



PARLIAMENT OF TASMANIA

TRANSCRIPT

LEGISLATIVE COUNCIL

ESTIMATES COMMITTEE A

Hon. Nick Duigan MLC

Tuesday 18 November 2025

MEMBERS

Hon Ruth Forrest MLC (Chair)

Hon Dean Harris MLC

Hon Sarah Lovell

Hon Cassy O'Connor MLC

Hon Bec Thomas MLC

OTHER PARTICIPATING MEMBERS

Mr Hiscutt

IN ATTENDANCE

HON. NICK DUIGAN MLC

Minister for Energy and Renewables, Minister for Parks, Minister for Sport.

Energy and Renewables (Output 7.1)

Craig Limkin

Secretary, Department of State Growth

Vanessa Pinto

Deputy Secretary, ReCFIT and Resources

Sean Terry

Executive Director Energy

Adrian Christian

Director Energy Policy

Andrew Johnson

Director Office of the Secretary

Angela Conway

Deputy Secretary, Business Services

Sport (Output 5.6)

Shane Gregory

Associate Secretary, Department of Premier and Cabinet

Brett Stewart

Deputy Secretart, Creative Industries, Sport and Visitor Economy

Anthony Reid

Acting Deputy Secretary, Strategy, Housing, Infrastructure and Planning

James Avery

Chief Executive Offiver - Stadiums Tasmania

Ben Goodsir

Chief Executive Officer, Infrastrucuture Tasmania

Calen Jeffrey

Acting Director, Active Tasmania

Adam Sproule

Director TIS

Travis Boucher

Director Finance

Parks

Jason Jacobi

Secretary

Sophie Muller

Deputy Secretary, Parks and Wildlife Service

Alice Holeywell-Jones

General Manager (Operations)

Danielle Poirier

Director (Major Projects and Infrastructure)

Tory Ross

Director (Tourism, Experience and Visitor Services)

Andrew Harvey

General Manager (Land Tasmania)

Yann Gagnon

Director, Royal Botanical Gardens

Amy Russell

General Manager, Wellington Park Management Trust

Adrian Pearce

Manager (Finance)

Josh Brown

Manager (Budget Services)

Sofia PAshev

Senior Finance Analyst (Budget Services)

The Government Budget Estimates Committee A met in the Legislative Council Chamber at 9.01 a.m.

Output Group 7 - Renewables, Climate and Future Industries Tasmania

7.1 Energy and Renewables

CHAIR (Ms Forrest) - Welcome, minister, to day two of Estimates hearings. We have Energy and Renewables through until lunchtime, and we will have a short break around 11 a.m.

I will invite you to introduce the people at the table for the benefit of *Hansard*. Then if you wish to make an opening comment, that's fine. Otherwise, we will go straight to questions.

Mr DUIGAN - Thank you, Chair.

I have with me at the table: to my right, Craig Limkin, Secretary of the Department of State Growth; to my left, Amanda Lovell, who is my Chief of Staff; and, to her left, Vanessa Pinto, Acting CEO of ReCFIT.

In terms of an opening statement, I will say that it's a great pleasure to be here with you today to speak about our ambitious Energy and Renewables agenda, and Tasmania obviously already has a strong reputation as a renewable energy powerhouse. Our government is committed to strengthening this reputation, unlocking opportunities for new industry and delivering improved energy outcomes for every Tasmanian.

As a state, we have much to be proud of in the energy space. Our existing hydropower system has provided clean, green energy to power Tasmanian homes and businesses for over 100 years. In 2020 we became the first jurisdiction in Australia to be net 100 per cent renewable, significant not just on a national scale but also a global one. The Tasmanian government remains committed to seizing the opportunities offered by our world-class renewable energy resources and delivering for Tasmanians.

Through the November interim Budget, we are continuing our focus on progressing Project Marinus, supporting new on-island generation and new emerging industries to grow our economy and, of course, working to ensure Tasmanians have access to the lowest possible power prices. Project Marinus is critical to maximising Tasmania's renewable energy potential. Following the positive final investment decision in August, our key focus is on ensuring Tasmania is ready to seize the benefits of Marinus Link.

The interim Budget indicates a \$191 million equity contribution to deliver stage one of the North West Transmission Developments, essential infrastructure to support Marinus and our renewable ambitions, and this will create jobs and bolster our economy. Alongside Marinus Link, there's substantial private investment in the pipeline, with seven gigawatts of potential projects identified. We are, of course, continuing to invest in our hydro system. Our government is not resting on our strong past performance; we are continuing to invest in this portfolio for the energy and the opportunity it brings. I look forward to answering the committee's questions.

CHAIR - Thanks, minister. Just to lead off, to understand initially - when I asked last week for the actuals in the revenue from appropriation as well as the expenses, there's a significant difference. The appropriation for last year, 2024-25, was close to \$30 million. It

PUBLIC

was 14.5 - that was in the appropriation and the expenses were similar. That was from 34 million down to 16 rounded up. Can you explain to the committee why that difference is there, because it does go back up again?

Mr DUIGAN - Sure. Thanks, Chair. I will pass to the secretary for some detail around the fluctuations in the actuals.

Mr LIMKIN - Thank you, minister, and through you: the variance relates to, principally, timing differences. The timing differences relate to the green hydrogen hub of about \$7 million. That's timing based on - now that we've actually signed the green deed, so that's timing on actual milestones. We've re-programmed the timing of that. There are also some timing differences in relation to the renewable energy hub and the delivering of the renewable energy agenda commitments. In the expense side, there's a timing of an Australian Government payment as well.

CHAIR - They add up to \$15 million?

Ms LIMKIN - Yes, so it's 6.9 for the green hydrogen hub, REAP is 1.7, the renewable energy hub is 1.8, and delivering the renewable agenda is 1.4. They will be the most material movement to manage.

Mr DUIGAN - Does that add up to that number?

CHAIR - One would expect a bit of other things in that as well. Before we delve down into some of the detail, this area provides advice and policy support for you, minister, on this. What particular outcomes have been delivered under this line item through this - however much we've spent now?

Mr DUIGAN - In terms of energy policy delivery?

CHAIR - Energy policy, yes. How are you measuring the outcomes from the money we're spending in this portfolio?

Mr DUIGAN - Good question. Secretary?

