our roads and encourage transit use. Studies show that with care transit use has not been a source of COVID-19 infection. We could embark on programs to improve nutrition and activity, reducing the call on acute care resources. After all, we need to try our best to keep people out of hospital. That is such an expense to us and they are under such pressure. If we start looking at some of the preventative programs, going forward we could see some benefit as a state. We could support increased uptake of energy efficiency, insulation, understanding energy use, solar panels, battery backup, local area grids and transfers, and housing design for passive solar by lower income households and renters to help them get on in life.

Putting money into roads and bridges can facilitate regions to improve traffic flow. However, what does it do for the person who is paying electricity bills because their house is not properly insulated and they have no capacity to make that happen themselves? Making more digital capacity available for them to do certain things online and reduce the need for travel could also improve their lot.

We could look at how we can leverage more housing funds to give people better opportunities - the member for Nelson was saying this, I think, in her offering - to own their

own home and not be dependent upon social housing. That reduces the maintenance costs for government and non-government housing providers.

We could look at applying more cost-effective social housing models to government funding and building. We could offer more support to community sector organisations to help them deliver a wide range of programs and support of the Government's goals. We could stimulate the economy through a more significant injection of funds towards emerging industries - even building electric cars.

Ms Forrest - I suggested that in my contribution.

Mr VALENTINE - Great minds think alike. That is all I can say, member for Murchison. I obviously missed that bit.

Ms Forrest - You weren't listening.

Mr VALENTINE - I was listening but I was probably writing my own speech at the time. Here we are as a state putting world-class catamarans together, building world-class equipment for the Antarctic. Other nations are coming to us for that expertise, certainly in the past. I think it is still happening today in Murchison?

Ms Forrest - Yes. That is what I was saying. Epiroc has put together electric underground mining equipment.

Mr VALENTINE - That is right. There is also Elphinstone Engineering on the east coast. I know they manufacture log jiggers and similar equipment, but they are also building things for the Antarctic. We have the smarts. We need to look at what we might be able to develop that is world-leading and where people are coming to us for the expertise and we are producing a product that everyone else wants in this day and age.

The old adage was 'clean, green and clever', well, the clever component I think is here too and we need to capitalise on the intelligence we have in our organisations and our university, CSIRO and IMAS - they are right at the top of their game. We ought to do what we can to promote manufacturing in that regard, using our cheap electricity and seeing it stay in the state rather than it going out of the state. There is a real opportunity there. We could fund a broader range of skills in emerging sectors such as personal care, robotics, advanced manufacture and design, recycling, environmental management and entrepreneurship in addition to the traditional vocational training activities.

We could look at how we can pay farmers and other landholders for the important environmental services they provide, such as clean water and greenhouse abatement to encourage changes in land use practises. We could invest in better planning within our urban areas to create 15-minute cities across Tasmania, which reduce the need for a wide range of services and we could better support the creation of small business across the community.

You could call it a preventative fund. Rather than putting everything into infrastructure funding, let us be a little cleverer at the way we think about things. Look what Norway has done with a future fund or some such thing. They have significant oil resources - while that is not necessarily something smiled upon during the climate change year we are in. They have

put a huge amount of money aside from the sale of those sorts of resources and put it into a future fund which has put them in a particularly good position.

We have all of this capacity to generate electricity and ought to be doing what we can to capitalise on it for the state, not just private enterprise who might see an opportunity. I am not saying that should not happen but the focus needs to be more on what is good for the state.

We can capitalise on our all-electric, sustainable power generation to, for instance, be a leading light in developing climate change focus initiatives. Look at clever ways of exporting our performing arts - the Terrapin Puppet Theatre, Kickstart Arts initiatives. I am sure there are examples all around this state and opportunities to be able to promote that side of our island life.

Build our reputation in the caring community initiatives. There is no question COVID-19 has taught us the value of this sector. It is time to think more effectively about the different paradigms of how we might manage things.

Looking at the superannuation expense in Table A1.1. I have done analysis going back to the budget papers of these particular years 2016-17, 2017-18, 2018-19, 2019-20 et cetera right up to 2023-24.

That line item on page 137 in Budget Paper No. 1 on superannuation just gives this year's circumstance and the forward Estimates. The quantum of the expense has risen significantly over the last four budget cycles in both dollar and percentage terms.

