

## UNCORRECTED PROOF ISSUE

Wednesday 30 May 2012 - Estimates Committee B (O'Connor) - Part 2

**CHAIR** - We are still in the Housing area and I believe Mrs Taylor has left two questions behind and that Mr Gaffney is going to present those.

**Mr GAFFNEY** - Minister, I am sure you might be expecting these. Last year the commonwealth housing debt, it was mentioned last year, the \$200 million and could you just give us an update on how we are travelling with that? Have there been any advancements?

**Ms O'CONNOR** - Thank you for the question, Mr Gaffney. The debt currently stands at \$216.6 million and relates to the period back to 1989. This is a debt under the former Commonwealth State Housing Agreement. That debt of \$216.6 million will reduce to \$209.8 million from the middle of this year following this year's repayment. As you are aware, the cheque comes in from the commonwealth; they rewrite it and keep the spare change and send a significant amount back. In terms of the repayments for 2011-12, they are in the order of \$16.4 million; in 2012-13 that amount will be \$16.3 million, which is \$7 million in principal repayments and \$9.3 million in interest costs. The debt will not be repaid fully until 2042.

I am sure we all agree at this table that this is a very significant burden on the housing system in Tasmania. It restricts our capacity to increase supply and services to the extent that we would like to be able to. Despite the fact that we, the Premier and I, went to Canberra to talk to the federal Treasurer about it and that last year I spoke to the former federal Housing Minister, Ms Plibersek, about it, the commonwealth's view is that Tasmania must repay this debt and should not expect any special treatment.

**Mr GAFFNEY** - I have to say I can see her point. A question on notice: would it be possible to get back to us, because it is going to finish in 2042, what we are actually paying in interest over this period? If you have that.

**Ms O'CONNOR** - I am very happy to provide this. I am happy to table this table.

**Mr GAFFNEY** - The total interest debt.

**Ms O'CONNOR** - This is from the period 2010 through to 2042. I can advise the committee that in 2042 our people who replace us in this place will be paying a principal debt of \$1.3 million back to the commonwealth and interest on that debt then will be \$59 000.

**Mr GAFFNEY** - What is the total interest we will pay between 2010 and 2042?

**Ms O'CONNOR** - I am happy to table the document, I haven't got the capacity at the moment in my mind to do the maths here and now.

**Mr GAFFNEY** - I will give you five minutes.

**Ms O'CONNOR** - Might I pass it on to someone to do that figure?

**Mr GAFFNEY** - It is an interesting one to say we owe \$200 million and it is going to cost us this much.

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**Ms O'CONNOR** - It is a really good exercise and I have asked one of our advisers. But it is a very heavy burden on our housing system in Tasmania.

**Mr GAFFNEY** - The second question from the honourable member for Elwick in relation to last year's question about review of tenure. Has it been completed and what are the results? Last year your response was, 'Don't want to talk too much about it ... but we do acknowledge that housing support should be there, in my view'. Can you update the committee about where that is at?

**Ms O'CONNOR** - Yes, I can. We are doing some work within the agency on the tenure question. I have a very firm view that if we are serious about tackling homelessness, and serious about providing the finite level of social housing that is available to us in Tasmania, we need to have a look at the tenure question. It is fraught because we are talking about potentially displacing people from homes they have lived in for many years. I am not going to go into too much detail about the work we are doing internally, but we are very mindful of the need to be sensitive to long-term tenants.

My view is, if you can afford to pay a market rent or buy your own home, perhaps it is better for other people who are on the public housing waiting list that you are supported into a move into either the private rental or private ownership market. I am not certain how we will proceed down this path because my understanding is that the number of tenants we would be looking at here is relatively small. My personal view is that public housing should not be for life; it should be for the duration of the need for those circumstances of your life. We understand that housing is a continuum, through from potentially being homeless or at risk of homelessness, needing a Housing Tasmania home, to potentially home ownership.

I have asked the department to prepare a body of work for me on the tenure question. At the moment I can advise that when a tenant is first housed they are placed on a fixed-term lease and this provides an opportunity for the tenant to demonstrate they will meet their lease obligations. At the end of a successful fixed-term lease most households have historically been placed on a lease of no fixed term. On an interim basis, no further leases of no fixed terms are being entered into. There is a minute coming to me shortly that will address some of these questions. There are already necessary exceptions to tenants being granted a lease of no fixed term.

Some property types and locations are leased only on a fixed-term basis. This includes properties with four or more bedrooms, and properties that are modified to provide disability accessibility. There are a few of these properties available and it is important they are allocated to people who need the added amenity. Tenants with whom we are working to rectify breaches of lease through antisocial behaviour, serious rental arrears, or significant property maintenance issues will only be offered fixed-term leases in an effort to encourage compliance and sustain their tenancy.

**Mr DEAN** - The tenants who are paying market rent, I think you said the number was reasonably small. What are the numbers and have they increased or are they decreasing? While they are paying market rent, what is the position with the water? As I understand, Housing Tasmania tenants do not pay for water usage as that is picked up by the department. What happens with a person who is paying market rent? Is that calculated within that market rent or do they get free water like the rest of your tenants?

**Ms O'CONNOR** - We made a decision in this year's budget not to charge our tenants for the water and sewerage variable costs. That is a subsidy that Housing Tasmania provides of approximately \$8.3 million. There are a couple of reasons we made the decision not to charge water and sewerage. There was a historical commitment from the previous premier not to charge Housing Tasmania tenants for water and sewerage. I understand why that announcement was made. When you are dealing with rising energy costs and a whole range of cost-of-living pressures a bill for water and sewerage, given the percentage of our tenants who are dependent on some form on commonwealth benefit or who are on very low incomes, water and sewerage charges could be the straw that broke the camel's back.

[2.15 p.m.]

The other issue is that there is not a complete statewide rollout of water meters. Do we discriminate against some tenants who have water meters and some who do not?

**Mr DEAN** - That is occurring in private enterprise or in the community publicly.

**Ms O'CONNOR** - I understand that but the thing is, Mr Dean -

**Mr DEAN** - There are fixed costs anyway. Where they are not paying water through the meter usually they still pay. They still have a fixed-charge cost in those areas where there are no meters.

**Ms O'CONNOR** - But the fixed-charge cost is paid by landlords and the variable cost is paid by tenants under normal -

**Mr DEAN** - For water usage.

**Ms O'CONNOR** - That is right, under normal landlord residential tenancy arrangements. I am advised that the number of our tenants who are paying market rent at our last count in February was only 130 tenants, so it is quite a small percentage of our tenancies. I do hear your point, but we have a policy that is applied to all our tenants. I do not know that it is fair to start delineating within that policy and discriminating against people who are paying market rent and I do not think that practically it is feasible to pull them out and make them pay for water and sewerage costs.

**Mr DEAN** - Minister, if I can just take it a bit further then. Do you have a contract with the three water authorities? Do you pay a certain amount? How is your cost calculated to the water authorities?

**Ms O'CONNOR** - Sorry, the figure is wrong, it is not \$8.3 million, it is \$8.6 million that Housing Tasmania paid for water and sewerage in 2011-12, so our total expenditure on rates and water and sewerage is \$20.5 million; \$11.9 million of that is paid on rates, so the other \$8.6 million is water and sewerage. Then for this financial year the budget for rates and water and sewerage is \$22 million - \$10.4 million for water and sewerage and \$11.6 million for rates.

There is also an issue, as I understand it, with having the charges in the bills disaggregated by the water authorities. The landlord, Housing Tasmania, pays the fixed costs and the tenants could be charged for the variable costs. That is an ongoing discussion, but as it is now for this financial year we have made the decision not to charge our tenants for water and sewerage because we do recognise that it is an added cost-of-living pressure at a time when we are trying not to entrench

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disadvantage amongst our tenants by having them confront a range of bills whereby something would have to give and the worst thing would be if it was the food on their table.

**Mr DEAN** - I wonder with the system that you have, where is the incentive for your tenants to conserve water, and why is there a reason to conserve water when they do not pick up any charges? Is there anything in your contracts with tenants to require them to conserve water or is it just open slather?

**Ms O'CONNOR** - We do not specifically engage tenants in water saving advice although, through our energy efficiency program, we are talking to tenants about water, too, because part of the upgrades that go in are potentially dual-flush toilets and water-saving shower heads. I hear your point, Mr Dean. We all need to be looking to conserve water but at this point in time we have simply made a decision not to charge our tenants water and sewerage.

**Mr DEAN** - The issue that we find ourselves and other members would as well is that we will have a private tenant, a person who owns their own property living next door to one of your properties, and they continually have their lawns green, they use water as much as they want, yet they are required to conserve and control water obviously for the cost purposes and so on. That is an issue that comes up with me and that is the reason I asked the questions.

**Ms O'CONNOR** - I do not think it is reasonable to single out Housing Tasmania tenants for not necessarily conserving water. This is a cultural issue that we have in Tasmania and have had historically for some time and, yes, it is changing now that people are being charged for water, and that is how it should be. But I don't think it is reasonable to classify all Housing Tasmania tenants as water wasters - I know that's not the case, there will always be individuals who are less careful with water use than others, and that applies to private and public rentals and private ownership.

**Mr DEAN** - Can I ask a question on rates?

**CHAIR** - We want to finish Housing, so all questions on Housing would be great.

**Mr DEAN** - I understand you have a position with some councils for rates that are paid by Housing Tasmania, where you pay a lump sum and are given a reasonable discount as a result of that. Are there any large councils that are not giving you that support, what is the position?

**Ms O'CONNOR** - You will be disappointed to hear that there is one council which does not do that and they live in your electorate.

**Mr DEAN** - I moved a motion on behalf of Housing Tasmania in that council and I think it will come up again.

**Ms O'CONNOR** - Excellent, good.

**Ms BRESNEHAN** - We have a deal with all councils - we do not have an arrangement with Launceston council.

**Mr DEAN** - Is that still the only large council in the state that you don't have a deal with?

**Ms BRESNEHAN** - Yes.

**Mr DEAN** - Have you had recent discussions with the new council to try to determine a position?

**Mr WHITE** - Each year we write to each council, so the Launceston council would have had a letter from us within the last 12 months in relation to try to make an arrangement that would allow us to pay in a lump sum and pick up an associated discount. That's the process we go through.

**Mr DEAN** - Thank you.

**CHAIR** - It sounds like a mean-spirited council, doesn't it?

**Mr DEAN** - I will ask the question I ask each year - we have the numbers on the waiting list but could that be broken down regionally, minister. What is the position in Launceston, are the numbers increasing or decreasing in the categories - do we still have three categories, or have we broken that into two?

**Ms O'CONNOR** - Four categories, and I do have the breakdowns. I thank you for the question, Mr Dean. In terms of the wait list, at the end of March this year there were 2 868 applicants on the public housing waiting list compared to 3 333 at the same time last year. As at end of March 2008, there were 168 applicants and there has been a decrease of 464 applicants, or around 14 per cent. In terms of the current wait lists by category of need and area - I will give you the regional breakdown. As at 31 March - category 1 and exceptional needs in the south-west, 68 people; south-east, 48; north, 59, and north-west, 24 - 199 people under category 1 and exceptional needs area. Category 2: south-west, 394; south-east, 229; north, 253; and north-west, 204 - a total of 1 080 people on the category 2 list. Category 3: south-west, 261; south-east, 152; north, 184; and north-west, 144 - a total of 741. Category 4: 88 in the south-west; 90 in the south-east; 81 in the north; and 127 in the north-west, a total of 386. People on the waiting list but who have been suspended for a range of reasons, including outstanding debt - south-west, 44; south-east, 37; north, 30; and north-west, 49 - a total of 160.

We have a cohort of applicants who are going through the process of making sure they have all the i's dotted and t's crossed and the paperwork complete. South-west is 12, south-east is 93; north is 85, and north-west is 112, for a total of 302. The total number of Tasmanians looking for housing support as at 31 March this year is 2 868.

**Mr DEAN** - Thank you for those figures. We talked about the debt that Housing Tasmania owes. What debt is outstanding and owed to Housing Tasmania through arrears in rent and arrears for damage where an action has been taken?

**Ms O'CONNOR** - We have a very good record in debt management. Our staff is very dedicated to a high standard in this area. The total arrears owed to Housing Tasmania on current tenancies, as at 31 March, was: southern region, \$221 339; northern region, \$84 252; and north-west region, \$53 289. The total in outstanding arrears as at 31 March is \$358 880, which represents 0.5 per cent of collectables for the financial year to date, which is well below the accepted industry target of 2 per cent. It compares to the previous year, as at March - so for exactly the same time period - when \$392 614 was owed. We have had a significant improvement in our arrears situation in this most recent year.

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**CHAIR** - What about former tenants, minister - the quantum?

**Ms O'CONNOR** - That is write-offs, probably, more than anything else. In 2010-11, the most recent year we have the records for, the rental debt write-off was \$748 000. In the previous year, 2009-10, Housing Tasmania wrote off \$658 000 - and I am rounding the smaller figures back in those instances. This is for rent outstanding on properties that have been damaged once a tenant vacates a property, which can be a significant financial impost on Housing Tasmania.