Mr LIMKIN - Through you, minister: the biggest focus on this outcome over the last 12 months has been the Project Marinus work. There has been a significant amount of work by the department agencies across government regarding Project Marinus. That includes the Marinus Task Force, the advice on the FID assessment decision, working with Treasury on the whole-of-state business case. In addition, we measure it on a variety of KPIs such as the REAP performance. REAP is the Renewable Energy Approvals Pathway, where we work with proponents to actually speed up the approvals and help them navigate the government system across government. That has been very successful this year and continues to be so.

Mr DUIGAN - And if you would like further details about the workstreams happening in ReCFIT and what's been delivered, Vanessa I'm sure can provide a little bit more granular detail in that space.

Ms PINTO - Through you, minister: the government also has a number of quite comprehensive programs. The Tasmanian Renewable Energy Action Plan and the Tasmanian

Renewable Hydrogen Action Plan have quite comprehensive actions associated with them and we track our performance against those actions. For example, with the Tasmanian Renewable Action Plan there are around 23 of the 25 actions that are significantly progressed or are still ongoing. A couple of them relate to programs that have been picked up at a Commonwealth level, so I'll use one as an example.

The national Guarantee of Origin, which the minister has, through the Energy Climate Ministers Council [*Energy and Climate Change Ministerial Council*], advocated very strongly through that forum and also through directly in engagement with federal ministers on the importance of that scheme. There are, obviously, elements to Tasmania's profile. We have a 100-year old history in terms of our investment in hydro renewables and that Guarantee of Origin scheme will eventually, with time, through the scheme give acknowledgement to our history there, so there are a number of programs -

CHAIR - How do you tell when there's an electron in the system, where it came from?

Ms PINTO - Beg your pardon?

CHAIR - How do you tell when there's an electron in the system? Once it gets into the NEM, how do you tell where it came from?

Ms PINTO - Through you, Minister.

CHAIR - Do you know that minister, how you tell?

Mr DUIGAN - Look, it's not as clear-cut as perhaps it should be, and I think we do suffer - particularly from our Basslink imports - which typically we import at a time when there is very high solar penetration in the NEM on the mainland. Yet we would pay a coal-based penalty, an average for what the generation in Victoria in that jurisdiction looks like. So, our imports look dirtier than what they in fact are, so I think there's some work going around on that.

CHAIR - We talk about origin then we're talking about the source in which it's generated rather than the state in which it's generated. Are we talking about it being generated by a coal-fired power station or it being generated by a solar installation or a hydro?

Mr DUIGAN - Yes. The REGO scheme seeks to clearly define that, and for people using renewable energy they are able to certify their products. What there is currently contemplated is a gap between now and 2030, where below-baseline generation, which would be Tasmania's hydro, wouldn't be recognised and we are obviously advocating hard, that because it is existing renewables there shouldn't be a penalty for the people who are using it, and they should be able to generate REGOs on the basis of that because it has the same carbon outcome.

CHAIR - So how's that progressing?

Mr DUIGAN - It's a constant, we haven't won the war. We've -

CHAIR - It's a bit like fighting for our GST, isn't it?

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Mr DUIGAN - A little bit. We have some concessions around our major industrials. There have been concessions made. We would seek to have a blanket application applied to get us from now to 2030 when it will be recognised.

CHAIR - I don't think Vanessa had finished. If you are happy to continue.

Mr DUIGAN - No, I beg your pardon. Sorry.

Ms PINTO - My apologies. So yes, there are a number of areas that we seek to take action in. Of course, within the Tasmanian Renewable Hydrogen Action Plan there are a number of areas that we've been investing in. The hydrogen buses is a very good example of where we've sought to take some action at a domestic level in looking at how we can extend across into clean fuels. There's also a number of areas in the education space that we look to seek to invest in, such that people are well educated around how to utilise energy and the best ways, and effective ways, of using energy from a business perspective as well as residential. So, there are a number of areas that are covered within those two action plans.

CHAIR - The energy advisory panel -

Mr DUIGAN - The expert energy - yes.

CHAIR - So, it's called an 'expert energy advisory panel'? Or-

Mr DUIGAN - It was the - you're talking about in relation to the Project Marinus FID decision?

CHAIR - Yes.

Mr DUIGAN - Yes, 'expert advisory panel'.

CHAIR - Minister, the Hydro Tasmania CEO, as a member of this advisory panel which advised the government and was assisted by ReCFIT and on the whole-of-state business case and approved the deal. Recently, Renew Energy reported that the Hydro Tasmania CEO saying that you could 'forget about Marinus being a money-spinner; it's a drought mitigation strategy.' So, what is the view of the expert panel on that, or is it just the CEO's view?

Mr DUIGAN - Well, I think you'd need to refer back to the expert panel's report - and I can't remember off the top of my head in terms of what it said in the detail of its recommendations other than it was - for a number of reasons - it was a project worth pursuing. But, it is a good point. You know, I was listening to comments you were making in this place recently around the variability of inflows and does that somehow undermine the case for Marinus - where in actual fact, in lots of ways it strengthens the case for Marinus, because Hydro is able to-

CHAIR - As a money-maker, or as a drought-resilience measure?

Mr DUIGAN - Well, you know, for both of those things. They're not mutually exclusive

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CHAIR - No they're not, but the whole-of-state business case was premised - as I understand, without seeing the whole unredacted version -

Mr DUIGAN - Well, you have seen it.

CHAIR - Do you want to talk about that?

Mr DUIGAN - And I have made an offer to provide it to PAC, and it's unredacted. But -

CHAIR - We can talk about that later, but I'll stick with this at the minute.

As I understand it, the whole-of-state business case premise that Hydro certainly put was that this would enable them to make significant profits that could be then fed back to the people of Tasmania to offset the transmission cost, which will rise significantly particularly for our major industries.

So, what I want to understand is, has the story changed now? The CEO seemed to indicate that it was more a drought mitigation measure; she said that publicly. Or, what? What's the government's view on this, and does this change any of the modelling in the whole-of-state business case?

Mr DUIGAN - 'No' would be my short answer to that. It has both of the outcomes that you talk about.