Since the 2017-18 budget, the budget out-years have increasingly underestimated the projected superannuation expense and the expense has increased for 2020-21 from over 4.51 per cent of total expenses in 2017-18 to just under 5 per cent of total expenses in the 2020-21 Budget.

This has occurred even though budgeted total expenses for 2020-21 have increased by over 25 per cent over the four budget cycles. The increase in the superannuation expense is to be expected as the number of superannuants supported by the scheme gradually reaches the maximum. This is probably the baby boomer generation, or the baby boomer bubble as it is called in defined benefit schemes.

This expense is expected to peak in the early 2030s. After this time, members leaving the scheme as a result of death will gradually offset new retirees as payments to the spouses of those people that pass on, reduce the outgoings, because that is the way it works.

Ms Forrest - That's why it's got a long tail.

Mr VALENTINE - If you are on a defined benefits scheme you are paid two-thirds of your salary, or thereabouts, when you retire. When you die, your spouse, if they are nominated, gets two-thirds of that.

It is not only the person who has built the superannuation up through the defined benefits scheme, it is their spouse as well. It takes a long time to work that down. It is quite interesting. Superannuation expenses are rising faster than total expenses, so we have to be a cautious about that.

In, for instance, 2020-21 - back in 2017-18, compared to the one that is in the Budget Papers now, the total expenses are 25 per cent more than predicted in 2017-18. The superannuation itself, what is actually paid into the scheme by government departments, is 37 per cent more than predicted in 2017-18.

There are some significant differences there. With respect to total expenses, that is 7 per cent above the estimate predicted in 2017-18. The superannuation payments are 13 per cent above what was estimated.

So, anything the Government notionally puts aside, if you like, in its budgeting, is proving not to be enough. That is of a concern.

Over the past four budget cycles, the expected total cashflow of payments over this period has declined from \$19.8 billion to \$17.5 billion. Similarly, the estimate of the residual payments to be made under the scheme up to 2070 have declined from \$233 million to \$85.4 million.

Over time it is improving, in terms of the total circumstance. The reason for this continuing or greater increase is of concern, as I have said Superannuation expenses and the actual superannuation pay. Total superannuation expenses versus that.

It is not clear why the expense should be growing so rapidly, given this information. In addition, the scheme has been closed to new members for many years; CPI adjustments to pensions are low, due to low inflation; and wages growth is low, reducing the expected payments to new retirees.

Information in this year's Budget shows the superannuation expense reaching a peak of 5.51 percent of total expenses, or \$390.7 million in 2021-22.

This trend in the expense is worrying because it has not been picked up over the past three budget cycles, which showed the expense remaining relatively static at around 4.7 to 4.8 percent of total expenses for the budget year, and around 4.5 to 4.7 percent in the out-years.

What is causing this? Is it people taking retirement through voluntary redundancies, perhaps, and are now transferring to superannuation payments? Some questions to ask during Estimates on that, and I am sure we will get the opportunity to do that.

I have a table here that shows the superannuation liability for Tasmania in relation to total government liabilities, that I have had produced in this analysis. The superannuation, as a percentage of total liabilities, in fact is on a downward trend. If we looked at the 2017-18 budget, superannuation, as a percentage of total liabilities for 2020-21, was 76.56 percent.

In the following year's budget papers, it was 75.98 per cent; then in the 2019-20 budget papers, it was 70.18 per cent so it is on a downward trend. This year, the estimate for 2022-23 is 67.57 per cent and going all the way down to 61.09 per cent for 2023-24 in this year's Budget Papers. That is actually on a downward trend, as you would expect and hope, because as we go further and further into the broader scheme of things, obviously that huge debt - notional

debt, if I could call it that - gradually is reducing over time as people pass away. I suppose there is no other way of putting it.

Ms Forrest - No longer drawing down on the fund.

Mr VALENTINE - That is right. The significance of this liability in past budget years is perhaps more to do with the low levels of debt held by the Tasmanian Government. In the 2017-18 and 2018-19 budgets, superannuation liabilities showed a similar pattern to the superannuation expense - a steady but declining value. However, the change highlighted in the 2019-20 budget has strengthened significantly in the 2020-21 Budget.