**CHAIR** - Minister, anyone who has a debt written off and where you have no way of recovering it, is that recorded somewhere so that it goes onto their credit record?

**Ms O'CONNOR** - I believe it would be but I am not certain.

**Ms BRESNEHAN** - We have credit agencies that pursue the debt and it would be recorded.

**Ms O'CONNOR** - We make it quite difficult for tenants who have vacated a property and left it in poor condition or left outstanding rental arrears. We require that to be paid off before people can be re-housed. There will potentially be exceptional circumstances to that.

**CHAIR** - But in the private market?

**Ms O'CONNOR** - Your name is mud and it is recorded with credit agencies for all to see should they require that information.

**CHAIR** - And that is for all that \$748 000?

**Ms BRESNEHAN** - We have very active management. While a tenant is in public housing we are managing their arrears. If for some reason they leave and have a debt, or if there is property maintenance that has been done on vacation, they will accumulate a debt. We then try to follow them, and when we exhaust that we might put it in the hands of an agent to follow up for us. If after due process and we have not been able to do it, we write it off. If they are registered with the agency then that is known publicly and they are registered as having a bad debt. When they apply to come back to public housing, we have a policy whereby they have to repay 80 per cent of their owed debt before they can have an active application. They have to be able to show a commitment to repaying the debt before they are allowing back in.

[2.30 p.m.]

**Mr DEAN** - The incidence of arson has been raised recently and there seems to be an inordinate number of Housing Tasmania homes that are affected. What preventative actions are you able to take to try to get control of that?

**Ms O'CONNOR** - Yes, it is true that arson costs Housing Tasmania a significant sum of money every year and that every house that is burned -

**Mr DEAN** - What has it cost this year to date?

**Ms O'CONNOR** - Yes, I will provide you with that information. But, as you know, every time there is an arson attack on a Housing Tasmania property, that is one less home that we have to provide to people who need a home. It is a source of great frustration to us in the agency that

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some people think it is acceptable to burn their homes or to cause that damage to their homes. It is an impost on the public purse and it is a very significant impost, as I will detail now.

In 2010-11, across the four regions, the number of incidents was: south-east, 30 arson losses; south-west, seven; north, 13; and north-west, four; total incidents in 2010-11 of 54 arson losses. The cost of those incidents as we move through the regions was: in the south-west, \$3.163 million; south-west, \$0.711 million; north, \$1.58 million; and north-west, \$0.313 million. The total cost in the 2010-11 financial year was \$5.76 million. There has been some improvement but we are measuring against a slightly different time span.

In the year from 1 July 2011 to 31 March this year: in the south-east, the incidents are at 20; south-west, 12 arson losses; north, 13 and so far, Mr Gaffney, you will be very pleased to hear, in the north-west there are zero arson-related losses, very responsible tenants in the north-west. The number of incidents in the year to 31 March is 45. The total cost to the public purse is \$2.06 million. The dollar lost in the first nine months of this financial year is 38 per cent of last year's full loss, which is a significant reduction in arson losses.

We undertake a number of mechanisms to try to prevent arson and to make sure our homes are available for people who need them. Ms Bresnehan has clarified these figures for us. Of the 45 arson-related incidents, 17 claims relate to major damage or loss of property. The cost of those claims is \$1.8 million.

We do work very closely, as you would be aware, with the Tasmanian Fire Service and Tasmania Police. In some areas we have surveillance monitoring. There are community education programs that we take part in, such as the Bridgewater summer hazard reduction. We participate in community leader's groups, established by local councils to address community issues, including fire. We attend monthly interagency support panel meetings, based around young people's needs in communities, and we strengthen networks with community groups, such as community centres and neighbourhood houses, parent groups, community health and mental health services.

We engage private security firms to patrol, occupy and/or monitor properties in areas that are considered at extreme risk. We facilitate the officer next-door program that is in partnership with Tasmania Police, whereby police officers live in communities where crime or antisocial behaviours are issues. Through Crime Stoppers, we take part in offering a reward of up to \$10 000 to anyone who provides information that leads to the conviction of a person or persons responsible for burning down public housing properties.

**Dr GOODWIN** - Do you have any information on offenders caught and prosecuted in relation to that?

**Ms O'CONNOR** - I have seen some of that information, so we will take that on notice.

**Dr GOODWIN** - It seems from those numbers that you read out that the south-east might be a bit of a hotspot.

**Ms O'CONNOR** - A hotspot. Pardon the pun, Ms Goodwin.

**Dr GOODWIN** - Is that related to the number of properties? Are there more properties in the south-east?

**Ms O'CONNOR** - There is a higher concentration of properties in the south and south-east, and we do have a larger number of areas of broadacre public housing estate. This is an issue that goes much broader than Housing Tasmania and its capacity to control or prevent arson. This is a societal malaise and is about education, self-respect, respecting others, respecting others' properties, and being proud to live in your community. So there are a whole range of ways to tackle arson, and you would have a much better understanding than me of the psychology of arson, but it is very complex and frustrating.

**Dr GOODWIN** - I was just going to make the point that the Sentencing Advisory Council is having a look at this very issue at the moment, and not just the sentencing aspect of it, but the juvenile firelighter intervention program and things like that, so maybe there will be something that comes out of that.

**Mr DEAN** - It would seem that one of the issues behind this whole thing is the amount of time that some of your homes are vacant for. As I understand it we went through those numbers that you have provided. I would be interested to see, but I think a fairly high percentage would have been vacant homes. Am I right in saying that?

**CHAIR** - Minister, while we are just looking for more numbers. I have just taken the liberty to sign the letter to Madam President indicating that I feel sure we will be going past 5 o'clock. If that helps anyone speed up some answers and responses.

**Ms O'CONNOR** - You just thought you would say that. Yes, 47 per cent of the arson attacks are on vacant properties.

**Mr DEAN** - Very clearly that is sending a strong message to Housing Tasmania, minister, to fill your houses as quickly as you can once they become vacant. Do you have a strategy in place for the speeding up of that process or are you at the stage you can't improve it?

**Ms O'CONNOR** - I should say that when you compare us to other jurisdictions we have quite a fast turnaround time for properties that are vacated. There will be some properties that are vacant for longer because they have been left in such a state of disrepair that it requires more resources and more time to have them ready to re-tenant. I might ask Mr White; he is nodding as if he has something he wants to contribute and I am sure it will be good.

**Mr WHITE** - Often we have tenancies abandoned and, as the minister alluded to, where we have long-term tenants in particular there is quite a significant amount of work that has to occur between tenancies. We are internally looking at the whole process around what we call our vacation process, from when a tenant elects that they are going to move out through to us allocating that home to a new tenant and maintenance. Some of the things we might look at, for example, are whether the new tenant might move in even though the maintenance hasn't been finished. As you would appreciate, tenants live in the house and have the work done around them. That would depend on the extent of work that is needed to be done and just how quickly we can effect the turnover and allocate properties maybe while the current tenant, if you like, is still in the property. There are some of those areas we are going to look at to try to bring that down.



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As the minister said, we are tracking pretty much around the national average, but we do appreciate probably in the cold light of day it does look like a long period of time when you are talking about 30 days' turnaround on average.

**Mr DEAN** - Minister, you said 4 000 homes were transferred to the community sector. Am I right in that?

**Ms O'CONNOR** - Yes.

**Mr DEAN** - Can you just explain that? Where in the community sector and what is the position?

**Ms O'CONNOR** - I'm very happy to do this. Under the National Affordable Housing Agreement and the reforms that we have agreed to with other states and territories, we have committed to transferring around a third of our stock to community housing providers. There are a lot of new ideas and energy and big providers who are moving into this space - organisations like Community Housing Limited, Housing Choices, Mission Australia, major players that are not-for-profit organisations that are establishing themselves as community housing providers. The stock transfer process is that effectively Housing Tasmania as the asset owner and currently the landlord will transfer tenancy management to community housing providers of around one-third of our stock, so the quantum is around 4 000 homes.

**Mr DEAN** - Is that to places such as Anglicare?

**Ms O'CONNOR** - We put out requests. In the instance of Clarendon Vale, we issued a request for proposal last November and a number of community housing providers submitted proposals for how they could contribute to the social rejuvenation of Clarendon Vale. They were very high-quality applications. One provider has been selected, and I am not in a position at the moment to say who that provider is. What will happen in Clarendon Vale, for example, is the new community housing provider will locate in the area. It will work with tenants to find out what their issues are and work around the community. We will not be forcing any tenant to move over to the community housing provider. It will be a question of the tenants' choice. Ultimately it is up to the community housing providers to persuade tenants to come with them at the end of the two-year period. It is a very exciting reform. We are not transferring the asset.

The Housing Tasmania stock asset is valued at around \$2.1 billion. That is a very significant public asset. We are transferring tenancy management because we have agreed to it as part of national reforms and we believe it will deliver better outcomes for our tenants and rejuvenation of some of our more disadvantaged broad-acre communities.

**Mr DEAN** - Does that community provider have anything to do with the movement of people in and out of these homes? Does that still rest with Housing Tasmania?

**Ms BRESNEHAN** - Part of the whole national housing reform, as the minister introduced the item earlier this morning, is to talk about housing options along a continuum. One of the reforms is that we are going to have a common intake point and a common assessment and a common housing register. So rather than someone running around and putting their name down for private rental, public housing or a supported facility, they can come into the one place, have their needs assessed and then be directed to the product that best suits their need. They will then be placed on a housing register -

**Mr DEAN** - In the right category of need?

**Ms BRESNEHAN** - Yes, in the right category of need - and then the community providers will draw down off that common list.

**Mr DEAN** - Right, so it will draw off that list. That was my concern.

**Ms BRESNEHAN** - It is two-way. There is a coordinated approach of need and prioritisation, but organisations still have a choice because they will know what property they have available, where, and what type of client would best suit that property. There has to be a bit of a matching and appropriate allocation.

**Dr GOODWIN** - On that ownership of assets issue, you said earlier, minister, that with this new approach with the NGOs being responsible for the tenancy management side of it, they will be able to leverage off the rent they get to perhaps invest in new housing. Who will own those new assets?

**Ms O'CONNOR** - They would be owned by the community.

**Mr WHITE** - The benefit we get out of this is that tenants will go onto new leases where the commonwealth rent assistance comes into play, which adds significant additional funding. Across the 4 000 properties, we are looking at anything from \$8 million to \$10 million a year of additional funding coming in. We have included some vacant land within the areas for the organisation to develop new forms of housing, mixed tenures. As they are generating cash flows, they have the responsibility to meet maintenance, rates, upgrades and all those things. The modelling we have done and the results we have achieved out of the first tender process show there are positive cash flows they can then invest and they can borrow funds and build homes in their own name, if you like, and manage them over the longer term.

[2.45 p.m.]

**Dr GOODWIN** - That will actually build their capacity as organisations as well because they will have a bigger asset.

**Mr WHITE** - Correct.

**Ms BRESNEHAN** - They are not-for-profit organisations and there is an understanding within the agreements that it is reinvested back into the social housing portfolio.

**Dr GOODWIN** - Could I ask a question on the break-up of the current housing stock?

**Ms O'CONNOR** - Which component of the break-up?

**Dr GOODWIN** - A portion of it or probably the largest portion of it that is public housing and then there is community tenancies and Aboriginal housing.

**Ms O'CONNOR** - Yes, I have that. Of the total of 13 635 Housing Tasmania properties in social housing, general public housing in the south, 5 515; north, 2 883; north-west, 2 839; the total of general public housing is 11 237 properties. Through the direct tenancy program in the south, 73; north, 10; north-west, 19; totalling 102. Aboriginal housing, south, 131; north, 152;

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north-west, 63; to a total of 346 specific Aboriginal housing properties. Community housing, which has been increased in part through the economic stimulus package investments already, south, 455 properties; north, 201 properties; north-west, 250 properties to a total of 906 properties allocated to community housing. Community tenancy is in the south, 508; north, 169; north-west, 274 to a total of 951.

The KEYS and Stay programs are specific programs that are conducted by Housing Tasmania in partnership with Centacare and Colony 47. These are fantastic initiatives that are part of our Coming in from the Cold homelessness plan where we work with people who are leaving either institutional care or the justice system - coming out of prison, for example, and potentially exiting into homelessness - we provide the home, which is part of the KEYS program and Stay is the support that we wrap around that individual to make sure that they not only sustain their tenancy but they are able to take part in life-enhancing opportunities in education, skills, basic life management skills as well which some people on exiting the justice system, for example, would have some challenges with. The number of communal facilities in the south is four; north, three; north-west, two to a total of nine.

As Ms Bresnehan points out, there are many individual beds and little homes within those communal facilities. The total of our social housing stock is 13 635 and, as I said earlier, that asset is valued at over \$2 billion.

**CHAIR** - I might take the opportunity to grab that probably quite frightening table there - the interest and the housing.