It is an opportunity for Hydro to dispatch its electricity much more strategically into times of higher price in the mainland market, the spot market. So, Tasmanians - the very vast majority of Tasmanians enjoy a regulated price not exposed to spot market price, but Hydro is able to trade into that spot price and being able to - you know, it's not necessarily about having more generation for hydro, but it is about being able to dispatch that energy at opportune times to more strategically deploy it. So, that's the profit narrative.

The energy security narrative is around what happens if it doesn't rain, what happens when the wind doesn't blow? We need to be cognizant of the fact that our energy system is very weather-dependent.

Ms O'CONNOR - Climate risk.

Mr DUIGAN - Yes, sure. And we have seen that. But by having Marinus Link, it does give us that opportunity to bring in lots of electricity, typically at very low prices or negative prices across Marinus Link, hold our water in storage - and that gives us better levers to manage our water in storage. And as I say, the modelling does bear out the fact that it is a substantial revenue opportunity for Hydro Tas. So, it has a number of benefits.

You know, we've seen last year - the last two years, as you probably know well - driest two years on record for Hydro Tasmania. Lowest inflows in a two-year period that we've ever recorded. And last year, you know, hydrogeneration in Tasmania was 60 per cent - very low.

CHAIR - Demand also dropped.

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Mr DUIGAN - Well, a little bit, yes, but Tasmanian demands are pretty flat, pretty safe. But certainly hydrogeneration did drop to a low level, and having Basslink, having the ability to import on Basslink is very important to us. Obviously, Marinus - Basslink's halfway through its service life. Marinus will come online in five-years' time. It would seem that it takes 10-15 years from inception to delivery for a piece of infrastructure like that. Something we need to be thinking about in terms of our long-term energy security.

CHAIR - Sure. I just want to take us back to now. We know that Hydro had a bad year. Whether it's one bad year or a number. With the impact of climate change, it is likely perhaps to recur more frequently. Is it fair to say that the main reason Hydro Tasmania made any money in 2024-25 was because of the Basslink imports? They bought significant amounts across Basslink.

Mr DUIGAN - The principal reason, I think, Hydro made money was off the back of Momentum Energy. I think that was probably the star performer in the Hydro annual report.

CHAIR - Propped up on their little subsidiary.

Mr DUIGAN - What is very important to consider, in regard to Hydro, is that its performance relies largely on two elements: inflows and rain, and the ability to trade.

CHAIR - Trade into a higher-price market.

Mr DUIGAN - Yeah, sure. What we have seen the year previous, which was also a very dry year was Hydro made a good profit - \$127 million, I think off the top of my head, forgive me if I'm wrong. This year, low hydrological inflows and Basslink run as a merchant link or in the lead-up to running as a merchant link. Not having the ability to trade curtailed the ability -

CHAIR - It is a merchant link now.

Mr DUIGAN - Yeah.

CHAIR - I just want to come to this because this is really relevant to this line. I will come to you in a minute, Cassy. As I understand it too, yes, Momentum made some money for Hydro. But also, Hydro earned quite a decent amount from the interregional revenues trading across Basslink with the imports, because we couldn't really export because of the conditions here. That's a statement that's true, that significant revenues came from the interregional revenues?

Mr DUIGAN - Yeah, certainly. That's typically the case and they make -

CHAIR - How do you think - as I understand it, the Basslink services agreement that Hydro had, that I think extended once because of the further delays and APA seeking to be regulated. The AER agreed with that proposal eventually, after a bit of intervention.

Mr DUIGAN - Eventually. Originally didn't agree, and we worked very hard -

CHAIR - And the Victorians were arguing against it.

Mr DUIGAN - The only interconnector in the country.

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CHAIR - I know. You're not telling anything I don't know, minister.

Mr DUIGAN - No, I know, but for the benefit of the committee who may not know, Basslink is the only unregulated -

CHAIR - When do you actually expect it to become regulated?

Mr DUIGAN - Assuming APA accepts the determination of the AER, which I think values the asset a little bit below - 3 per cent below - what they originally put up, I would expect Basslink to be regulated from 1 July next year.

CHAIR - The agreement with Hydro has expired?

Mr DUIGAN - Yes.

CHAIR - So what's happening now? APA is holding all the power, isn't it?

Mr DUIGAN - APA is holding all the power and Basslink is not flowing. APA is bidding Basslink into the market fairly aggressively and we have seen -

CHAIR - Probably to keep some of their money, I reckon.

Mr DUIGAN - You'd need to speak to APA about what their actual motivations are. The long and the short of it is that it's not flowing and it's flowing less than it was, even at the beginning of this period of merchant operation, we're seeing reduced flows and reduced flows and reduced flows.

CHAIR - If APA decides to play hardball here and perhaps say, 'Well, actually this is quite good for us', because there could be another drought here, then, we would be at the mercy of APA, won't we?

Mr DUIGAN - Well, only if they choose not to go down the path of regulation.

CHAIR - Obviously, if it's regulated, but that's not a certainty as yet?

Mr DUIGAN - Not a certainty, no.

CHAIR - In the meantime, if we have to buy energy in over the summer, then we're at their mercy. Is that correct?

Mr DUIGAN - I think Hydro Tasmania is looking at some potential opportunities it might have to mitigate those circumstances, but certainly it's APAs asset and how they operate it as a merchant link is their remit.

CHAIR - The the use of Basslink has stalled because Hydro don't want to pay the prices to use it.

Mr DUIGAN - It's been bid into the market very aggressively. If you choose to use it, the price needs to be very high or very low for there to be any flow across the link.

CHAIR - What's happening with prices now?

Mr DUIGAN - I would need to take some advice on that, but that they are broadly in line with how they are, I don't know there have been any great spikes in volatility, yes, you might have some some better more granular detail about.

CHAIR - I am interested in whether the highs have been as high, and the lows are low or whether it's compressing.

Ms PINTO - I will see if I get some information through in relation to what's been happening with highs and lows, but what we are definitely seeing is consistent patterns. For example, during the day because of the infiltration of solar, what we're tending to find during the day is it will drop into negative territory. In relation to wind is slightly not as systematic in its pattern as you would appreciate.

What again will happen is when you get a flood of renewable that's occurring it will result in higher prices into the market.

Mr DUIGAN - In terms of the way things are scrutiny's falling out this year Hydro's here next weekend can provide very good-

CHAIR - You will be back anyway.