This change, the impact of additional borrowings by government, a trend started in 2019-20 and then built upon significantly due to the COVID-19 recovery efforts introduced this year, has suppressed the impact of the superannuation liability significantly as a percentage of total liabilities. This has occurred even though the discount rate - so the discount rate basically is the cost of money to government. It is the liability that ends up in the balance sheet. This has occurred even though the discount rate used in determining the superannuation liability has been markedly reduced from 4.5 per cent last year down to just 1 per cent this year. The member for Murchison mentioned this in her offering as well. This has resulted in the liability increasing from a projected \$7.07 billion in 2020-21, in last year's budget, to nearly \$11.5 billion in this year's Budget and, as a percentage of total liability - believe it or not, it has actually gone down because we have borrowed so much and that means the liability has gone up but, as a percentage of liability, superannuation has actually gone down.

The superannuation liability is becoming less of an issue as the Government takes on an increasing debt burden, as I have just said, first as a response to its infrastructure spending from the 2019-20 budget and now from its COVID-19 recovery efforts. However, the superannuation expense indicates a worrying trend and it is not clear what is driving this increasing expense, given that the undiscounted defined benefit obligations have reduced considerably over the last four budget cycles.

Perhaps it is the quantum of the numbers associated with superannuation that attracts attention at budget time. The strength of the management of this well-recognised risk is less obvious and often overlooked, especially the impact of policies surrounding the discount rate used in determining the liability. On the balance of the information provided, superannuation is being effectively controlled within the context of the total budget, but there is an emerging need to better understand how agencies are determining their year-to-year superannuation expense.

Though superannuation has increased, other liabilities have increased and even passed the rate so in percentage terms it is less with regard to total liability, as I said. If interest rates go up, the superannuation liability will decline because the discount rate will be higher. However, with a rise in interest rates, when that comes, the reduction of investment in infrastructure and other forms of stimulation of the economy will come because a greater proportion of the government funds will be taken up in debt servicing.

That really does not help anyone except to keep the wolf from the door and, as other members have said, it is time to rethink what that debt is actually providing - whether it is providing hard assets like roads and bridges or whether it is actually providing services to improve the life of those that live on this island who, perhaps, do not have the wherewithal to

climb out of the difficult circumstances they are in. We wonder why it is referred to as the 'dark art of financial management' by some, but that is the way it is and what super is all about.

I want to talk about the ICT side of things. The Auditor-General's report to parliament on information and communications technology strategy, critical systems and investment. I wanted to highlight this as it is a concern to us. In this day and age, when we had so many state actors trying their best to get into records that might benefit them, it is important we do have security, that the digital space, cyberspace, is protected. In the Tasmanian Audit Office media release of 27 October 2020, about the Auditor-General's report to parliament on information, communications technology strategy, critical systems and investment, Mr Whitehead, the Auditor-General, says -

Despite the implementation of a digital governance and decision-making framework, there was insufficient guidance to support whole-of-Government ICT planning and prioritisation. Opportunities to develop shared ICT services, products or develop a whole-of-Government ICT vision improving the efficiency and effectiveness of ICT delivery had not been realised.

Now, that is a worry. It is a worry because we are not a large state. The opportunity for us to communicate together is a lot higher. The breadth of our work in this area is not as complex as in some other areas. You still have to provide hospital services and all those sorts of things. Yes, you do, but you are not providing for hundreds of hospitals across the state. You do need to be able to come together as agencies and departments for the benefit of the state, to consolidate what is happening to plan and plan effectively. That is what the Auditor-General is saying. He also says -

The lack of a whole-of-government ICT vision and plan meant ICT planning was siloed within agencies and was variable, with differing levels of capability and maturity impacting on the quality of their strategies and plans. Guidance for agencies in developing plans was limited. Together with the absence of a whole-of-government ICT vision, agencies were unable to plan for government priorities or realise effectiveness and efficiency improvements.

Mr Whitehead said -

There was no strategic approach to prioritising agency ICT investment proposals that could better inform and guide Government and Budget decision-making.

It continues -

As a result, Mr Whitehead found significantly aged and unsupported (by the vendor) ICT assets, or those at risk of failure remain in operation with no real plan for replacement. Mr Whitehead also found the development of agencies' digital capability was at an early stage.