**Ms O'CONNOR** - Yes, I am very happy to give that to you, Madam Chair. We have done the sums and for the purposes of *Hansard* -

**CHAIR** - Is everyone sitting down?

**Ms O'CONNOR** - Hold on to your seats, ladies and gentlemen. The principal that we will pay off over the next 32 years from 2010 is \$223 288 772. The interest that we will pay off in that time is \$150 732 744 to a total repayment to the commonwealth of \$374 021 517.

**CHAIR** - How much did we borrow?

**Ms O'CONNOR** - Talk about an albatross.

**Dr GOODWIN** - It is truly heart-breaking, isn't it?

**CHAIR** - What was the initial debt? Who has been around long enough to know that? Michael Polley, the Speaker.

**Ms BRESNEHAN** - Madam Chair, we would have to go to the archives for that answer.

**Ms O'CONNOR** - I will table that document.

**CHAIR** - Thank you.

**Ms O'CONNOR** - I have the answer to a couple of other questions on notice but I will await your call to respond to them, Madam Chair.

**CHAIR** - Did they relate to the housing issue?

**Ms O'CONNOR** - Only the staffing snapshot.

**CHAIR** - For the overarching department. We may as well take any answers that you have now, minister.

**Ms O'CONNOR** - The movement of staff in the period from 1 July 2011 to 30 May 2012, redundancy payments, 23 people. Through workforce renewal incentive program payments, eight people. The total paid out in redundancy was \$1.796 million. The total cost for the WRIPS, was \$103 541. The area breakdown of losses: redundancies in the north, 2, north-west, 2, south, 9 and in central office, state administration, 13 full-time equivalents. The workforce renewal incentive program changes, north, 5, north-west, 0, south, 3, state administration, 0, to a total of 8.

**CHAIR** - Thank you. Anything else there, minister?

**Ms O'CONNOR** - St Giles therapy and some changes in the output groups 3.1 and 3.2 around the question of where are the Gateways as a line item. For St Giles therapy, the quantum of funding was the question, I believe. The children's therapy, south, \$3.45 million; the seating clinic, which is a great clinic, \$288 354; regional resource and support development unit in the north which a child development unit at respite and in-home support, \$2.817 million; and paediatrics speech pathology, \$51 000. My back of the envelope total of this is about \$6.5 million.

For the forward estimates, output group 3.1, so the increase is principally reflective of indexation. Output 3.2, the increase mainly relates to the increase related to new funds for the SACS and the increased indexation.

The cessation of reform funds: the disability gateway is funded, as I made clear this morning, and the reforms, while we are not in a reform any more because we have a reform system in place, we are certainly continuing to deliver that service. But the family support services which are funded through the reform initiative, appear in the budget papers under output 4, relating to children. The funding for this service was mapped to the children output, post the splitting of the previous disability children and family services budget and this may need to be altered in future budget papers if it should be reflected in output 3.1, which it should be. This will be reviewed over the course of the coming year.

**CHAIR** - Thank you very much, minister. We will move now to grants and subsidies.

**Grants and subsidies -**

**Mr GAFFNEY** - I was looking at the capital investment program but I will do it now, if you like.

**CHAIR** - Grants and subsidies, thank you, then Mrs Taylor, apologies Mr Gaffney, I must have written the wrong initials down there. The table is 5.13 on 5.33. I do not mind if you say you are lost because it takes a while to get around these papers. 5.33, but table 5.13.

**Mrs TAYLOR** - No, the page is 5.30.

**Ms O'CONNOR** - Perhaps if you ask the question, Mr Gaffney - Mrs Taylor.

**Mrs TAYLOR** - It is probably a misunderstanding on my part, but I am just talking about the \$37 million in grants and subsidies. The note says:

The increase in Grants and Subsidies reflects the estimated increases in the Community Service Activity: Aurora Energy Pty Ltd Pensioner Concessions.

On 16 May the Premier said that the government's cap on power price rises would come thanks to a direct \$37 million subsidy from this year's state budget and would not be offset by carbon tax windfalls, so is that this \$37 million?

**Ms O'CONNOR** - That is the Aurora energy subsidy that we administer.

**Mrs TAYLOR** - So the entire budget is that \$37 million.

**Ms O'CONNOR** - For the energy concession, yes it is.

**Mrs TAYLOR** - So that is the only grants and subsidies there are this year?

**Ms O'CONNOR** - Yes, and of that the new money is about \$12.3 million, the total funding is \$37.288 million in 2012-13 for the electricity concession, which is an increase of \$12.3 million from last year.

**Mrs TAYLOR** - So this year is \$25 million? That is the current budget.

**Ms O'CONNOR** - This year that we haven't left yet?

**Mrs TAYLOR** - That \$25 million. That is what that grant and subsidy is?

**Ms O'CONNOR** - Yes.

**Mrs TAYLOR** - Next year it is going to be increased to \$37 million.

**Ms O'CONNOR** - That is right, the following year \$37 million the same number, the year after that \$38.407 million and \$39.558 million.

**Mrs TAYLOR** - I was just asking are there any other grants and subsidies, but that is it, that total amount is for that purpose. Thank you.

**CHAIR** - Capital investment, Mr Gaffney.

**Capital investment program -**

**Mr GAFFNEY** - I looked at the total output of group 3, which is -

**Ms O'CONNOR** - Page?

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**Mr GAFFNEY** - Same table as we were operating off 5.30 straight underneath capital investment programs and table 5.10 in our papers. It is the same page you were looking at as the last one. I had the total output group 3 of \$237.599 million to the grants and subsidies, which were \$24.876 million and came to the total of \$262.475 million. I then read note number 10 for recurrent services, which states:

The 2011-12 Budget, Consolidated Fund Appropriation Act (No.1) 2011, Schedule 1, appropriated \$243.5 million to the Minister for Human Services and \$104.2 million to the Minister for Children for recurrent services. Following the restructure of Output Group 3, for the comparative purposes the 2011-12 Budget figures have been recast to include \$18.9 million in Output 3.1 Community Support Services as part of the Minister for Human Services' portfolio.

I found that a great help. Then when I did my calculations it looked to me as if that adds up to \$262.4 million and I think you have been diddled \$75 000 by the Minister for Children over this appropriation fund and you want to watch those little people because you need to check that, because there is \$75 000 left. However, my question relates to the \$28.58 million capital investment program, which does not have a budget for the next four years. I want to know - that has obviously been subsumed into something else. What was the CIP program for this last year? I know you explained some of it. I thought initially that money had been transferred to the 2012-13 year and just added \$4 million, but that is not the case, that is the combination of output group 1, 2 and 3 plus the grants and subsidies. So what happens now to your capital investment program for the future four years? Where has that been subsumed or how does it work?

[3.00 p.m.]

**Ms O'CONNOR** - Thank you for the question and all those numbers, and the high speed of delivery. We do have capital funds in the budget in the housing fund at the moment there is \$14 million or so that we invest in capital works. I will take up the question of the \$75 000 apparent shortfall with the agency shortly.

**CHAIR** - I think they are working on it now, minister.

*Laughter.*

**Mr GAFFNEY** - It could just be the rounding off on it.

**Ms O'CONNOR** - Yes, it is alright if rounding off works in your favour, but this may not be a case of that.

The capital expenditure that we expect to deliver in this financial year is \$29 million, which is the \$14.2 million left from the \$60 million housing fund. Of that, \$6.1 million will be dedicated to new construction, land acquisition and release, and housing reform. The balance will be dedicated to fund new home builds under the national rent affordability scheme.

From the housing program, Housing Tasmania will spend \$14.8 million on general housing in 2012-13. Of this amount, \$7.8 million will be allocated to development projects that increase the supply and condition of Housing Tasmania's portfolio. A further \$6.97 million will be paid to the Australian government for the ongoing repayment of the principal on outstanding commonwealth-state housing agreement loans.

Some of the deliverables will be: completion of stage 3 of the national partnership agreement on remote and indigenous housing; completion of stage 2 of the Clarendon Vale subdivision, utilising the Australian government's housing affordability fund, where we will making available another 21 residential lots at a cost of \$900 000; completing the marvellous 35-unit development in Brisbane Street at a cost of \$1.5 million, but the total cost of that project is \$6.7 million; delivering on the north-west land release program, which will see the construction of 33 affordable housing units to target elderly people, constructed by not-for-profit providers at Sheffield, Ulverstone, Yolla and Wynyard; and improving the liveability of some of our most disadvantaged communities. We have allocated \$250 000 to undertake urban master planning of five broadacre public housing estates to develop a framework to guide the regeneration of these estates through the Better Housing Futures program. In 2012-13, there will be tenancy and property management of around 3 500 public housing properties transferred to community housing providers as part of stage 2 of the Better Housing Futures project, which forms part of the \$3.5 million allocated to support housing reform projects that will result in a regeneration of some of our social housing estates.

Since January 2009, as a result of the economic stimulus package monies that were invested, including the \$60 million in the housing fund and the national rental affordability scheme project, and also TAHL, we are on track to deliver 1 400 new homes between January 2009 and the middle of this year. In the south we have delivered, through a range of programs, 764 new homes; in the north, 273 new homes; in the north-west, 299 new homes, to a total to date of 1 336 new, mostly-6-star, universally-designed, very contemporary homes for people who need them.

I have a very important clarification to make, Madam Chair. I got the numbers wrong on market rents and I would like to clarify for the purposes of all on the committee that there are 1 440 people who pay market rent out of a total of 11 270 public and Aboriginal housing tenancies. It is just over 12 per cent of our tenants who pay market rent. One of the dilemmas we have when we talk about market rent is the question of tenure and how you make sure your social and affordable housing is as responsive as it needs to be, as we move down the path.

If we do make a decision to look at the broader tenure question, Housing Tasmania's income stream will drop. Once any decision is made to potentially look at some of our market rental properties - I have not made the decision yet and I do not want to frighten anyone - but if we move to allocate those houses to people on the category 1 list, Housing Tasmania's income stream will drop. That is not a major concern because the major concern is to make sure that we are providing homes to people who need them.

**Mr DEAN** - The judgment you have to make is what is the greatest value - the extra income to you, or housing someone who is probably living in a car, on the street, or in other conditions and I would suspect that that should take priority.

**Ms O'CONNOR** - Our priority is always to provide homes for people in need and, in terms of other states and territories, we have the best measure, if you like, of response to providing homes to those in greatest need. The last time I checked it was about 97 per cent but I do not know what it is at the moment.

**Ms BRESNEHAN** - It is 98.6 per cent.

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**Ms O'CONNOR** - It is 98.6 per cent. We are very responsive to high needs but I do agree with you. It is a discussion that we need to have about tenure because we have finite quantity of stock and my view, as I said earlier, is that I do not believe that social housing should be necessarily for life.

**CHAIR** - I think probably a social mix is always a good thing as well, minister.

**Ms O'CONNOR** - Yes.

**Mr DEAN** - Can I just ask one further question on that, now that I have those numbers?

**CHAIR** - It will be the very last one in this area.

**Mr DEAN** - Minister, I raised as an example on this last year, the case of a couple in Ravenswood who were earning between them \$130 000 or \$140 000 a year and still living in a Housing Tasmania home.

**CHAIR** - They love their area.

**Ms O'CONNOR** - To be fair, that is their home and I understand that.

**Mr DEAN** - That is okay but my question is, is there any incentive at all offered or anything that is put their way that would have them want to move into a private home or whether you sell the home to them at the market rate and allow you to spend that money on another home? Is there any incentive?

**Ms O'CONNOR** - We do have incentives through the Home Share and Streets Ahead program where we can offer homes that, as we go through the stock reprofiling process, may not be fit for our purposes. Whether that particular couple's home in Ravenswood is a place that we would determine we wanted to sell, I do not know.

**Mr DEAN** - It is one of the best Housing Tasmania homes in Ravenswood and is looked after extremely well.

**Ms O'CONNOR** - That is right. This is an ongoing discussion but I do respect the fact that we have great tenants who, because of improved circumstances in their lives, are now able to pay market rent. That couple whom you know in Ravenswood would rightly regard that place as their home and that is why this is a challenging area to go into. It is socially responsible of us to examine this issue to make sure that the homes we do provide are targeted to those in need.

**CHAIR** - Thank you, minister. I appreciate that response and I am sure Mr Dean does as well.

Minister, I believe that that has completed that particular output group for scrutiny. I invite anyone who is related to community development, which is output group 6 under Division 9, so that might mean some changes at the table -

Thank you very much.



**The committee suspended from 3.09 p.m. to 3.12 p.m.**

**DIVISION 9**

(Department of Premier and Cabinet)

**Output group 6**

**Community development**

**6.1 Community development - policy advice and ongoing community development -**

**CHAIR** - If you would be good enough to introduce your team for the sake of *Hansard*.

**Ms O'CONNOR** - Thank you. We have here at the table Jeff Reeve, who takes care of our finances in the agency. Nick Evans, the Director of Community Development. Kelly Ford, my senior adviser. Mike Cain, my adviser on community development.