Ms PINTO - Just noting what I've received as advice is it's not as much volatility as it has been. Still quite a lot of lows, but not as much volatility. I would anticipate the pulling back the volatility will be in part due to the use of battery, because what you can do is move energy and choose to move it's slot in timing.

Ms O'CONNOR - Minister, as you're aware, both Tasmanian and Commonwealth government have prepared National Climate Risk Assessments and State Climate Risk Assessments. Tasmania is identified in the National Climate Risk Assessment as the state most prone to significant adverse impacts.

We have talked at the table here about what dry years Hydro has had. The modelling shows that the West Coast and the central plateau of Tasmania continue to dry over the course of the century. Are you able to give a sort of a broad picture of what Hydro Tasmania has done in terms of modelling of the climate impacts on its operation and what risks it's identified.

Mr DUIGAN - Obviously Hydro's business is predicated on understanding the weather and I know they have long-term modelling. I don't have a level of detail with me here today I can provide to you. But again, I would make the point that Hydro will be here next week, and they will be able to provide those answers

Ms O'CONNOR - Have you seen the modelling of the climate impacts?

Mr DUIGAN - Yes, I have.

Ms O'CONNOR - What did they tell you?

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Mr DUIGAN - It points to a gradual reduction, particularly on the West Coast over, I'm going to say I have seen a 50-year climate model?

Ms O'CONNOR - You might have seen something a bit longer because the climate futures work goes out to 2100 from memory.

Mr DUIGAN - Yes, I'm relying on my memory.

Ms O'CONNOR - Hydro Tasmania would have access to science that gives them a reasonably believable picture of the future.

Mr DUIGAN - What I would say and what I think is well accepted is a higher level of variability. In terms of dry years, wet years they would say that they're modelling shows that above other certain outcomes.

Ms O'CONNOR - The long-term trends in the climate projections are of a drying of the West Coast.

Mr DUIGAN - Certainly, I think it's hard to argue that we're seeing anything other than that at the moment, and whether this is a cycle or whatever, I don't know.

Ms O'CONNOR - And have you seen any assessments of the impacts of climate on the energy GBE's infrastructure? I mean, you'd have seen pictures of power lines down, sort of flooding -

Mr DUIGAN - Yes, and certainly the last two years, last year more starkly, the August weather event where we had that sort of unusual circumstance of having a big wet and a blow and then having another one and then having another one in a compressed timeframe of the week, which really does test your infrastructure, because-

CHAIR - Tests your trees, too, if they fall over the infrastructure.

Mr DUIGAN - Tests your trees, yes, because the ground gets wet and then they have another blow and all of that sort of stuff. There is a great level of awareness - that was a storm that cost \$20 million - it gets your attention and building reliance and resilience into our power delivery system is a work in progress.

Ms O'CONNOR - What's the evidence of that, where you're seeing investments being made in infrastructure to ruggedise them? Is there any actual work on the ground happening in that way?

Mr DUIGAN - Absolutely. An example that comes to my mind is if you think about some of those areas that have single long feeders like the Derwent Valley or the Peninsula or places like that, and you're in highly vegetated corridors where- when a branch comes across the line, the power goes out, the system trips, needs to be reset, all of that - putting insulated lines. There is a new product where the lines themselves are insulated, so when something falls or if they touch, it doesn't trip the system.

And so, that builds a great deal of resiliency. It's obviously more expensive, and again, like all things, there is this balance about how much do you spend to beef up the infrastructure

and what are the cost implications for customers when your stated objective is to keep power prices as low as you can. There is a tension there. But TasNetworks certainly spends a lot of time and a lot of money going around clearing trees - not always to everyone's satisfaction - to try and keep the network as resilient as it can be.

We haven't seen those massive transmission impacts we saw in New South Wales not so long ago-

Ms O'CONNOR - But you'd have to plan for them, wouldn't you?

Mr DUIGAN - I am not across the details of what that plan looks like and sure there would have been thought given to it. I won't make anything up here on the spot, noting that TasNetworks will be here and able to speak to that next week. But we all need to understand that an event like that has serious implications.

Ms O'CONNOR - So you're confident as minister that Hydro for example, but also TasNetworks, in their planning are aware of climate risk and making preparations for what science tells us is coming?

Mr DUIGAN - Certainly Hydro. As I say, it is a business predicated on understanding the weather. It is absolutely reliant on rain as its fuel. There is good reason for it to know and understand the weather and I know they do long-term projections. There is modelling; there is a range of inputs. So, yes.

And again, as I made the point to the Chair, Project Marinus is as much about giving us the ability to manage those storages and manage that energy security in a more certain way and places higher value on those storage elements.

Ms O'CONNOR - Can I ask, because we did ask the Treasurer yesterday and he referred us to you: Has there been hydrological modelling done by Hydro Tasmania on the impacts of Marinus Link? Financial modelling was done; was there hydrological modelling also done?

CHAIR - He actually referred that to Hydro Tasmania, with the minister there.

Mr DUIGAN - Yes. For the whole-of-state business case anyone -

Ms O'CONNOR - It's about the physical viability of the project.

Mr DUIGAN - Sure, yes. It lets us export when we're running - when we're spilling in the dams and all those sorts of things. Do you know if there's hydrological modelling?

Ms PINTO - My observation would be - I am making reference to advice from Hydro - that when undertaking - and the partners that they work with are the Bureau of Meteorology, CSIRO, and also the University of Tasmania. They dynamically - again I'm making reference to advice from Hydro. When they undertake modelling, they take into account what will occur over a shorter period, like a two-week, a three-month, and then a longer range -

Ms O'CONNOR - That's not of much use in a climate context.

Ms PINTO - In undertaking that modelling, they consider what dynamics will change in the market. In doing that, they would consider in undertaking their modelling the impact of Marinus being available and the quantum of that in addition to Basslink and the scenarios that are associated with that. Through the sustainable yield figures they have, that will be considered as a part of that modelling. Those sustainable yields will consider climate impacts as well.

Ms O'CONNOR - Final question, just on this line of questioning, Chair. It's not really clear to me from your answer, through you, minister, that Hydro Tasmania has done sort of a comprehensive hydrological modelling of the impact on the system.

Mr DUIGAN - I have got some lines here in regard to that. Scientific studies undertaken for Basslink, which presumably is the base case for -

Ms O'CONNOR - That was nearly 30 years ago. The science would be very different now.