Now, that is a real, real worry in this day and age, especially when we have high activity in the cyberspace and there are other countries, in some cases, having their incursions and trying to find out what is going on in our country. The next war will not be so much about the

hardware that is out on the seas or up in the skies. A country can be brought to its knees through cyber attack. We have seen some evidence of this in certain things that have happened in recent times.

As a state, we need to understand we are not totally off the radar. We are on the radar. As a nation we are on the radar and we need to make sure our state is doing its bit. Looking at that Audit Office report is a bit concerning, and we will have more opportunity to drill down into that as we go through the Estimates process.

I want to go to the issue of a co-educational high school. I have asked some questions about this on the Floor in relation that. Education is not part of the committee I am on, but I would like to read in these questions so that the Government has a little bit of a heads-up on questions it may get should a member do me the kindness of asking them on my behalf to save disruption of our committee processes.

The first of the major questions is: Why does Hobart not have a co-educational high school? Is it right that families in Hobart do not have the same choice as families living in other communities? Do you agree it is a benefit to attend a school in your local community? When will you announce your plans for co-educational high school education in Hobart so that the parents of primary schoolchildren can plan their education? There are parents of children in grade 6 this year quite rightly confused about where to send their children. If they send them to Ogilvie or New Town, what will these schools look like in 2022?

The state Government has a feasibility report on a new inner-city high school for Hobart. What would such a school cost? What sites were looked at? Why would a new school not lessen the enrolment pressures on Taroona High School? Did you examine how a new inner-city school would affect enrolments at independent Catholic schools? What is the ideal population for Taroona High School? What is the cap on the number of students it can take? When is it projected it will reach this cap?

The state Government is looking at the appetite for co-education. Can you detail what your consultation has found and quantify this please? What did the Hobart City Partner Schools consultation find? What models are being examined for the Hobart partner schools? What primary schools will feed the Hobart partner schools? What did the state Government's 'Dream School' consultation find? What is the priority for capital works at Ogilvie and New Town high schools? Has much money been spent at these schools recently?

The state Government is investing heavily in high schools in Glenorchy - Cosgrove, \$20 million; in Brighton, \$30 million; in Kingborough - Taroona High, \$5 million; and Sorell, \$25 million. Hobart has received only \$1.1 million for the New Town High School. When will you invest in education in Hobart? They are all valid questions, and I will seek to have those asked during Estimates Committee B's process.

The Government has been given a heads-up, so it knows those questions are coming; I've drawn its attention to that and they might come prepared with some answers.

I look at what is going on in the electorate of Clark: quite a lot is happening there, especially \$89.8 million for the Royal Hobart Hospital stage 2 redevelopment, the \$19.8 million to build 27 mental health beds in southern Tasmania - that goes back to what I was saying about our acute health services inquiry, and I thank the members who were part of

that. As I said before, the member for Murchison and the previous member for Rosevears were part of that. Member for Murchison, I do not know whether you were here at the time, but I quoted some of the mental health aspects of that report. It was pleasing to see the Government is actually putting some money towards some of that now.

There is \$500 000 for bus services as part of the Hobart City Deal spread across a number of council areas, but it is good to see it happening. A lot of things are happening and it is all there in the Budget Papers so I will not go through every one. I do not think that is profitable, most people will read that.

I note Hobart City Council wrote to the Premier; it was interested in bushfire litigation and \$9.6 million has been put aside for that. I am not sure how much Hobart will actually see of that. It has particular concern in this area, with the upgrading of fire trails and putting in fuel break extensions and the like, increasing the hazard reduction burning target for the city by increasing the construction of strategic firebreaks to allow increased burning targets. That requests about \$1.97 million per annum for three years. There is the Biodiversity Action Plan, how the City of Hobart manages 4600 hectares of diverse native bushland that envelopes Hobart in a series of protected nature reserves. They have requests that include Ridgeway Park treating habitat, degradation, fragmentation through weed management and invasive species control; something in Knocklofty Reserve formalising the track network; Queens Domain - treatment of degraded grassy woodlands; and Waterworks Reserve - improving the interface between the managed lawns and the bushlands to recruit habitat for endangered species.