**CHAIR** - First time to estimates, welcome Mike, just for the public record. Minister, I am going to invite Mr Finch to kick off here.

**Ms O'CONNOR** - Do you want an overview or are you happy just to lob straight into it?

**Mr FINCH** - Yes, that was my first question, because of note 13, we would suggest that there are some new inclusions into this area. I thought you might appreciate giving us an overview of this area.

**Ms O'CONNOR** - As all members at this table would be aware, the community development division of the Department of Premier and Cabinet is a small, very focused division within government that seeks to provide policy direction and support to discreet cohorts within our community - women, seniors, multicultural communities, young people, Tasmanians living with disabilities, LGBTI Tasmanians.

**Mr FINCH** - Nearly everyone.

**Ms O'CONNOR** - That is true, Mr Finch. It is a great little unit that is a hub of policy advice to government to make sure that government's policy settings respond to the needs of different cohorts within our communities. Under the Division of Community Development is the Office of Aboriginal Affairs. There have been some changes in the division in the past year. We have realigned the community development division so it is less siloed, but it continues to service those specific cohorts within our community.

There have been a number of changes in 2012-13, or variations. There has been a redistribution of corporate overheads to more accurately reflect the cost of this output and that includes things like human resources, finance and those sorts of things. There has been funding of \$130 000 for the 2012 Tasmanian Government Concessions Guide; extra funding which we secured in this year's budget of \$125 000 per annum for the next four years to the Council on the Ageing Tasmania, which is a direct response to the demographic changes that are happening in Tasmania, the fact that we are the oldest and the fastest-ageing population in Australia and we need to make sure that government policy settings and services are responding to the needs of an ageing population.

[3.15 p.m.]

We thought that this was a very sound investment in a time of financial restraint. We are working with the Council on the Ageing and older Tasmanians to understand what their concerns and needs are, and how we might respond to that ageing population and some of those issues in the future to make sure that we are an inclusively ageing society where the emphasis is on making sure there are social, recreational and employment opportunities for older Tasmanians because the last thing we want to do is waste that very significant human resource of our older people. We thought that was an excellent investment.

There has also been additional recurrent funding allocated in this year's budget of \$90 000 a year to the Aboriginal Land Council of Tasmania because we recognise that there are increased costs associated with land management, and ALT is the statutory land manager of the just over 55 000 hectares that have been returned to the Tasmanian people. Members would be aware that we are currently drafting amendments to the Aboriginal Lands Act to have 10.4 hectares at Larapuna, which members may more commonly know as Eddystone Point, and 148 hectares at Rebecca Creek in the north-west returned to the rightful owners, which is the Aboriginal community of Tasmania. This allocation was made in recognition of the fact that ALT has a very large area of land to manage and there was no increase to their funding for a number of years, yet we expect them to effectively manage the lands that have been returned to them.

There has also been amongst the variations in the budget the transfer of responsibility of the Anzac Day Observance Act 1929 from the Department of Treasury and Finance. That involves recurrent funding of \$21 000.

We are also working closely with Carers Tasmania to develop a framework for carers. There have been moves at a national level and in a number of other states and territories towards carers' recognition, and we will be making sure that we develop a framework in Tasmania that recognises and respects the essential work that carers do. I expect to make some announcement around the framework around Seniors Week this year.

I believe we are doing a good job in Community Development of seeking to understand the needs of these specific cohorts within our community that are part of a much broader community. We are also recognising the fact that there are 155 nations that make up the Tasmanian population and that is why in recent years we have increased the funding to the Migrant Resource Centre and the Multicultural Council of Tasmania. We are also doing some other good work in that space, which I am happy to answer some questions on shortly to make sure that our services, whether they be specific services targeted to people from culturally and linguistically diverse communities or mainstream services provided by government, that they are understanding of and responsive to the needs particularly of humanitarian entrants in Tasmania. Happy to take questions.

**CHAIR** - Mr Finch, is there anything left to ask?

**Mr FINCH** - Can we take a break now?

*Laughter.*

**Mr FINCH** - Minister, just something to point out, first of all, on the website. I have looked to that for guidance to community development and I get in the first page virtually three ministers, the Premier, Michelle O'Byrne as the minister, and you. Probably if someone was looking to

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community development just to drill down quickly into what it represents and what is going on there, it is not as easy to find that information through the website. Some others that I have looked at in other output groups that we have talked about are quite easy and very comprehensive.

You mentioned there something that attracted my attention, particularly about COTA. I asked the Chair to give me a lead on what that might stand for and I have the answer to that.

**CHAIR** - She did.

**Mr FINCH** - Yes, and you have covered that. I am wondering if the School for Seniors in Launceston, if you want to get specific about some of the areas -

**Ms O'CONNOR** - That falls outside my portfolio. My understanding is that falls within the portfolio of the Minister for Education and Skills.

**Mr FINCH** - I wanted to check that because in respect to seniors and what you talked about in your overview that organisation really represents people who are ageing but who still want to keep their minds active. It plays a terrific role.

**Ms O'CONNOR** - That's right but, Mr Finch, I am sure you are aware of this, the Community Development Division is a policy division. It is not a service delivery division of government.

**Mr FINCH** - Yes, so you might ramp up that policy to make sure that we retain that opportunity in our community.

**Mrs TAYLOR** - Do not argue, minister.

**Mr FINCH** - Take no notice of me.

**Ms O'CONNOR** - There is no point in this. I think you should declare a vested interest to the committee, Mr Finch.

**Mr FINCH** - I will ask about staff. How are your resources in respect of staff spread throughout the state to play this role?

**Ms O'CONNOR** - The staffing level of the division is as follows: in the principal liaison office the 2011-12 establishment numbers were 11 FTEs; the 2011-12 filled positions are 10 FTEs. In the policy branch 2011-12, establishment figures, nine FTEs; the filled positions are seven FTEs. In programs and services, 9.6 FTEs, both establishment figure and filled position. In grants and community engagement, eight FTEs in both the establishment and filled position. In the Office of Aboriginal Affairs, six FTEs is the establishment figure and five of those positions are filled. The total filled positions for 2011-12 is 39.6 full-time equivalents.

The restructure that we undertook last year has been cost neutral. It realigned the current services and staff of the division into three areas focused on policies, programs and services and grants and community engagement.

**Mr FINCH** - Were those staff numbers based in Hobart, or do they spread throughout the state?

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**Ms O'CONNOR** - They are all over the place but they mostly would be in Hobart. I am going to ask Mr Evans to speak to that.

**Mr REEVE** - Most of those are in Hobart. There are two based in Launceston and one in Burnie and the rest are Hobart based.

**Mr FINCH** - Thanks very much. I am wondering about the budget strategy savings that might come from this department. I have noticed here an increase of responsibilities that have come to community development and with that some extra funding, of course, and it has gone from almost \$6.5 million to just over \$7 million.

**CHAIR** - A 10 per cent increase.

**Ms O'CONNOR** - As I said, though, part of that increase is in the realignment of corporate services that has been dispersed into agencies accounts.

**Mr REEVE** - There is a figure that has been applied in terms of the savings for the output that is about \$300 000. That is generally recovered through vacancy management throughout the year so we would expect to recoup that through vacancies and turnover of staff throughout the year.

**Mr EVANS** - And you will notice at the moment that we are three staff down on what we have been previously, and that has been a significant portion of the budget savings. We had significant grant programs that are no longer provided through the division as well.

**Mr FINCH** - Will that reduction be held at three down?

**Mrs TAYLOR** - Or is that vacancy control?

**Mr EVANS** - It may be more, but certainly it will not get bigger.

**Mr REEVE** - A lot of these savings are generated through staff being temporarily vacant from the positions. There is a bit of lag between when someone leaves and then someone else occupies the position so there is a saving that is generated through that period of time.

**Mr FINCH** - Will there be pressure on this output area to perhaps search for more savings?

**Mr REEVE** - Essentially it is very well covered now, certainly for 2012-13 there will not be. The department is still looking at its strategies into the out years and the forward estimates. There may be some apportionment of some budget management strategies into the out years but they will not be a significant impact on CDD.

**Mr FINCH** - Minister, does Tasmania Together inform policy or the direction of community development?

**Ms O'CONNOR** - Yes. Tasmanian Together informs policies and approaches right across government agencies and certainly in community development.

**Mr FINCH** - Does that come out of your budget, or is it Department of Premier and Cabinet?

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**Ms O'CONNOR** - No, it does not; it is DPAC.

**Mrs TAYLOR** - Can I ask for some clarification about the last point? If your savings are being made with vacancy control, as it is euphemistically called - that is, not filling positions straightaway - that means you are keeping substantive positions? You have not made any positions redundant, or less than the actual number of positions? Is that correct?

**Mr REEVE** - Essentially it is. CDD has been through a realignment exercise and established the positions it needs going into the future and there is no intention at this point to reduce that.

**Mrs TAYLOR** - So the number of substantive positions remains the same as it did at this time last year?

**Mr REEVE** - That is correct.

**Mrs TAYLOR** - That is not a permanent saving. Hopefully when conditions are a little better you would not have to have the gap between when a job is vacated and when you advertise it so as to get temporary savings at least. I understand that vacancy control is a real saving, but it is a temporary measure, in my opinion, so the real saving you have made is in cutting community grants.

**Ms O'CONNOR** - That was in last year's budget that we made a significant cut to community grants.

**Mrs TAYLOR** - So there is no new community grants cut this year?

**Ms O'CONNOR** - No.

**CHAIR** - I want to ask a couple of questions in relation to COTA; that obviously has an increase in funding. Can I have the funding for 2011-12 and then the funding for this year, the 2012-13 year?

**Ms O'CONNOR** - The current COTA triennial grant deed with the Department of Premier and Cabinet is for a non-indexed annual grant of \$91 532, and that expires on 30 June 2014. That grant funds the salary of the chief executive officer, admin assistant and some of the operational costs. When you add the \$125 000 increased investment in COTA to that sum, the total funding to COTA is \$216 500. On top of that, COTA became responsible for the coordination of the Seniors Week program of events from the end of 2010. DPAC funds COTA to deliver this program through a triennial grant deed of \$105 400, which expires on 31 December 2013.

[3.30 p.m.]

**CHAIR** - How did they apply for those additions? Did they put in a submission?

**Ms O'CONNOR** - They put in a submission to Treasury along with a number of other organisations which went through that process. There are a couple of reasons that a decision was made to invest in COTA. One of them is that COTA has not had a funding increase for seven years and so they have been working with older Tasmanians around the policy settings, the wants and needs of older Tasmanians, the potential wants and needs of an ageing population on a pool of funding which has been non-indexed and static for seven years at a time when the demographic

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challenges to us as a state are becoming increasingly evident. Those demographic challenges are being felt right throughout the community but the most acute area of it is in the health system. A decision was made to increase the funding to COTA because it is a sound investment in making sure that we have the policy settings right to deal with a rapidly ageing population.

**CHAIR** - Will they be providing some programs as well under that, other than the Seniors Week; will they be doing something else and then that is evaluated?

**Ms O'CONNOR** - Certainly. Obviously the funding allocation has just been announced.

**CHAIR** - I am being very careful here because I am going to be a senior at some stage.

**Ms O'CONNOR** - Years off, Madam Chair. I read somewhere recently that the definition of seniors is starting at 55 now.

**CHAIR** - I do not even want to talk about that.

**Ms O'CONNOR** - I know. It is a shocking thing to contemplate. But we will be working with COTA around how that money is best spent. What we are seeking to do as a government, effectively, is expand our capacity to understand what the policy and service gaps will be for an ageing population. This is an investment from government in people who have quite direct contact with older Tasmanians and a very specific understanding of the wants and needs of older Tasmanians and how they are changing in order to inform government's policy in this area. It is a reasonably significant investment in COTA.

**CHAIR** - I am not very good on percentages but it is over 100 per cent increase.

**Ms O'CONNOR** - It is off a very low base though, Madam Chair. I do know, from my conversations with the previous chair of COTA, Maxine Griffiths, that they are very keen to be engaging more with older Tasmanians in rural and regional areas particularly, who can be not only socially isolated but isolated from services that they need. COTA's intent is to expand their outreach into rural and regional and some of the more isolated communities.

**CHAIR** - I will be looking for some outcomes in next year's budget and I am sure you will be as well.

**Ms O'CONNOR** - Yes, we will be too.

**Dr GOODWIN** - I want to ask about the seniors directory that is going to be published in 2012-13, a new one anyway. It is just a note to the table 10.8 on page 10.13 and it mentions that there will be this new seniors directory which will also include an associated recruitment drive which, presumably, is around new businesses and venues affiliated with the seniors card.