Mr DUIGAN - Indeed. 20 years ago, 25 years ago. Anyway - showed only limited operational impacts across the system with changes mainly at Gordon and Poatina, so the big storages. Long-standing mitigation measures such as environmental flow rules and re-regulated pond have been in place since June 2025 and are regularly reviewed. Existing safeguards will apply with the additional interconnection through Marinus Link. Hydro Tasmania manages water storage is prudently and in accordance with the energy security risk framework.

For members who are unfamiliar with the energy risk framework, it's a really interesting piece of work. You would have been in the thick of it in 2016-17, whenever it was, when we had the Basslink outages and the million litres of diesel a day and all those sorts of things. Since that, there have been great learnings about managing our storages and putting in very clear protocols for what to do in the event of certain things happening. If you enter into what's known as the prudent storage level - and we got close to that in late July, probably early August before it started to rain. We were getting close to the prudent storage level, and that triggers certain things. Then if you go through the prudent storage level, you enter what's known as the higher-reliability level. That basically means there's enough energy and storage to survive a six-month outage on Basslink and basically zero inflows. Then -

Ms O'CONNOR - Then you fire up the gas, don't you?

CHAIR - That gas would be fired up before then, I reckon.

Ms O'CONNOR - That's right.

Mr DUIGAN - We run the gas in the last two years.

Ms O'CONNOR - Can I get some information from you? Is it possible? About the gas costs to the state over the couple of years?

Mr DUIGAN - Again, Hydro will be very tooled up.

CHAIR - So we will take that on notice - the cost of gas to generate energy for the state. Is that what you're agreeing to? I'm just being clear what you're agreeing to.

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Mr DUIGAN - Again, I know that Hydro will just come to the table with that sort of information next week if you're content to wait from -

Ms O'CONNOR - I just thought you might be across something like that.

Mr DUIGAN - It reflects on Hydro's profit, absolutely. It's expensive.

Ms O'CONNOR - Yeah, it's a dirty fossil fuel.

Mr DUIGAN - Yep, but the lights stayed on, and I think a lot of people in their homes would be surprised to hear that the last two years are the driest two years on record for Hydro Tasmania because there weren't any problems -

CHAIR - Depends where the rain falls.

Ms O'CONNOR - Any disruption.

Mr DUIGAN - Any disruption. As minister, I'm always happy to err on the side of caution. If there is advice that it might be a good idea to think about getting some gas if it doesn't rain, then we will get some gas.

CHAIR - We can ask Hydro more questions on that. I just wanted to go back, minister, to talking about Basslink and its current operations. You said effectively it's at the mercy of APA and how they choose to operate the link at the moment. What is actually driving the market now, and is there any mechanism or market mechanism that would stop APA manipulating prices?

Mr DUIGAN - I think Hydro has some level of agreement in place with APA. I don't know the detail of it, but I believe they have some protections in place.

CHAIR - Would they be willing to share that with us next week?

Mr DUIGAN - It's likely to be a piece of work that's relatively commercial in confidence. I won't weigh it in too hard there, but there is there is, as I understand it, some agreements in place there.

CHAIR - Beyond just the capacity to use it?

Mr DUIGAN - Yes, beyond that. Some trading protection for Hydro, but it's certainly not anywhere near the level of it was when the Basslink Services Agreement was in place.

CHAIR - Minister, we've sort of touched on this, but in your view, can APA stretch out the timeline for converting Basslink to becoming regulated?

Mr DUIGAN - I don't believe so.

CHAIR - They would have to accept or reject, is that right?

Mr DUIGAN - Yes, there's a one-time-only accept-or-reject and then they would need to go through that process for regulation again.

PUBLIC

CHAIR - Does that need to be the process, if they decide to become regulated or accept that, does that have to commence on 1 July in 2026?

Mr DUIGAN - My understanding is that's the offer date.

CHAIR - That won't change?

Mr DUIGAN - Not as far as I'm aware. It's worth remembering that come the end of 2030, Marinus Link will come online, and Marinus Link will be a regulated asset, and it will flow and that then makes Basslink as a merchant link a very tenuous proposition.

CHAIR - Minister, assuming that it is regulated, because that's the plan or it appears to be the plan at the moment, how will it work with NEM bidding and who will be actually using the link and for what?

Mr DUIGAN - When it's regulated?

CHAIR - Yes, tell us how it works.

Mr DUIGAN - Essentially throughout its life, when Hydro Tasmania has covered all of the costs of Basslink, it has been an open flow. Energy would flow across Basslink on the basis of price. High price in one jurisdiction flows that way, high price in the other jurisdiction flows that way, same price, probably no flow or drought or whatever.

CHAIR - If there's a drought, there would be a price differential, you'd think.

Mr DUIGAN - There will be, and that's right. Under a regulated model the Basslink is open, flows are open, and it and it is not restricted.

CHAIR - Based on price alone, the wholesale price on each end?

Mr DUIGAN - Pretty much, yes. Those costs are then, instead of being 100 per cent laid at the feet of Tasmanians, recovered from customers in both jurisdictions, so 75 per cent from Victorians who've had 20-years of free Basslink use and we're very pleased to see that they will be contributing, 25 per cent to Tasmania.

CHAIR - Part of the Marinus Link business case and also even just the use of Basslink at the moment, well at the moment in the next until 2030 at least, it appears to rely on and would benefit from particularly Marinus Link extra variable renewable energy in this state. In your opening comment, you talked, or someone did and mentioned a number of projects that are on foot. Can you run us through those projects?

Mr DUIGAN - Certainly, and members would likely be aware that the Marinus base case relies on 800 megawatts of new on-island generation coming with it to provide all those benefits of being able to manage the storages correctly and things of that nature.

CHAIR - Can we confirm - you did say seven gigawatts, is that right? For the new renewable -

Mr DUIGAN - Seven gigawatts of energy -

PUBLIC

CHAIR - New renewables.

Mr DUIGAN - New renewable projects that are live in Tasmania. So -

CHAIR - None of these have been delivered yet.

Mr DUIGAN - No.

CHAIR - These are on the go, right?

Mr DUIGAN - Right. So, on the go, in various states of progression. You'd be aware of the Northern Midlands Solar Farm, TasRex's proposal. That's got a PPA with Hydro, which obviously is a great help to its bankability, because you know what -

CHAIR - They're still having challenges with TasNetworks, are they? Or no?