Work with regard to the mountain infrastructure, Pinnacle Road, vision infrastructure, recreational tracks, bushfire management infrastructure, the Doone Kennedy Aquatic Centre redevelopment, and there is the Safe Night Space. Some of these things have some benefits coming forward in the Budget, especially the Safe Night Space with \$3.4 million that the Government is putting in. That is great for people who are homeless at the moment. It was a \$5 million request, but \$3.4 million is better than \$1 million. No doubt we cannot get everything we ask for, but it is good to see some of that occurring for this particular area.

I want to finish my offering, which has gone on a bit - nevertheless, we get only one change a year. It is fair to say this is a budget that is needed, but a high-risk budget that seeks to jump-start the economy from its COVID-19-induced recession. This Budget departs markedly from the more or less steady as she goes approach to government spending which characterised Tasmania for a generation. This will require a skill set in a government that fully understands the risks associated with ballooning debt. Particular concern in this regard is the prevailing view that deficits are not the problem they were previously considered to be. This Budget accelerates the accumulation of debt and places substantial costs on future generations. It does not introduce a change toward more effort on preventive measures, which is a little disappointing, whether they be in health, education, transportation or public safety. It would be nice to see some more innovation in service delivery reflected in this Budget, given the challenges ahead addressing the COVID-19 recovery. This Budget might be accelerating a return to the very difficult financial position the Tasmanian Government faced during the late 1980s and early 1990s.

There is what seems to be a lack of attention towards Tasmania's First Peoples, and it is the subject of my last comment. I believe it is incumbent on the Government to provide a more robust reset of the relationship with Tasmania's First Peoples. I put it to those here today that

the Aboriginal community has been patiently waiting for the new Government to address their concerns.

Late in 2013, before the then next government election, we were dealing with larapuna land returns, and Rebecca Creek. There were some concerns that needed to be addressed but honestly - we are now in 2020, it is six years on, and it still has not been addressed.

Ms Forrest - You do need to be sure that you engage with the local Aboriginal community in those decisions, and that was the problem.

Mr VALENTINE - I know what the problem was. What I am saying is, nothing more seems to have been done since then.

I think the problem was pointed out, and rightly so. I am not dismissing it - I am simply saying it is as though it has almost been put in the too-hard basket.

Ms Webb - How many times do you reset?

Mr VALENTINE - Is it a reset? We need to take some action on this. Reconciliation is the word that is used so often. It doesn't happen standing still. I leave that as a thought.

I note the Budget and I thank the Premier for his diligence and his resilience and the members of his team. They have had a really tough time. I believe we should have learned something through this whole experience.

As a community we have been brought closer together, and I think we need to capitalise on that, and make it a more caring community going forward. That includes how we frame Budgets.

[3.22 p.m.]

Dr SEIDEL (Huon) - Mr President, the State Budget has failed my electorate of Huon again.

The biggest Budget since World War II has been unveiled to Tasmanians, but what does it actually mean for the people in my electorate?

Each and every year the state Government releases a budget to much anticipation, and this year, expectations were exceptionally high. The Premier, Mr Gutwein, labelled this Budget as the largest and most significant infrastructure program in the state's history. However, I am left asking: what does it actually mean for my community in the Huon?

This Budget needed to be a very strong response to the social and economic issues caused by the COVID-19 pandemic; yet, it has failed.

The Budget needed to address the significant rise of unemployment; yet, it has failed. There is no jobs plan to get ordinary Tasmanians back to work, and no vision for what our great state actually could become.

The rating agency Moody's graded this Budget as a provisional fail. The Government should be worried about that. Risking a downgrade by a credit rating agency such as Moody's,

is the very last thing you want to see under those circumstances. It is irresponsible to lock in debt, deficit and record unemployment without having much to show for it.

Mr President, looking through the Budget Papers, there is very little for my region. \$7.5 million has been promised again, and indeed re-announced, for the Channel Highway diversion in Huonville.

I commend the funding allocation, and it is greatly needed; however, there is really not much else. It is very interesting that the Leader referred to the glossy summary that came with the comprehensive Budget Papers, as 'cheat sheets'.

And cheating is what they actually do. That is why the Leader called them 'cheat sheets'.

It is not new money. There is no additional funding, it is just a carryover from last year. It will probably be in the glossy cheat sheet for next year's budget as well.