**Ms O'CONNOR** - That is right.

**Dr GOODWIN** - Are you able to elaborate a little bit on what is planned there?

**Ms O'CONNOR** - A recruitment campaign was not held in conjunction with the publication of the 2011-12 seniors directory because of the budget situation at the time. Eligibility criteria for the Tasmanian seniors card require that an applicant must be a resident of Tasmania, aged 60

years or over, and working no more than 20 hours a week in paid employment. The objective here is to make sure that Tasmanian businesses feel encouraged to participate in the seniors card program. We believe that a recruitment of businesses is a very good use of government resources because the more businesses that participate the more savings are made to seniors. So the seniors card program undertakes a marketing strategy over the life of the directory. The ongoing media campaign, which is based around three-month blocks of time promotes not only the program, but also serves to keep the directory in the minds of the cardholders and business partners. The number of new businesses registered with the seniors card program is significantly higher during a directory year, due to the extensive business recruitment campaign that is normally run in conjunction with the directory report. The business recruitment campaign was not offered as part of the 2011-12 seniors card project, but during this period 144 businesses withdrew from the program.

I am advised that the withdrawal of businesses isn't unusual during a directory project. However, the recruitment campaign usually mitigates this loss. This year the seniors card program will be coordinating a recruitment campaign.

**Dr GOODWIN** - How many businesses and venues are affiliated?

**Ms O'CONNOR** - The number of new businesses registered with the seniors card program in 2008-09 was 161; in 2009-10, 84 new businesses registered; in 2010-11, 59 businesses registered; and in this most recent year, 57 businesses registered. The total number of businesses that are registered is 678 business partners in the program.

**Dr GOODWIN** - That sounds pretty good.

**Ms O'CONNOR** - Yes. I can advise the committee that as at 18 April this year the seniors card database had 87 013 active cardholders registered.

**Dr GOODWIN** - Wow.

**Ms O'CONNOR** - It's good.

**Dr GOODWIN** - The companion card, what is that?

**Ms O'CONNOR** - In terms of the numbers, as at 30 April 2012 the total number of affiliates registered is 195 157 new cards were issued in 2011-12, and 543 renewal cards. In total, as at 30 April this year, 1 494 cards have been issued to people living with disabilities and the number of companion cards issued has increased; from the 2009-10 year there were 1 145 seniors cards and as at 30 April this year, as I advised, 1 494 seniors cards. The number of business affiliates has also increased, which is very encouraging. In 2009-10, 149 business affiliates were associated with the companion card and now we have 195 businesses associated with the card.

**Dr GOODWIN** - So the companion card is for people with disabilities, is it?

**Ms O'CONNOR** - It is. It is a photo identification card for people who due to their disability require lifelong attendant care to participate at community facilities and events. Attendant care includes significant assistance with mobility, communication, personal care, learning, planning and decision-making where the use of aids, equipment or alternative strategies does not enable the

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person to carry out these tasks. The card is now accepted at most festivals, sporting events, venues, tourist attractions, arts and entertainment venues.

**Mr EVANS** - It effectively means that if a person requires a companion to go to the movies or whatever that person gets in for a reduced fee.

**CHAIR** - Minister, I might have to declare an interest before I ask this question, but I will ask it anyway, about women represented on government boards and I know this will be an area of interest to you. I just don't think 40 per cent is very aspirational and I am just interested in your thoughts on that particular aspirational number of 40 per cent of women being represented on government boards.

**Ms O'CONNOR** - I think we should always be aiming higher, but given the historical imbalance on boards - and I did not set the 40 per cent target policy -

**CHAIR** - If it was 40 per cent we would be happy but we are only 34 per cent.

**Ms O'CONNOR** - We would be very close to the target at the moment. It is interesting because the percentage of women on government boards generally perform better in terms of gender balance than some private sector boards and there are variations across agencies that probably will not really surprise you when you have a look at the percentage of women members of the boards of government agencies. In 2006-07, there were 36 per cent of women on government boards and in 2011-12, we have gone to 35.3 per cent, so there has been a slight decline from a peak in 2008-09. I would say that is part of a natural ebb and flow of people who are on boards. The feedback that you get from larger corporate organisations that have actively sought women to participate on their boards is that it leads to better strategic decision-making and increased productivity of that organisation. The evidence is in. I see Dr Goodwin shaking her head -

**Dr GOODWIN** - No, I was smiling and thinking, yes.

**Ms O'CONNOR** - Sorry, I meant nodding your head. Dr Goodwin would agree that the more gender balance you have on a board the more balanced ultimately your business decisions will be and government does recognise that, which is why we actively seek to engage women on our boards. For example, just compare and contrast some of the agencies and the percentage of women that they have on boards -

**CHAIR** - I can see you smiling already, minister.

**Ms O'CONNOR** - I don't think anyone would be surprised by these figures. In the Department of Education, for example, more than half of its board membership is made up of women at 56.04 per cent. The Department of Human Services is tracking reasonably well and certainly exceeding the target of 41.93 per cent of women on our boards. The Department of Infrastructure, Energy and Resources, which is arguably a little bit blokie, has 15.53 per cent of its board membership made up of women and the gong at the moment goes to the Department of Police and Emergency Management who only have 6.25 per cent of their board membership made up of women.

I can advise the committee that there has been a renewed push to engage the public sector but also the private sector in providing opportunities for women on their boards. Through



government we do work hard to increase the number of women on government boards and committees by providing an online database of board candidates that can be accessed by departmental and ministerial staff - as at 30 April this year the register has 462 members - notifying women of upcoming board vacancies, governance training, scholarships, workshop and networking opportunities; providing website links to other state and federal registers and a portal for all agencies to advertise board and committee vacancies; engaging an executive search firm, Amrop Cordiner King, to assist in identifying suitably qualified people for government business board positions with a particular focus on women; and by encouraging women listed on the register to apply to the Australian Institute of Company Directors' national scholarship.

There is a strategy that we are developing to increase women's representation on boards and decision-making bodies that we will be releasing in the coming months. There is no question that we need to do more as a whole community to make sure that there is as close as possible gender balance on our boards and decision-making bodies in government and also in the private sector.

**CHAIR** - It would be interesting to know - and I am not sure if you will be able to help me with this - how many of that 34 per cent that we have now -

**Ms O'CONNOR** - It is 35.3 per cent - sorry, Madam Chair.

**CHAIR** - That is different to -

**Ms O'CONNOR** - That is the actual for 2010-11, 34 per cent; 2011-12, the actual is 35.3 per cent.

**CHAIR** - That is obviously not in my information. It would be interesting to know how many of that 35 per cent are where there is little or no remuneration for the position that they do. Maybe that is something that your adviser, Mike Cain, might be able to source for you at a later time.

**Ms O'CONNOR** - I am sure he will make some inquiries about that, but you are right, Madam Chair.

[3.45 p.m.]

**CHAIR** - It would be interesting to see how much of that is just for travel and nothing for your time and effort.

**Ms O'CONNOR** - Without wanting to be genderist, I take your point entirely. If you look at volunteerism and the gender balance around community effort and endeavour, you will find that the gender balance is weighted strongly in favour of women.

**CHAIR** - I told Mike at an earlier time that I had a very good question for him and I think I have done very well with that one.

**Mr DEAN** - On the gender balance on the boards, in support of DPEM, it is more of a blokey organisation totally at this stage, is it not? The females are starting to build up in the organisation. In the current organisation I am not quite sure what it is, but I think it was 80 or something like that when I was there - 20 per cent females and 80 per cent men. You could say the same across the education department, where the teaching staff in particular would be far more female than

male and you would expect their boards to be more female related. With those organisations, as they change, the constitution of those boards will change as well.

**Ms O'CONNOR** - I agree. As a society we are changing and young women feel much more enabled and empowered to take on some of those roles that have traditionally been seen as the male domain. There are women driving those massive mining trucks, for example, just as we see more and more men going into the nursing field, which is a very healthy situation.

**Mr DEAN** - I am aware of a police officer and his wife who have recently left the police service. His wife is now driving one of those enormous trucks and he is driving one as well in Western Australia.

**CHAIR** - Too many of those stories going around of people leaving our community.

**Tasmanian Community Fund -**

**Mrs TAYLOR** - My question relates to the fact that the TCF has been moved to DPAC, which it was a year ago so it is not different from last year. I note that the actual fund is reserved by law, so I know that is safe. I was not entirely comfortable that it was moved to Community Development. Have there been any changes to the administration for the TCF since it was transferred to the Department of Premier and Cabinet?

**Ms O'CONNOR** - None that I am aware of.

**Mr REEVE** - The TCF previously was located in Treasury, so to all intents and purposes the change has not had any impact on the independence of the board, which as you noted is protected by statute.

**Ms O'CONNOR** - Some might say they are safer in DPAC than they would be in treasury.

**Mr REEVE** - There were two staff charged with administering the TCF. They came over from Treasury into DPAC. There have been some staffing changes but the two positions are still there and they report having a very strong relationship with Lynn Mason, chair of the board, and the rest of the board.

**Mrs TAYLOR** - You don't think there are any concerns?

**Mr REEVE** - I think Lynn and the board are as keen, if not keener, than you to ensure their independence is respected and protected. There is no view within DPAC or anywhere else in government to change that.

**Ms O'CONNOR** - There has been no feedback from Lynn or other board members to suggest they are unhappy with the new arrangement.

**Mrs TAYLOR** - For the sake of confidentiality, I will not comment on that.

**Ms O'CONNOR** - I would be very interested to have a discussion with you about this afterwards.

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Just for the record, it is such a great fund - \$58.6 million has been disbursed to community projects and initiatives, 1 700 different projects since the establishment of the fund. That is social gold.

**Mrs TAYLOR** - We had a briefing not so long ago from Lynn Mason, and it is great news always.

**CHAIR** - That is probably why members do not have a lot of questions because we had a very extensive briefing and were given an extensive list of projects that are being funded and the new way the fund is being administered with the different levels.

**Ms O'CONNOR** - It is extremely well administered.

**The committee suspended from 3.51 p.m. to 4.07 p.m.**

### **DIVISION 9 (Department of Premier and Cabinet)**

#### **Output group 1 Support for executive decision**

##### **1.2 Climate Change -**

**CHAIR** - Thank you, Minister. Welcome back for the last part of our session today in the area of climate change. So, if you would like to introduce your team at the table.

**Ms O'CONNOR** - Thank you, Madam Chair. To my right again is Jeff Reeve, the Director of Corporate Services in the Community Development Division and DPAC; Wendy Spencer, the Director of the Climate Change Office; and Claire Jansen, my Adviser on Climate Change. With your indulgence, Madam Chair, I will just make some brief opening remarks.

**CHAIR** - Welcome ladies, and Jeff back again.

**Ms O'CONNOR** - Climate change is a very challenging portfolio of government, partly because a government response to climate change needs to be a whole-of-government response and that is the work that we do through the Tasmanian Climate Change Office, working with other agencies on issues such as their emissions reduction endeavours and also the climate change implications of some of their policies and programs. As members would be aware, when documents come through to cabinet, there is now a pro forma in there that seeks to examine some of the potential climate change implications of a particular cabinet decision.

At the moment, Tasmania's emissions for the last recorded period in 2009-10 were at 7.6 million tonnes of CO<sub>2</sub> equivalent. Those emissions declined by almost half a million tonnes or 5 per cent on the previous year and that can be attributed in large part to a slowdown in economic activity as a result of the global financial crisis. The decline in emissions in Tasmania can also be partly attributed to the recent recovery of our Hydro dam storage levels. Tasmania's emissions include land use, land use change and forestry activities - and I should make the point here that not all forestry activities are accounted for in our greenhouse accounts, particularly the

high-intensity burns; the amount of carbon they release is also not accounted for. The total emissions that we account for are just over 30 per cent below 1990 levels, but they have been trending upwards in some sectors.

In order to reach our legislated emissions reduction target, which is a reduction of 60 per cent of our 1990 levels by 2050, we will need to nearly halve our emissions to 4.5 million tons of CO<sub>2</sub> equivalent. We have an advantage here in that we are a renewably powered state, so our prime source of power comes from clean energy. But members would be aware that about 20 per cent of our energy is imported from Victoria across Basslink and that comes from coal-fired power. There are challenges for us as a community. We should be aiming to be 100 per cent renewable. We can be 100 per cent renewable and I know that Dr Goodwin's shadow colleague, Mr Groom, agrees that a significant investment in renewables and the capacity to encourage renewable investment in Tasmania is an extremely important part of our climate change response.

The work that is also being undertaken through the agency around adaptation is very significant. We have an adaptation unit in government established nearly two and a half years ago in the beginning of this period in government. Through our adaptation unit, we have been able to secure about \$900 000 in federal funding to work with local government around some of those adaptation pathway issues. What are the lines of responsibility? What are the legal challenges? Which part of government is responsible for which component of the adaptation agenda?

At the first select council meeting on climate change and energy efficiency, I was able to present for Tasmania to the national ministers, the importance of making coastal adaptation issues a real priority. In Tasmania, where we have more coastline per unit area than any other Australian state, it is a very pressing issue. There are challenges for communities around our coastline but also for local and state governments around sea level rise and changing weather patterns.

In an administrative sense, we released last year the action plan to reduce emissions, which requires government to work with our big emitters. We had our round table with the big emitters towards the end of last year, where we had the major industrials and the Minerals Council of Tasmania at the table with the Minister for Economic Development, talking about some of the implications of the new carbon pricing scheme for their businesses and, more broadly, for the entire economy.