Mr DUIGAN - Working through lots of things, but you know, there are challenges here and there, and we will work with them. And that was a result of hydro going to market - you would remember we changed the hydro charter for hydro to be more engaged in delivering growth in this space. So, that was the first time they went to market. They're about to go to market again for another PPA. Anyway, midlands solar: that's a 288-megawatt, fourth-biggest generation asset in the state. St Patricks Plains Wind Farm: that's 291 megawatts. Weasel Solar Farm, which is in the upper Derwent Valley: 250 megawatts.

CHAIR - Weasel?

Mr DUIGAN - Weasel Solar Farm. Downie family.

CHAIR - Right.

Mr DUIGAN - Triabunna Wind Farm, which is a small one: 128 megawatts. Cellars Hill Wind Farm: 350 megawatts. There's of course the Tarraleah redevelopment, which will yield another 90 megawatts. Hollow Tree Wind Farm: 421 megawatts. Bell Bay Wind Farm - very pleased for Equis and Bell Bay Wind Farm. It was currently progressed through the Commonwealth Capacity Investment Scheme, and it's the first Tasmanian project to progress in that scheme, which is a floor-and-ceiling-type mechanism to again provide certainty and increase bankability. So, that's going well. It's 224-megawatt.

North East Wind, out on the tip: it's a 1200-megawatt, 1.2-gigawatt solar farm. Cimitiere Plains, again in the sort of Georgetown, northern region: 288. Port Latta Wind Farm, which we would like to see work start on, please: 25 megawatts.

CHAIR - You're about to run out of time again. I think it's at its last chance to get started, isn't it?

Mr DUIGAN - My understanding is it's marching on. Guildford Wind Farm, Ark Energy, 450 megawatts. Robbins Island and Jim's Plain -

Ms O'CONNOR - Your migratory bird blender.

PUBLIC

CHAIR - Let's not - listen, we don't need to make comments on the side. He's reading through a list that I've asked him to read through.

Ms O'CONNOR - Well, it is. It's true. With respect, Chair - well, you can interrupt him as well.

Mr DUIGAN - Nine hundred megawatts. And again, we've seen that progress through various planning stages. Hellyer Wind Farm: 300 megawatts. Woolnorth - the re-powering of the Woolnorth Wind Farm, which is obviously getting toward end of life: that's 360 megawatts. If we look at Cethana pumped hydro: 750 megawatts.

CHAIR - Can we actually count that, minister, though, because that's reliant on Marinus too, as I understand, unless things have changed?

Mr DUIGAN - I think that's the general understanding. Yes, I think that's the general understanding. But again, it's in the pipeline; work is being done on it to progress it to see -

CHAIR - You're spending money, that's for sure.

Mr DUIGAN - Yes, we are. Unfortunately, you can't do these things in a vacuum. Whaleback Ridge at phase one is 288 megawatts, and that all adds up to -

CHAIR - So, in that information you've got there, do you have expected timelines for those?

Mr DUIGAN - There are expected commissioning dates next to each of those.

CHAIR - Would you be able to table that, then, rather than read all those out?

Mr DUIGAN - Yes, of course. And I think that's publicly available, isn't it? Have we- is that list publicly available on our REAP website?

Ms PINTO - Yes, I'm getting lost. Thank you.

Mr DUIGAN - Yes, happy to table.

CHAIR - Sure. Do you just want to pass it across? That's alright. Otherwise -

Just before you go to the question, in relation to those you said a Midlands solar farm has got a PPA. You said Hydro are working on another one. Is that correct?

Mr DUIGAN - Well, about to go to market for another PPA.

CHAIR - Alright. Are all these reliant on PPAs to get away?

Mr DUIGAN - No. It certainly provides, as I say, bankability because lenders will want to know the certainty of their return. That's what they do. But I think what we've seen through various mechanisms, whether it's the Capacity Investment Scheme or another scheme that's been considered through the Nelson Review, everywhere there is a bit of a challenge with renewables and the chicken-and-the-egg scenario about you building it ahead of knowing

PUBLIC

where you're going to sell the power, or do you need that certainty before you build it? So governments are leaning in.

CHAIR - Where we enter into a power purchase agreement - like, originally we built Woolnorth wind farm and then sold 75 per cent to the Chinese, still have 25 per cent of that - but where we're taking a position, if you like, offering that greater pathway to success, how do we actually get the benefit from that? Assuming it's hydro, as it predominantly is hydro - where's the benefit for us as Tasmanians and for hydro itself and its bottom line?

Ms O'CONNOR - Unless they test it how do they know?

Mr DUIGAN - Well, you know, these are commercial deals.

CHAIR - You understand, I'm not asking for the details of the commercial deal -

Mr DUIGAN - No, no, no -

CHAIR - I'm asking about how you measure benefit.

Mr DUIGAN - and I'm not seeking to hide anything, but hydro has entered with Northern Midlands as a commercial opportunity. There is money to be made for Hydro Tasmania.

CHAIR - All right. So, there's money to be made for Hydro Tasmania. What sort of modelling has been done on the amount of money that, if we enter into a PPA, the cost of that? When you enter into a PPA, you say, 'We will pay you this amount of money.' So when you've said we will pay you this much, how much are we getting back? Hydro's had a bad year. We don't know what the future entirely looks like on that, but it's expected that we will have increased renewable energy in the state, so what is the modelling that shows the return to the taxpayer, the people of Tasmania through Hydro, of these agreements?

Mr DUIGAN - Well, as I say, Hydro has looked at this. It went to market for all of those projects that I spoke about - or not all of them, but some of them, or ones that were -

CHAIR - Ones that progressed a bit.

Mr DUIGAN - Ones that were ready - and said that we are in a position to potentially offer a PPA should it be a commercial outcome for Hydro Tasmania.

CHAIR - So how do we measure the commercial outcome here? This is what I'm trying to understand. It seems that up until very recently, with Granville, it was an onerous contract.

Mr DUIGAN - Yes.

CHAIR - Okay, that's turned around a bit lately, I accept that. But we weathered - and I use that pun intendedly - we weathered onerous contracts for a long time in these arrangements. So, what's to say that these new power purchase agreements won't create that same problem?

Mr DUIGAN - Well, they're certainly not entered into as onerous contracts.