It is actually quite misleading. Here it says there is \$7.5 million for Channel Highway diversion into Huonville. That was last year, it is nothing new, same thing again and again.

So really the so-called cheat sheet is more propaganda than anything else. It says that delivery of the new Huntingfield land release project will provide around 470 residential lots. The planning application has not been approved yet; it is still with the local planning authority. It has not even been approved yet, just an application has been submitted, but it is already in the propaganda sheet issued by the Government.

As a regional and rural community, we are in dire need of substantial and genuine funding, yet it appears we have been left off the map once again. No funding to make our roads safer; no funding to improve regional public transport options; no funding for more community nurses; no funding for better ambulance services. We do not ask for much in my electorate, but funding for decent roads and essential health services in the community should be a given, even under the most challenging economic circumstances. The Government has failed to deliver the jobs and funding that we need to recover from the pandemic.

We, in the Huon, have once again been grooved in with other regions when it comes to funding allocation. On paper it looks like we will be getting some funding for something, but in reality we probably will not. There is a \$24.4 million allocation for rural and regional facility works - that includes and mentions the Cygnet Community Health Centre and the Huonville Community Health Centre. But how much funding will we actually get? It is completely unclear.

Ms Forrest - You can ask that next week.

Dr SEIDEL - I certainly will. A sum of \$175.5 million has been allocated as part of the Greater Hobart traffic solution, but how much actually flows down to the Huon is completely unclear. I suspect rather than dollars, it is going to be a couple of cents if we are lucky. But it looks great; it looks really great in the little glossy sheets we are getting.

Mr Valentine – Park and ride.

Dr SEIDEL -Park and ride to where? It is a mirage. We have heard this all before. It is all promises and no delivery. It is not appropriate to be big on announcements, yet very light on specific detail. A state budget is not meant to leave everybody guessing.

I could go on, but once again my community has been grooved in with Kingborough and other regional areas, with very little money directed to the unique issues my community is facing. We have heard about high schools in Hobart, but Huonville High School is a very good example. It was good enough for the Premier to visit for a photo opportunity in August, but it was not on his radar when it came to allocating funding. That is despite the *Mercury* reporting at the time of the Premier's visit that the school's devotion to renewable energy had saved the Government \$42 000. They gave it back to the Government. Does the school community not deserve -

Ms Forrest - Maybe they could use that at Montello.

Dr SEIDEL - Well, does the school community not deserve a reward for its hard work?

Ms Webb - Of course it does.

Dr SEIDEL - Of course it does. An outstanding effort to focus on renewable energy saves the Government \$42 000 and what they get is a visit by the Premier for a photo opportunity, and that is it.

Mr Willie - He said he would look into it.

Dr SEIDEL - Well, he has not. It is not in the Budget Papers, it is not even in the glossy brochure. There is nothing in there, nothing for Huonville. It is all nice and well to talk about multimillion dollar school funding somewhere else, but for us in the Huon, nothing. That is the wrong signal for my rural community; it is the wrong signal for our rural education system, it is the wrong signal for our students in Huonville. They think, what is the point? We are just a prop.

This is not the only key project in our community that has been forgotten about. We have no funding allocated to any roads other than the previously mentioned and previously announced and previously committed Channel Highway diversion. Regional public transport has been ignored, as has funding for our local sportsgrounds. It is great to support a multimillion-dollar sport and entertainment centre in Hobart, but this Government also made the deliberate decision to neglect local sports clubs in my region. I have spoken about the historic Franklin Velodrome here in this Chamber before. It is just one of many sporting venues in our regional communities that may not have any significant commercial marketing or PR value, but in those local communities it is sportsgrounds that keep our communities together. It is essential for them. They keep our communities together. They are enabling and enhancing community cohesion, in particular, in tough times.

Mr Valentine - Is that just past the Wooden Boat Centre?

Dr SEIDEL - It is.

Mr Valentine - On the left as you are going south?

Dr SEIDEL - That is right. It is fabulous. As I mentioned, since the 1930s, historic value, completely neglected. If you want to remove the bitumen, it will cost you as much as it would cost to resurface it. Why are we not resurfacing it? There has been no funding to address the serious issue of coastal erosion. Our communities are crying out for those issues to be addressed. I tabled a petition on that on Tuesday.