The action plan also requires us to generate more energy from renewable sources and that is an ongoing mission of ours. I point members to the experience of South Australia which has decided to aggressively market itself as the renewable energy state and tap into some of that \$10 billion, I think, that is available for renewable industry development nationally.

Helping Tasmanians use their energy wisely is part of our action plan and that underpins everything that we are doing around energy efficiency in public housing.

Understanding our forest carbon - I now have in my hands the final draft of the forest carbon study which requires some more work. But this is a funded study that is being undertaken by independent consultants, CO<sub>2</sub> Australia, to understand how much carbon is in our forests, what its potential value might be, whether there are impediments to realising that value and how changes to forest management might impact on carbon stocks and the value contained there in. This is a very important body of work because the intergovernmental panel on climate change makes it very clear that around 18 per cent of global emissions can be attributed to deforestation and the

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fastest and most effective way to bring down our emissions and begin restoring some of the oxygen to the atmosphere is through avoided deforestation or reforestation.

**Mr GAFFNEY** - Sorry, did you say 'avoiding' reforestation?

**Ms O'CONNOR** - 'Avoided' deforestation or reforestation. If you want to look at Tasmania, there are examples where we can avoid deforestation through changing our land management practices, for example. That is a slightly convoluted way of saying we could stop logging this particular type of forest or this particular area of forest and therefore avoid the emissions that would come from a business-as-usual scenario.

**Mr GAFFNEY** - You are just doing an overview now, aren't you? We will come back to that.

[4.15 p.m.]

**Ms O'CONNOR** - I am doing an overview and I am happy to talk about it a bit more.

We have undertaken a review with John Ramsey of the Tasmanian Climate Action Council, which is our 10-member council established under the Climate Change (State Action) Act 2008 to provide independent advice to government on how to reach our 2050 target. What are the steps we need to take to re-engineer our economy to meet that target? I will be able to announce the new membership of the new Tasmanian Climate Action Council, which is an outstanding group of people, in the near future. I have to take the submission to cabinet first. We will be undertaking a review of the Climate Change (State Action) Act as the next step in this process of review and I am going to ask Ms Spencer, what is the timing again on the review of the act?

**Ms SPENCER** - The review of the act has commenced. The consultants, SKM, who are a national company - in fact the major person doing the review is the person who did the Wedges report that members will be aware of that looks at how Tasmania can reach its emission reduction target, Walter Gerardi, is undertaking that work and he has commenced and is due to provide the report to the minister at the end of July.

**Ms O'CONNOR** - Thank you, Ms Spencer. I should just point out while we are on overview, briefly, that there is an error in the budget papers and it is in the quantum and the source of grant funding. I can indicate to the committee that there is actually no change and no intended change to the grants that will be administered through the ClimateConnect program. I would just like to reassure members of that.

Finally, the Climate Change Office budget in total is \$1.631 million and there has been a small amount of savings to that budget through the reduced travel for the Climate Action Council - reductions in air travel and also through fiscal management broadly. I am happy to take questions on climate change now.

**Mr GAFFNEY** - Before we start the questions, our papers say that the budget is \$1 581 -

**Ms O'CONNOR** - The budget for the Climate Change Office?

**Mr GAFFNEY** - Yes, for 2012-13.

**Ms O'CONNOR** - It is \$1 631.

**Mr REEVE** - I can explain, minister. There are two views presented in the budget papers. This is a Treasury standard presentation and one view is the consolidated fund and one is all sources of funds. Because the Climate Change Office receives funding for the air travel offsets from other agencies, that is presented in one view, which is the \$1 631, and the \$1 581 is the consolidated fund appropriation.

**Mr GAFFNEY** - Thank you. Minister, you have answered quite a few of the questions in your overview, however, we will go into it a bit deeper. There are three sections to some of the questions that I am going to ask. One is the running of the Climate Change Office and that sort of thing. The other one is the Tasmanian Climate Action Council report and the government response, and you have alluded to the emissions already. The last one is the local government and climate change. How many FTEs are currently employed in the Climate Change Office and have there been any changes in the last 12 months to the number of people employed?

**Ms O'CONNOR** - I can advise the committee that the Tasmanian Climate Change Office FTE number as at 12 March was 6.3, which is a reduction of 1.1 FTEs on last year's staff allocation.

**Mr GAFFNEY** - Other than employment costs, what were the main operating expenses in the last financial year?

**Ms O'CONNOR** - They are broken down into - and I am happy to throw it at Ms Spencer - employee-related expenses of the Climate Change Office are \$1.054 million. The non-employee-related expenses are \$577 000 and would relate to things such as the operation of the Tasmanian Climate Action Council, which has an allocation of around \$150 000 and the costs associated with that, which include travel.

**Ms SPENCER** - The ClimateConnect grants also fit in there. In the last financial year that was \$120 000.

**Mr GAFFNEY** - Minister, I am pleased to see there has been no reduction in the climate grants, as was put into the papers, because that would be a concern. Can you elaborate on the types of projects that were sponsored last year?

**Ms O'CONNOR** - There have been some fantastic projects, some of which I have launched. One of the small, but most impressive, ClimateConnect grant funding projects was in the Kentish municipality, where a small group of locals set out to work within their community to educate people about solar hot water and energy savings. They undertook a very significant community education campaign and worked with the school. The Kentish project, Kentish Gets Energy Efficient Hot Water, which was a public investment of \$20 200, aimed to facilitate a bulk purchase of at least 50 solar or heat-pump hot water systems, assist households to reduce thermostat settings, install timers on electric storage hot water systems and promote behavioural change to encourage energy-efficient use of hot water. It was a very successful project and generated real enthusiasm within the community, working with the local school - with 70 hot water systems installed and 50 hot water thermostats lowered.

Another great project we funded was the Southern Channel Sustainable Living Group's Local Food for Local People, at \$29 040 through the grants program, which established a community-supported agriculture network. Participating households are supplied with weekly

boxed vegetables and fruit sourced from local farms using sustainable agricultural methods and from backyard vegetable gardens generating excess produce. This project has brought together growers from throughout the region to be part of supplying fresh fruit and vegetables. Subscribers were sought from the groups' members. The number of subscribers was set at 24 boxes in real terms. This consists of 12 full boxes at \$50 a week, and 16 half-boxes suitable for couples or small households. At this stage, the total number of subscribers is 28.

The Tree-riffic the Carbon Friendly Way project by the Mersey NRM group - which is a very enthusiastic NRM group I am sure you will agree, Mr Gaffney - had a funding allocation of \$50 000 to help reduce emissions associated with the current practices of burning or dumping all problem or weed trees removed for environmental and development reasons. The project developed sawmilling facilities, including the provision of solar kilns to specialise in the milling of problem trees and develop and market a brand to create a consumer niche market for milled problem-tree timbers. The project has led to a substantial carbon saving. After 12 months it was estimated that more than 500 tonnes of carbon dioxide emissions had been prevented from being released. It is one example of how local action can make a tangible contribution to our endeavours to bring down our emissions as a community.

**Mr GAFFNEY** - Regarding the decrease in the budget, and the minister talked about a decrease in board sitting fees, can the minister provide details in relation to the reduction? What is the current level of remuneration for board members?

**Ms O'CONNOR** - We have had to find savings in this part of the agency. Under the Climate Change (State Action) Act 2008, the Climate Action Council can be between eight and 10 members. Initially, as we were bringing together the range of scientific and technical expertise we need on the new council. I was thinking because we had to find savings that it might be an eight-member council, but there are so many quality people in Tasmania with expertise in this space. A 10-member council enables us to get a much deeper breadth of understanding and expertise to come to the table.

The sitting fees for TCAC (Tasmanian Climate Action Council) members in the previous council were at a rounded figure \$14 000 per person. The chair was funded at \$24 000 and I have decided in order to have the broadest possible range of expertise on the new council that 10 members is the most desirable number, particularly given the range of people we will be appointing to council that the board sitting fees will be reduced from \$14 000 to around \$12 000.

**Mr GAFFNEY** - I am pleased to hear that you mentioned that there were so many quality people from within Tasmania. Are all the board members Tasmanian-based; there are none from interstate?

**Ms O'CONNOR** - Subject to the fact that these appointments need to go through cabinet, I can advise the committee that of the 10 members on the board, nine of them are Tasmanian-based and the other is a person of such outstanding qualification to be a member of TCAC that I think it is worth engaging that person to be a member of council. The previous 10-member council had two interstate members. When we started to work to frame up the new council it was really clear that we have the qualities and the capacity here. We have more scientists per capita than any other Australian state and territory, and arguably anywhere in the world. The level of expertise, not just in the scientific community, but also within planning, within community outreach, in coastal issues and understandings of environmental law, the great talent is here in Tasmania. So

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we have appointed a council very heavily dominated by Tasmania - we will appoint, subject to cabinet's approval, a very Tasmanian climate action council.

**Mr GAFFNEY** - Can you elaborate on the process adopted to assess the applicants and recommendations for appointments to the cabinet? I am interested to know how you selected the 10 and what process you went through.

**Ms O'CONNOR** - Under the act there are two ways you can go through an appointment process for the council. You can either put it out for expressions of interest and go through quite a long process, or you can engage people with expertise in the climate change office, but also more broadly to get an understanding of who the leaders are within our community on climate change. It was a direct approach to people with expertise in this field - and I will take responsibility for this - that we have been through in order to make up the council as it will stand, subject to cabinet approval.

**Mr GAFFNEY** - That process is similar to a process adopted for other state boards?

**Ms O'CONNOR** - There is a range of approaches that you can take here. I am empowered under the act to self-appoint on the basis of advice that I receive. One of the issues for us was that the previous council wound up at the end of March this year and we at that time were undertaking the review the role and effectiveness of the council, so we were in a bit of a hiatus. As it stands now we do not have an operational climate action council and the balance of choice that I had to make, was whether to extend the process for another potentially two to three months in order to find people, or, on advice, to approach people directly.

Subject to cabinet approval, I am very happy to put the CVs of those people who, subject to cabinet approval, would be new members of the council up to scrutiny because they are outstanding Tasmanian individuals.

[4.30 p.m.]

**Mr GAFFNEY** - I am not sure whether you can answer this, but you tell me if you can't - of the existing council members, how many of those are expected to have a position on the new council?

**Ms O'CONNOR** - We have one existing council member whose term was not due to expire for another two years and I am happy to advise the committee that person is Paul Gilding, a former director of Greenpeace but now is a consultant to governments and corporations, internationally, around what they can do to bring their emissions down. I have decided to roll Paul Gilding's appointment over, so he will sit on the new council. I can advise the committee that, under the act, I am required by section 11(2)(b) of the act, 'to establish a process to seek expressions of interest or the specialist recruitment of the potential chair person and members of the council. The process to assess applicants and make recommendations to the minister for appointment to the council should be similar to the processes for other Tasmanian board appointments'. So sometimes these appointments go out to expressions of interest. At other times it is specialist recruitment.

**Mr GAFFNEY** - In the government's response to the performance of the Tasmanian Climate Action Council review, it supported the recommendation that the minister and the council establish a process to reach agreement on priority matters. Can you elaborate on the process that is likely to be adopted and what that process will involve on priority matters for the council?



**Ms O'CONNOR** - The process will be at the first meeting of the council, once the appointments have passed through cabinet. We will sit down, I would say, for a fair chunk of a day and establish a work plan for the future council and I have my ideas around what some of the priorities should be. I have written to other government ministers, asking for their input into how the new council might be as effective as it is possible to be and in what areas of climate change, broadly, within their portfolio responsibility. They can identify issues that could make up part of the new council's focus.

My view, for what it is worth, is that we need to continue the council's role in providing independent advice to government about how we reach our 2050 emissions reduction target and what steps we need to take leading up to that. It is a matter of great regret, I think, to Tasmania as a whole, but certainly to me, as minister, that we do not have an interim target in Tasmania. We do not have a 2020 target for emissions like a number of other states and the commonwealth do. I also think there is much more capacity - and this came through in the review - for the new council to be quite deeply engaged in a conversation with the community around climate change action through grassroots and community climate change action.

I also think that, particularly with the make-up of this council and the mix of expertise that is on it, we have a role in working with the adaptation unit around some of our adaptation priorities because there are very significant challenges ahead for us, as a community. We need to make sure that we create a social and economic set of circumstances that draw on our resilience as a community and some of natural advantages, to ensure that we can continue to be a prosperous community, despite the fact that the world's climate is changing dramatically and there will be very significant impacts on Tasmania. The work that has been undertaken by Climate Futures points this out. The Climate Futures work is world leading science and it breaks down the landscape into 10 kilometre by 10 kilometre grids, so that there is a very precise capacity for planners, farmers and people who are investing in infrastructure projects, for example, to have a look at the Climate Futures work and look at the projections for what the changes will in the landscape, based on the latest intergovernmental panel on climate change assessment reports, out to 2100.