PUBLIC

CHAIR - Well, was the one with Woolnorth Wind Farm - sorry, Granville Harbour entered into as an onerous contract?

Mr DUIGAN - I believe it was a direction.

CHAIR - You said, exactly. You just said to me -

Mr DUIGAN - But no, no. They're quite different. That was a direction.

Ms O'CONNOR - From the former treasurer.

Mr DUIGAN - From the former treasurer to provide a PPA for that wind farm at a loss. This is Hydro going to the market to say, we will offer a PPA on commercial terms.

CHAIR - So can we be assured there'll be no ministerial direction to enter into an onerous contract as a result of entering into a PPA with a renewable energy company?

Mr DUIGAN - I certainly haven't provided any direction.

CHAIR - No, that wasn't the question. Can we be assured that you or the Treasurer will not issue directions that we enter into onerous contracts in power purchase agreements?

Mr DUIGAN - Look, I'm not going to make any sweeping commitments here at the table. I don't think that's a sensible thing to do, but -

CHAIR - It would be if we were considering the profitability of Hydro.

Mr DUIGAN - Well, except that the case in point that you raise now makes money for Hydro, so I take your

Mr DUIGAN - Hydro, so I take your point.

CHAIR - Woolnorth wind farm was onerous for a long time too.

Mr DUIGAN - Again, not now and will continue to be in the future.

CHAIR - Not right now maybe, but you can see the future better than me.

Mr DUIGAN - No, I understand that, but we know that to derive the substantial benefits that are modelled as a result of Marinus Link, for example, we need to bring on more generation on island.

CHAIR - That concerns me is because we have to do it. That's implied in the whole of state business case, that will happen, both sides of the link and it's already happening quite vigorously on the other side of the link.

PUBLIC

Mr DUIGAN - To a point.

CHAIR - We can argue about that, but the reality is to get these away a lot of them will need power purchase agreements. I am wanting some assurance.

Mr DUIGAN - Or some other method. I would point to the CIS, very large Commonwealth program.

CHAIR - Only one that so far managed to attract that.

Mr DUIGAN - But in the absence of, certainly on Marinus Link, which was a very substantial chink in most of the proponent's offerings.

CHAIR - Don't we need more renewal before Marinus Link or coming online with it?

Mr DUIGAN - Certainty of Marinus Link provides greater certainty for these projects.

CHAIR - But there is no assurance that directions won't be given to Hydro to enter into these contracts that may well be onerous in the initial stages.

Mr DUIGAN - Again, I'm not going to sit here and make broad sweeping policy statements at the table.

Ms O'CONNOR - Just back to the endangered migratory bird blender that is Robbins Island.

Mr DUIGAN - Those are your words.

Ms O'CONNOR - It is the fact of the consequence.

CHAIR - If the minister could just ignore those inflammatory comments and respond to questions.

Mr DUIGAN - The minister finds it challenging.

Ms O'CONNOR - We are all capable of making inflammatory comments on this side of the table and it's done in good spirits.

Mr DUIGAN - Indeed.

Ms O'CONNOR - I don't think you so mind.

CHAIR - But it wastes time.

Ms O'CONNOR - We've just been through a very long session that was not time wasting, but I'm now asking questions. I just ask to be let to ask my question. Minister, funding for the Orange-bellied Parrot Migration Tracking Program was cut in this year's budget and won't continue into the forward Estimates.

PUBLIC

One of the Federal Environment Minister's conditions for approval of Robbins Island is that developer ACEN Aust has to provide funding for an orange-bellied parrot conservation program. Have conversations been had with ACEN about this program, their funding and how it will be rolled out.

Mr DUIGAN - Yes, would be the short answer and I have a strong memory of a commitment from ACEN. Noting that ACEN are already doing monitoring and have been for a good period of time. but in terms of what the the detail of that is, Vanessa, have you that commitment ACEN has made?

Ms PINTO - Under the recent EPBC approvals, my understanding is there is a period of time they must undertake monitoring. It's over a three-year period that they're required to undertake monitoring and there are other related conditions associated with that. I don't have the exact details of all those, those conditions, but as I understand it, again, excuse me, this is my memory, there may be up to 80 conditions associated with the recent ..[? 9.56].. products.

Ms O'CONNOR - That's right. The conditions as I understand it was about an orange-bellied parrot conservation program, and it doesn't sound like you're across that.

Mr DUIGAN - No, it's an EPA condition so it sits there. I have a memory of reading something about that and the company being required to contribute to that program. But again, happy to see what we can find and provide that for you.

Ms O'CONNOR - If I put questions on notice it would be whether there have been any conversations or meeting with ACEN about the conservation program for the orange-bellied parrot. What level of funding might be allocated and also how that funding would be administered and whether it'll be provided to NRET to continue with the Orange-bellied Parrot Migration Tracking Program, which has been in place as you know minister, ever since we really

Ms O'CONNOR - (cont) really started driving it towards extinction.

Mr DUIGAN - I would note that is an Environment portfolio question.

Ms O'CONNOR - Yes, but it also as you know, impacts on your portfolio because of the impact of the policy decisions of your government on migratory birds, including the orange-bellied parrot. You can't remove yourself completely from the consequence of the policy decision -

Mr DUIGAN - I will ask if the EPA if they can provide the details of that.

Ms O'CONNOR - Is there an acceptance -

CHAIR - Will the EPA have information on that? We are hearing them later, Cassy. Maybe you could re-ask them.

PUBLIC

Ms O'CONNOR - Yeah, I will re-ask them, but I'm also going to ask now.

Originally, in ACEN's assessment of the impact of its turbines on the orange-bellied parrot - the assessment was that the impact would be remote. I think I heard that sort of echo by government, even though Robbins Island is a flyway for the orange-bellied parrot.

Mr DUIGAN - Well, it's certainly a feeding ground for them. The turbines have been removed from those areas and are well set back from the coast where typically -

Ms O'CONNOR - Are you going to tell the birds where not to go?

Mr DUIGAN - They go where they are attracted to go, which is where the food - anyway, there are people who know much more about it than me who are satisfied.

Ms O'CONNOR - Well, that's not particularly reassuring. Does the government, and indeed ACEN, understand the likely impacts of the Robbins Island development not only on orange-bellied parrots, but on other migratory bird species, given that Robbins Island was twice recommended to be listed as a Ramsar site of international significance for migratory birds?