Seriously, in your multibillion-dollar allocation for infrastructure and construction, you could not make any allowance for regional communities to protect them from the inevitable effects of coast erosion? You are choosing to leave those small communities to their own - no help, no support, nothing. This Budget has not only failed us in the Huon, but it has failed all Tasmanians.

It certainly has failed our health system. Again, every year the State Budget features the same headline - 'Record investment in health.' Every year we hear about more beds and better health services for all Tasmanians. It is the same old, same old Liberal approach to health policy. The appealing promise of record investments is as broken as the Liberal Government's approach to health policy.

Tasmanians who have been waiting for necessary surgery for years, Tasmanians who are often forced to wait for ambulances for hours, Tasmanians who find themselves in overcrowded emergency departments have experienced on their own that spin doctors rather than real doctors are in charge of our health system. Since 2014, the Liberal Government has diverted \$1.6 billion from the Tasmanian health system - \$1.6 billion.

Reckless as the Government was then, trickling back essential funding just to keep health services at a very basic level should, at the very least, result in a humbler approach to health policy rather than trumpeting out misleading headlines that make no difference to patients or health professionals. At the very least, Tasmanians should have expected genuine support to stay healthy and well.

Under the Liberal Government, our health system has become dependent on expensive locum doctors and agency nurses, yet in this year's Budget there is not even a hint of a health workforce strategy and training plan - not even a hint. It means we will never have enough health professionals to look after patients in our hospitals. The Mersey Hospital Emergency Department already had to close recently because of staff shortages.

Mr Valentine - Locums cost more?

Dr SEIDEL - Significantly more, substantially more - \$2500 per shift for an emergency doctor now.

Ms Forrest - All care and no responsibility. A good life.

Dr SEIDEL - Plus a car, plus accommodation, plus, plus, plus - \$2500 per shift.

Mr Valentine - Over and above the doctor who is permanent.

Dr SEIDEL - That is right. The Mersey had to close because of staff shortages. Are patients now expected just to wait outside closed doors in the future? Is that how far it has come? Again, this year's Budget contains nothing to support cost-effective health promotion programs.

Ms Forrest - Mersey DEM you are talking about?

Dr SEIDEL - Yes, that is right.

Ms Forrest - It only closed overnight. It was not closed 24 hours.

Dr SEIDEL - From 6 to 8 o'clock.

Ms Forrest - Yes.

Dr SEIDEL - - Sixty per cent of presentations occur between 6 o'clock in the evening -

Ms Forrest - I appreciate that but -

Dr SEIDEL - Sixty per cent of patients who are showing up did not have anyone to look after them and had to call a hotline, then the transport comes up and then somehow an ambulance will take them to the Launceston General.

Ms Forrest - Or North West Regional.

Dr SEIDEL - Sixty per cent of patients at the Mersey Hospital are presenting between 6.00 p.m. and 8.00 a.m. and we have closed for them. It is a mirage. It is not a health service. Over and over again. So, there is nothing on reducing expense of hospital admissions by supporting care in our community.

By ignoring health prevention and community care programs, this Government remains penny-wise, but pound-foolish. This is not how to manage a health budget. The Government has given up caring. It does not even pretend it does anymore.

Greyhound racing, for example, received 16 times more funding than Palliative Care Tasmania - 16 times more than palliative care. I do not mind supporting sports, but not when it comes at the cost of supporting terminally ill patients.

Mr Valentine - It would be interesting to know how many people are employed in palliative care across the state.

Dr SEIDEL - I am going to ask that question next week. It just makes me sad. Under the Premier's leadership, the Health minister has morphed into the minister for waiting lists, bed blocks and ambulance ramping, and this Budget contains nothing to change that.

I can hear the spin doctors congratulating themselves. It is about cheat sheets and glossy brochures after all, and it should leave patients very worried indeed.

I will conclude with an appraisal of this Budget by Tasmanian economist John Laurens just in today's *Mercury* -

Announcing 'the largest and most significant structure program in the state's history' then failing to include that spending in the deficit calculation is deceptive.

The actual cash deficit for this year will be \$2.1 billion. In 2021-22 the cash deficit will be \$1.07 billion followed by \$656 million the year after.