**Mr GAFFNEY** - Thank you. I am talking about local government and climate change now. In the estimates of last year, you stated the different levels of preparedness at a local government level in dealing with climate change impacts and that work needed to be done to ensure that all councils are coming up to the same level of understanding about what needs to be done at the planning level. What have you done in your capacity as minister to support local councils in improving their level of preparedness for climate change impacts?

**Ms O'CONNOR** - Thank you, and that is a really good question. The fact is, and I am sure you are acutely aware of this, Mr Gaffney, in many ways the frontline response to a changing climate and the adaptation impacts will be dealt with by local government. We are seeing some of that right now in places like Roches Beach. I am not equipped to say that the major storm that happened last year was a consequence of climate change; it was a very high tide and major low-pressure system and all sorts of events converged to create a very significant issue for the residents of Roches Beach. There has been an unfortunate level of uncertainty around what council is able to do in order to replenish and restore the beach. We have been working very closely with the Clarence Council on that issue. I can advise that the Minister for the Environment, Parks and Heritage, Brian Wightman, has written to the mayor of Clarence Council indicating that, thankfully - I am happy to table this letter -

'As an outcome of the investigations and consultation undertaken by the Clarence City Council both independently and through the Tasmanian Coastal Adaptation Decisions Pathway Project

which I know your Latrobe Council is participating in, along with Kingborough and Break O'Day -

I am advised that the concept of dune nourishment with sand is an action that has a liability risk level, that the state government would be prepared to accept.'

We are working with Clarence Council in a direct way to deal with the immediate consequences of the storm damage that was caused last year. We are also working more broadly, as you know, through the Adaptations Pathways Project with the four councils, Clarence, Kingborough, Latrobe and Break O'Day, to better understand what the lines of responsibility and expectation are, what the adaptation pathways are. That work will, I am certain, inform other councils' ability to respond to the adaptation issues.

We have also, through the Climate Futures Project presented breakdowns to each municipality of what the potential climate impacts will be. Latrobe is there, Glenorchy, Break O'Day, Waratah, Wynyard and each is specific to that municipal area.

There is a lot of good work happening through the adaptation unit working with local government. It is also the point of an ongoing discussion at the national level around what the commonwealth's responsibilities are, what other jurisdictions are doing, what should the role and responsibility of local government be, how far does any government authority go in, for example, dealing with the consequences of climate change around coastal areas because there will come a point when it is beyond the resources of either local or state government to save the entire coastline. It is not going to be possible. We do know that our coastline is very vulnerable in a number of areas, particularly around Lauderdale, Kingston, and up on the north-west coast at Port Sorell, which are very low-lying areas.

There is a significant body of work that is being undertaken at the national level. Also, in terms of our adaptation response, Tasmania is doing very well, relative to other states. I was, I won't get too political here -

**CHAIR** - We won't get political at all.

**Ms O'CONNOR** - but it is a point worth making. One of the problems with an adaptation response to climate change, and it is a bit like the national disability insurance scheme, you need tripartisan understanding of what the challenges are and support for a coordinated response. Once you get into political arguments about who is responsible for what, governments may throw their hands up and say, 'We can't deal with it. We don't have to deal with it. We don't believe in a carbon price so we're not going to take part'. You are holding back your response to climate change and I think you are short-changing the communities that we are elected to represent.

As climate change minister, the levers that I have to pull in this space are not all the levers that are necessary. The ministers who have a particular shared responsibility here - the Minister for Crown Lands, Brian Wightman and the Minister for Planning, Bryan Green - I am certainly

working very closely with them on the coastal management issue and around the implications for communities on the coastline.

**Mr GAFFNEY** - Who drives the state coastal management framework? It was called the state coastal policy for a long time and then it was pulled off and now everyone is waiting for this framework so they can actually do something with it. Who drives that framework, the process? Is it your department?

**Ms O'CONNOR** - Fundamentally, state policies and projects come under the administration of the Premier. The Draft State Coastal Policy of 2008 was rejected by the Tasmanian Planning Commission because it was manifestly inadequate. It did not apply the precautionary principle, did not adequately account for climate change, among a range of reasons. The Premier wrote to the Minister for Planning who wrote to the Tasmanian Planning Commission requesting that they undertake work on the development of a coastal framework for Tasmania.

There has been some good work undertaken. We have representation with Spencer from the climate change office who represents us on the coastal adaptation committee that has been working with the Planning Commission. There has also been feed in from the Office of Security and Emergency Management, for example. A body of work has been done around the establishment of a set of principles for what might be a coastal framework.

When you look at the experience of other jurisdictions, when you compare Tasmania's response to coastal management issues specifically to climate change and adaptation, we are at the bottom of the nation, along with the Northern Territory. A Blake Dawson report released two or three months ago makes it very clear that because of the lack of action on the coastal policy and because the last draft that fell over was flawed at every level, we have dropped the ball on coastal response. But I am pleased to inform the committee that \$240 000 has been allocated in this year's budget to establish an interdepartmental steering committee, that is what part of the money will be used for, but it will be answerable to the three ministers working with the planning minister, crown lands, and the Minister for Climate Change, on what a coastal framework might look like.

If we look at New South Wales, for example, they have a Coastal Protection Act and a number of other jurisdictions have adopted a legislative response to coastal management issues. We have been criticised in the Blake Dawson report for a complete lack of action in this area. We now have an opportunity to work with three agencies to develop a coastal framework and in my view it should be an act.

[4.45 p.m.]

We brought Professor Bruce Thom down to talk to the Planning Commission and to ministerial advisers around the approach that they take in New South Wales. Professor Bruce Thom is a member of the Wentworth group of scientists. He advises the commonwealth government on coastal adaptation issues. He is a delightful scientist and he is very pleased to give his time. He reinforced the belief that we need a legislative approach in Tasmania. We have this beautiful coastline, we know it is vulnerable to a range of impacts, and climate change is one of them, yet our policy and legislative response around the coastline is very poor. I am hoping to work cooperatively with my ministerial colleagues to see the establishment of a coastal protection act for Tasmania.

**Mr GAFFNEY** - One more comment on that and one question. Just for the record, I have been involved at a level with the Tasmanian Climate Adaptation Pathways Project and I have to say that it has been exceptionally and professionally undertaken. I have been so impressed and so has the community about how that work is being handled and managed. I believe it has real benefits. That is a great thing and I am fortunate that we are one of the four councils involved at that level to provide further information for other councils. I cannot speak more highly of the process and the people you have in charge of that.

My question is to the climate change office staff. Have you had the opportunity to listen to Dr Martin Moroney present about carbon storage in Tasmanian forests? He works for Forestry Tasmania and is an eminent scientist within his field. We have been fortunate as members of the Legislative Council to hear his presentation and it was top quality. I am wondering whether he has presented and worked with the climate change office, and whether he is one of the people who might be on the application board because he is eminently well qualified to be so.

**Ms O'CONNOR** - I am happy to answer this question, Mr Gaffney. I am very aware of Dr Moroney's work. He is one of the scientists who has fed into the forest carbon study and the work that he has undertaken over a number of years as an employee of Forestry Tasmania. I encourage members of the Legislative Council also to hear from someone like Professor Brendan Mackey, he is now at James Cook University but he was formally from the ANU, who has done what is regarded as one of the most comprehensive studies of the carbon sequestered in south-eastern forests, which shows that our forests here in Tasmania are among the most carbon dense forests in the world, and also Dr Andrew Macintosh who works at the ANU, who undertook the assessment of carbon value as part of the verification process for the intergovernmental agreement. I do not have the numbers at my fingertips, but Dr Macintosh's projection of the potential carbon value within our forests runs into the billions of dollars over the next two or three decades.

The issue with forest carbon, and it is one of the reasons we undertook this study, is that there is a very wide spectrum, not only of views, but of understanding and there are significant gaps in our understanding. There are significant data gaps in terms of, for example, rainforests and how much carbon would be stored in temperate rainforests. Soil carbon - there is a rich diversity of views on this issue.

When we engaged the consultants to undertake the forest carbon study we established a steering committee of scientists to guide and advise CO<sub>2</sub> Australia: Professor Jim Reid, the Chair of Plant Sciences at UTAS, is the chair of that steering committee; Professor Brendan Mackey is one member; and Professor Chris Brack is the other who is most recently from the University of Melbourne. You have to get your balance right when you are looking at issues that are as complex and potentially politically contentious as forest carbon. This is why we established a steering committee that we think satisfied the concerns of conservation-minded people, but also forestry-industry supporters. We think within that steering committee there is the expertise to carry us forward.

Members would be aware if they were listening to the radio six or so weeks ago that when Dr Moroney came out and criticised Professor Macintosh's work I said, 'Look, we need to be careful here because Professor Moroney is employed by Forestry Tasmania', and I did not mean to besmirch his reputation at all, but it is a difficult space to be in as a scientist when you are in such a politically charged environment as the intergovernmental agreement and you have one scientist attacking the credibility of another scientist in this space. It is indicative of the fact that there is a

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range of views on forest carbon and this is some tension between scientists in this space just as there is tension around the broader issue of forest management and carbon stocks.

**Mr GAFFNEY** - What you are assuring us is that on the Climate Action Council there will be a fair representation of all those different views of where carbon is stored or if that is an important part of that. I think that would be a balance. I know in your responsibility as minister you would be the main person to select?

**Ms O'CONNOR** - On advice from a range of people. I did not just cook up a number of people in my head at all because I do not know enough or enough people with the expertise. There is one scientist whom we are proposing to appoint to the council who works with the CSIRO with specific expertise in climate science. Dr Maroney, Professor McIntosh, Brendan Mackey, Jim Reid - it is much more narrowly focused in a forest carbon space and we can draw on a range of expertise there to inform our views and we do. The forest carbon study when it is released will be very clear that the consultants have cast the information-seeking net as widely as they possibly could but the objective of the Climate Action Council is quite different from that narrow focus on forest carbon. We have people with expertise in planning, for example, a range of -

**Mr GAFFNEY** - Yes, I appreciate that.

**Mr DEAN** - The CVs ought to reveal to us that you are providing those.

**Ms O'CONNOR** - Absolutely.

**CHAIR** - I think the question was: have you, minister, heard Dr Maroney's presentation?

**Ms O'CONNOR** - I have heard radio excerpts of it and I have read his -

**CHAIR** - No, the actual presentation.

**Ms O'CONNOR** - No, it has not been offered to me and I have not heard it. I have read some of Dr Maroney's work, though.

**Mr GAFFNEY** - Thank you, minister.

**Mrs TAYLOR** - For the information of the minister then there are a couple of public presentations of his work coming up in Glenorchy on 25 June, so I will make sure you get an invitation.

**Ms O'CONNOR** - I am sure he would be delighted to see me there. But I reinforce the point I made earlier - I am not going to tell you how to suck eggs - it is important that members of the upper House also go to other scientists in this space who are working in universities and not for Forestry Tasmania.

**CHAIR** - The letter, minister, you were going to table the letter.

**Ms O'CONNOR** - I said I would so I had better.

*Laughter.*

**Ms O'CONNOR** - I can advise that my adviser, Claire Jansen, has had a discussion with Alderman Doug Chipman about the council's response to this letter with the council and they are very pleased to receive the letter. It has been a long time coming.

**CHAIR** - Thank you very much. I have a fairly broad question in relation to how the Tasmanian government has changed the way it does business as a result of the advice that the Tasmanian Climate Action Council has provided, and some tangible examples.

**Ms O'CONNOR** - There are tangible examples. We have brought down our vehicle use, our energy use, and we are reprofiling our public housing stock so that they are much more energy efficient.

**CHAIR** - We have pretty much covered that aspect through our previous output group.

**Ms O'CONNOR** - Regarding some of the core numbers, there have been significant endeavours to bring down government's energy use and therefore emissions since the Parsons Brinckerhoff work was done in 2008 which evaluated what the government's emissions profile is. All agencies are in the process of implementing initiatives from their emissions reduction plans. There has been the construction of government's first zero carbon building - the Bruny Island community health centre, which opened in 2010. In addition to these plans, agencies are taking part in a number of activities to reduce government emissions.

There is reporting of annual greenhouse gas emissions through an online, inventory database, reporting on and offsetting air travel, meeting minimum greenhouse gas standards for government vehicles, participating in cross-agency climate champions forums, including climate change impact statements in all cabinet submissions and proposals, and reporting on climate change initiatives in agency annual reports.

Between 2009-10 and 2010-11, there has been a decline in the government's electricity use of over 6 per cent. Natural gas use has increased as a result of the LGH installing a cogeneration plant. There are encouraging trends in the data on vehicle emissions. There has been a clear trend away from unleaded petrol and towards low emission and diesel powered vehicles. Overall, fuel usage is down.

In 2010-11, agencies reduced their air kilometres travel by 9.5 per cent, compared to the previous year. There are also ongoing endeavours across agencies to reduce their energy consumption, not only because it is the right thing to do by the climate but it is also fiscally responsible.