That's a whole lot different to what the Premier might like us to believe. The Premier uses the generic term 'deficit' for the Net Operating Balance figure. As its name suggests the letter only includes operating expenses, wages for instance, not capital outlays, roads and schools for example. This is not a semantic quibble. The point that needs to be understood is that a positive Net Operating Balance does not mean there will be cash surpluses to reverse the growth in net debt. There is little prospect of that occurring any time soon.

And he continues -

'In this budget we will continue to leverage our strong balance sheet to stimulate our economy' the Premier said. More sugar coating.

The balance sheet at June 2020 was the smallest for more than 15 years and it's about to get a whole lot smaller. By June 2021 the government's net worth will be \$6 billion. Of that figure, \$4.7 billion is the net worth of government businesses. Aside from them the government's net worth will only be \$1.3 billion, smaller than the Hobart City Council.

So let's not pretend we have a strong balance sheet when a cursory glance reveals the exact opposite

And I carry on because it is a very good read -

The legacy of the Hodgman government as one of conspicuous failure on the fiscal front is now glaringly obvious. Despite the problems on its doorstep, the government didn't feel the need to alter any of its six fiscal strategies. Expense growth will be less than revenue growth, meaning the underfunding gap will continue to widen. There is no attempt to look for other revenue sources.

...

In the final two years of the forward estimates, there will be just enough revenue after operating expenses to cover the extra interest, meaning all the states capital spending will require borrowed funds.

The task ahead will be extremely difficult. However, not to present a more detailed outline of possibilities ahead, after delaying the budget for six months, is remiss.

If we've learned anything from the pandemic, it's that there is large need for more public services. The budget is a temporary Band-Aid not a long-term plan.

The Premier signed off his Budget Speech by saying the Government has done it before and will do it again. That is the scary part. It has not done anything to fix our underlying problems. If inaction continues, we are doomed.

Ms Rattray - It sounds like we might need to be taken over by the Hobart City Council.

Dr SEIDEL - They seem to be in a much stronger fiscal position than the state Government.

Ms Forrest - Is your party willing to engage in the discussion around the revenue?

Dr SEIDEL - Certainly not the Budget, and I am very much looking forward to Budget Estimates next week.

[3.40 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I do have answers to some questions asked through the noting process. I had one for the member for McIntyre, three for the member for Murchison, and three for the member for Launceston. I seek leave to table the answers if that is the will of the House.

Leave granted; papers tabled.

Mrs HISCUTT - Mr President, I move -

That the Budget Papers and the Appropriation Bills (Nos 1 and 2 for 2020) be referred to Estimates Committee A and B of this Council.

Motion agreed to.

Budget papers noted.

TABLED PAPERS

Petition - Wildlife Safety Measures on Tasmanian Roads Answer to Question - Teachers Registration Amendment Bill 2019

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) (by leave) - Mr President, I have the honour to table the following documents -

- The Government's response to the member for Elwick's petition regarding wildlife safety measures on Tasmanian roads.
- The answer to a question asked by the member for Elwick during debate on the Teachers Registration Amendment Bill 2019, which the Deputy Leader undertook to provide.

Papers tabled.

**PAYROLL TAX REBATE (APPRENTICES, TRAINEES AND YOUTH
EMPLOYEES) AMENDMENT BILL 2020 (No. 48)**

First Reading

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

ADJOURNMENT

[3.41 p.m.]

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

That at its rising the Council do adjourn until 9.30 a.m. on Friday, 4
December 2020.

Mr President, I clarify that usually our quorum calls are at 9 a.m., but to work in with
another committee, the quorum call will be at 9.30 a.m. for those who are coming. I certainly
appreciate it.

Mr President, I move -

That the Council does now adjourn.

**Deputy Leader of the Government in the Legislative Council -
Questions on Notice**

[3.43 p.m.]

Mr WILLIE (Elwick) - Mr President, the Deputy Leader is not here but during question
time she undertook to take some questions on notice. They were very simple questions to
answer, just a matter of checking her diary. I find it disrespectful she is not in the House now
to update us at the earliest opportunity, given the nature of the questions and the serious matters
at hand.

Motion agreed.

The Council adjourned at 3.45 p.m.