**CHAIR** - My next question is, given that the climate change grants program will continue, how much is the quantum of that program?

**Ms O'CONNOR** - Up to \$120 000 will be available this year for climate connect grants.

**CHAIR** - How much was provided in the last financial year?

**Ms O'CONNOR** - \$120 000 - it will be the same this year as last year. .

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**Dr GOODWIN** - I want to pick up on that coastal protection liability issue because it is an issue for the Clarence council and more broadly than the right to speech example. I am sure that is a positive development in terms of the letter that you have tabled. In relation to that New South Wales act you mentioned, does that address the liability issue at all?

**Ms O'CONNOR** - What the New South Wales government has done in the past couple of years is that they are the only Australian jurisdiction that has provided an indemnity to local government around climate change litigation, adaptation action. It is possible that the jury is still out on that in New South Wales. What I have said to Clarence council because Clarence council is way out front of the field, they have been working in this space very actively for the last four or five years and have done a very thorough analysis of the vulnerability and risks of the municipality.

**Dr GOODWIN** - They are fairly exposed because of the nature of the municipality boundaries.

**Ms O'CONNOR** - They certainly are. To be fair, they were initially encouraged by the work done by Chris Sharples on coastal hazards mapping.

The question of liability is quite complex because if a council makes a decision to undertake an action in full knowledge of the science at the time, or the policy settings at the time, and makes that decision in good faith, whether or not they will be held liable for that decision in future years is unknown. It is great that we have Kingborough and Break O'Day, Latrobe and Clarence working on the adaptation pathways project. If more councils can be assisted through the work that we are doing through the adaptation unit to better understand the level of hazard to their areas, and to make sure that their planning frameworks are constructed in the knowledge of the hazards that we can reasonably confidently project now, that is why this work that has come through the climate futures project that provides information to municipalities is really important.

I do not think it would be responsible of government to provide a blanket indemnity to councils to make any decision that might come to them around adaptation planning or mitigation. There is more work to be done by councils with the adaptation unit on their understanding of risk before we can talk about any sort of blanket indemnity. From a public policy perspective I would like to see a much higher level of awareness and preparedness, and we can work with councils to deliver that through the adaptation into the science that is available before we start talking about indemnity. I also think we need to have a coordinated national approach.

One of the issues that came up at the ministerial council meeting earlier this month was about adaptation lines of responsibility. There is some work happening in the liability space and I know that is something that is going to be discussed at COAG as well. There is more work to be done here, I think, before there is a major policy shift, certainly from the state government's point of view.

[5.01 p.m.]

**Mr GAFFNEY** - Just on that point, minister, the issue here too is that the coastline and foreshore responsibility and the ownership -

**Ms O'CONNOR** - Is crown land.

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**Mr GAFFNEY** - is crown land and Parks and Wildlife. So that is the first line of defence and councils are reticent to jump into that space because we do not own that space to do the work.

**Ms O'CONNOR** - Understood completely.

**Dr GOODWIN** - I know, and I completely understand, the complexity of it and that has been the issue with the Roches Beach example, trying to work through the fact there are different areas of responsibility. In the meantime, because all this sounds like it will take a bit of time to work through, I suppose the expectation is that the indemnity issue or the liability issue may well be dealt with on a case-by-case basis, as it has been.

**Ms O'CONNOR** - As it has been with Clarence because there are people living at Roches Beach - and I know you know this, Dr Goodwin - whose homes are at very real risk. Some houses there, particularly around the middle of Roches Beach near North and South Terrace in Lauderdale are very precariously perched. You need to have a coordinated response here so that property owners are not - completely understandably, out of a desire to protect their property - undertaking works in a coastal area which may have really negative impacts for adjoining properties.

This is a big challenge. It brings us to a discussion about whose rights are primary. Is the individual property owner's right paramount over all users of the beach, over other property owners, at what point do we draw - pardon the pun - a line in the sand about the protection of as much of the beach values as is possible and the public's? We all own the beach and it is the public's right to enjoyment of the beach that needs to be balanced here as well. It is a fascinating area of policy development and it is becoming more pressing as the years progress.

**Dr GOODWIN** - Everyone places such a high value on the water view and being near the beach, and all of those things, but there will need to be a shifting of attitude around that because of the likely impact of climate change and other severe weather patterns as we have already seen.

**Ms O'CONNOR** - I agree with you, Dr Goodwin. The most important part of this process is to engage affected communities at every step of the way. We went to a workshop in Lauderdale a few months back now, an adaptation pathways workshop, and different working groups on that day of local residents, many of whom are quite directly affected by the changes happening at Roches Beach, about what they think are the priorities - to defend properties in a way that is respectful to the beach for as long as you possibly can and to make sure that you are doing everything you can to look after that community.

Some of the changes from climate change will be quite rapid and some of them will be incremental or accretive, and if you don't take communities with you, my very firm view is that your adaptation response is not going to be effective. There will be a lot of distress and confusion, so that is why this work that is happening with the adaptation pathways is just so important because it is directly involving state and local government and the communities in coastal adaptation issues.

### **DIVISION 9**

(Department of Premier and Cabinet)

#### **Aboriginal Affairs -**



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**CHAIR** - Minister, this does not have its own line item but we know from information you have provided and from the budget papers that there is a \$314 000 per annum allocation to this area, with an additional \$90 000. Is that correct? That is just to the ALCT area.

**Ms O'CONNOR** - The amount of recurrent funding to ALCT in total will be \$314 000, which includes the new recurrent allocation.

**CHAIR** - Of \$90 000?

**Ms O'CONNOR** - That is right.

**CHAIR** - The whole of the allocation for that area is the quantum of?

**Ms O'CONNOR** - For the Office of Aboriginal Affairs it is \$780 400, which would include the five staff in the office - and includes the ALCT funding.

**CHAIR** - There is an announcement, and you have rung me personally to give me the heads up on that announcement, but the fact that it still has to go through the parliament is always an interesting exercise for me personally, and I should imagine other members feel the same. In this instance, is there any reason why there is not wider consultation, particularly with members of parliament before the announcement is made? I know you rang me the morning of the announcement, but I am interested to know whether there has been wider consultation. It often affects communities and people who have a relationship with certain areas in relation to handbacks. Do you have any comment to make?

**Ms O'CONNOR** - A decision was made to return Larapuna and Rebecca Creek at the request of the Aboriginal community going back many years. It is seven years since we returned any land to the Aboriginal people of Tasmania. The Tasmania Together target for 2010-11 was 90 000 hectares of land to be returned to its original owners and we are at just over 55 000 hectares of land returned. The total of the land we are seeking to return in this instance comes in at under 160 hectares. We know that the Aboriginal Land Council of Tasmania has been communicating with a diversity of people around the Larapuna site and talking to members of parliament about their plans to develop an expanded cultural tourism facility there, where the broader community has an opportunity to experience the richness of Aboriginal history and culture. There is a quite detailed business proposal that ALCT has been working on around the Larapuna site.

I would say to any person who is concerned about the return of lands, we should not ignore the fact that just over 200 years ago our forebears arrived on this island and took a whole island away from people who had lived here for 30 000 or 40 000 years.

**CHAIR** - I do not dispute that. I am just talking about the process, if you like, because obviously these announcements are made, funding has been made and that, but it still has to go through another process.

**Ms O'CONNOR** - Sure. The best consultation process is for community members to engage with their members of parliament on legislation that might be coming through either of the Houses here. I should make it clear, though, that the decision to allocate \$90 000 extra per annum recurrent to ALCT was not predicated on the return of Larapuna and Rebecca Creek, it was

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recognition of the fact that ALCT had not had a funding increase for about six years and was struggling to effectively manage the lands that it is statutorily obliged to manage on the funding.

To effectively look after 55 000 hectares of land is very difficult on a budget that was previously \$224 000 per annum. ALCT has been submitting funding requests to government on a recurrent and repeated basis and been unsuccessful for a number of years. We made the determination that government handed back land to the aboriginal community under the Aboriginal Lands Act and we require ALCT to manage those lands. It was increasingly clear over a number of years that the allocation that was made to ALCT was not sufficient for them to manage the land to the best of their capacity or as they would have wished to manage the land.

In terms of consultation, I would say that since this announcement was made, to my knowledge, there has not been a significantly measurable level of community concern and partly that would be because Larapuna came under a 40-year lease to ALCT anyway. The aboriginal community is very active and engaged on that site and with that local community. Rebecca Creek is an area that is much less public and contentious. It is a former spongolite quarry that was owned by Britton Brothers that the state purchased back in 2009, I think it was, because the state understood that it was an area of great cultural and historical significance to the aboriginal community but also to the wider Tasmanian community.

I would think that these are small land returns in the scheme of things and I am very hopeful that affected individuals and communities will recognise the justice in returning these small parcels of land to the communities.

**Mr EVANS** - If I could add one thing to that. There were advertisements placed in the three regional newspapers on the weekend with maps of the affected areas advising people where they could go to get further information and what they could if they had queries or questions in relation to the two parcels of land in question.

**CHAIR** - I didn't see them. I did not have a lot of time over the weekend to be reading newspapers and probably neither did any of my colleagues.

**Ms O'CONNOR** - That is right, Madam Chair, I missed them, too. I was previously advised by Mr Evans that those advertisements had been placed in the papers and I was pleased to hear it.

**CHAIR** - My next question is whether this land transfer should proceed in the future. There are many plans around Larapuna so there will need to be significantly more funds unless the aboriginal community can generate a lot of their own funds. Are there other funding opportunities to build on what they might be hoping to do in these areas, or is that something you haven't discussed with the aboriginal community?

**Ms O'CONNOR** - I have discussed with Mr Clyde Mansell their plans to make Larapuna's cultural tourism project financially viable. Certainly from the state's point of view, to bring that funding up to the level that it now will be is a significant contribution to restore ALCT's funding to a sustainable level. From the state's perspective, there are very limited extra resources to go into any worthy project. Clyde Mansell is very firm in his view that he wants Larapuna to be a place where aboriginal Tasmanians can come to reconnect with their culture and learn about their history, but that it also should be a place where non-aboriginal Tasmanians feel welcome and that there will be an opportunity there for financial independence in terms of the running and the management of that site.

[5.15 p.m.]

**CHAIR** - Minister, is there some progress with a resolution to the Wybalena issue or is that just too sensitive to talk about on the public record?

**Ms O'CONNOR** - I am happy to talk about Wybalena. As you would be aware, when I was at Flinders Island last September, I visited Wybalena and I found it a very distressing place to visit.

**CHAIR** - I visit it too and I am distressed.

**Ms O'CONNOR** - Yes, it is distressing. Because of some tensions between the Flinders Island Aboriginal Association and the Aboriginal Land Council of Tasmania, there were issues around the management. Ultimately, Ms Rattray, it is not for me or for us to tell the aboriginal community how to manage its affairs. That is for the aboriginal community to work out. I can advise though that, on our most recent discussions with Clyde Mansell, there is a caretaker now at Wybalena who is doing some of that day-to-day upgrade work. I am very hopeful that there can be a measure of cooperation and peace between the Flinders Island Aboriginal Association and the Aboriginal Land Council of Tasmania because that site is a very important cultural site to the aboriginal community.

**CHAIR** - I know.

**Ms O'CONNOR** - It is also a part of our history that we must not forget. I think that there is some resolution around Wybalena, its management at the moment.

**CHAIR** - I understand that it is a sensitive issue and I understand that we cannot direct the aboriginal community. But when we pay significant community funds to maintain these and there is an obligation for those organisations to maintain the lands that are transferred back, I feel it is a responsible question to ask, particularly as it does cause some grief.

**Ms O'CONNOR** - I do not disagree. But my understanding is that there has been a very real focus on making sure that some of that maintenance and repair work at Wybalena is undertaken on a sustained basis.

**CHAIR** - It looked so good in the early days and it was a real treat to inspect.

Minister, there is an opportunity if there is anything you would like to add in relation to that area.

**Ms O'CONNOR** - I would only say that I find it a real privilege to be the minister responsible for the Aboriginal Affairs portfolio. It can be very challenging and richly rewarding. I have interesting conversations with members of the aboriginal community. There is much work to be carried out towards true reconciliation and understanding between aboriginal and non-aboriginal Tasmanians. That is part of my driving motivation for doing the best I can in this portfolio.

**CHAIR** - It certainly is a journey and I appreciate that. Minister, in light of that, on behalf of the committee, I say a sincere thank you for your efforts today. We have gone almost two hours more than we went last year. I do not know if you recall that we finished quite early last year. I

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hope that you appreciated the efforts of the committee to do their homework and provide relevant and reasonable questioning. We thank you all and thank everyone who has been patient all day.

**Ms O'CONNOR** - Thank you to all the committee members, and also to the fantastic departmental officers who come along and provide us all with support to make sure that there is transparency around the budget and policy decision-making. I have had a very enjoyable day.

**CHAIR** - Thank you, I appreciate that. We have great staff as well. Thank you, Majella, for your efforts as well.

**The committee adjourned at 5.20 p.m.**