Mr DUIGAN - What I would say is that very few people understand better the circumstances of Robbins Island, what happens on Robbins Island, the wildlife interactions on Robbins Island. The Hammond family who've been there for a very long period of time, for people such as David Pollington and Maddie Skerat who have been endeavouring to progress this project for literally decades, Robbins Island has been looked at again and again. Everyone's been there -

Ms O'CONNOR - And rejected previously because of its impact on threatened species, including the Tasmanian devil.

Mr DUIGAN - Everyone has had their input or had their questions. It it has progressed through, not a cardboard box kind of approvals process. This has been tested at every juncture. Still it remains a viable, really important generating opportunity for Tasmania. I don't say that flippantly or without consideration to the points you raise, but believe they have been mitigated and are able to be mitigated.

Ms O'CONNOR - Robbins Island contains, as I understand it, a population of Tasmanian devils that are disease free. We're now seeing the expansion of the devil facial tumour disease into the north-west, into previously disease-free areas. What mitigations will the government make sure are in place to protect that population, given that there will be a connection from Robbins Island to the mainland where the disease is spreading?

Mr DUIGAN - It's important to recognise there is a connection that exists currently. At times the tide is such that animals and people can freely traverse to and from Robbins. I would not argue that a bridge would make it easier and more likely that animals will traverse to and from Robbins.

Ms O'CONNOR - You would not argue with that?

Mr DUIGAN - I don't think so. I think there are mitigation measures being contemplated for the bridge that would seek to minimise those -

PUBLIC

Ms O'CONNOR - Can we understand them? I am happy to move on once we've got an answer.

Mr DUIGAN - If there is somebody in the room that can tell me about the detail of what has -

CHAIR - Keeping in mind it's a private bridge, not a public bridge.

Mr DUIGAN - It's not a government bridge, but there are likely conditions that have been placed upon it that would seek to do those things.

Ms PINTO - I am making reference to information that I've received from the Department of Natural Resources and Environment Tasmania. In relation to devils, the Save the Tasmanian Devil Program does a lot of documentation understanding of the movements of devils, just to understand the way they navigate their way around different regions of the state. They have nine long-term sites that they do monitor devil patterns.

There is one site that is within close proximity to Woolnorth and Robbins Island, and they've actually been examining what's been occurring. Since August 2024, they've been monitoring and at that time they recorded their first confirmed case of a devil with the tumour at Woolnorth.

Ms O'CONNOR - I don't know if that's been confirmed publicly yet. I mean, we had heard that this was the case, but I'm not sure that that's been confirmed.

Ms PINTO - I'm just making reference to some information.

Ms O'CONNOR - No, no, its actually good information, it's depressing but it's useful to have it confirmed.

Ms PINTO - While there's a channel - again, I'm just making reference to information that I've received -

CHAIR - Maybe we can confirm this under the Environment portfolio.

Ms O'CONNOR - Yeah, we will, but I'm just trying to get to the bottom of whether there's any mitigation plans to buffer that population on Robbins Island and how do we get that information.

Mr DUIGAN - I believe there are, but I -

Ms PINTO - Through you, Minister, the other observation I would make is that obviously animals or humans for that matter can travel at low tide. Whether -

CHAIR - Have we seen devils walking across?

Ms PINTO - Again, the information that I have in front of me does suggest that devils are known to cross at low tide. The likelihood that, again, I'm referring to information, the likelihood that a devil with the said tumour may eventually reach Robbins Island has always been acknowledged and it is probably a matter that's irrelevant as to whether there's a wind

farm there or not. It is just due to the general conditions that would enable an animal to travel across at low tide.

Ms O'CONNOR - Through you, Minister, are you happy if I put a question on notice about what kind of mitigation and conservation plans would be in place?

Mr DUIGAN - I just don't think it sits in the Energy portfolio. We would have to cross the boundaries and if you have Environment, they will have those details and the EPA.

Ms O'CONNOR - The orange-bellied parrot, given that that's a specific -

Mr DUIGAN - Again, that will be us reaching out of our lane into somebody else's lane.

Mr LIMKIN - My understanding on both of these, there are EPA conditions and DQ conditions on both orange-bellied parrot and devils. The best way to get clarity on how the conditions are managed is under the Environment portfolio who is accountable for this, Ms O'Connor.

Mr DUIGAN - Which is today?

Ms O'CONNOR - Yes, it is. I just hope that you as minister would take an interest in this as well and not chuck it off to the Environment minister, in your daily tasks.

Mr DUIGAN - Yes, but you use how this works.

Ms LOVELL - Minister, you asked in a hearing yesterday about the cost of delaying Tarraleah and I haven't - the *Hansard* transcript is not out from that hearing - I don't want to put words in your mouth, but I understand that you are unable to or wouldn't answer the question. I'm not sure which it was.

In your incoming government brief, that has now been released under RTI, it actually states that this delay is estimated by Hydro Tasmania to have increased pre-final investment decision costs by \$10 million to 16 million and expected to add \$40 million to 60 million in overall construction costs due to inflation and escalation. Can you confirm that that's the cost of delaying Tarraleah?

Mr DUIGAN - Look, I'm not quite sure. I don't think I've seen those Hydro numbers, 45.

Ms LOVELL - Have you read your incoming government brief?

Mr DUIGAN - Yes, indeed I have.

Ms LOVELL - Then you should have seen those numbers.

Mr DUIGAN - True. Let me just have a look. Anyway, we did ask Hydro to take a pause on the pushing through of the Tarraleah, particularly as it reached a gateway point and it was my view that there was enough in the large decision-making quadrant of the Energy portfolio and the Department of State Growth and Hydro Tasmania with Marinus, that we just needed to put Tarraleah aside for a period of time, which was done. We asked Hydro just to pause that work and it was able to do so without any, as I understand it, impact on its staff or staff levels,

and we have recently approved Hydro to take that project through to the request for proposal stage. That's the next gateway which will require a quantum of funding to keep progressing that.

If there were cost impacts of the pause, then that's obviously regrettable. We don't want to see those things, but we have to be certain this is a project of very significant scale, and making sure that it is done to the very highest level and with the risks mitigated as well as they can be and having space for government to consider it properly, noting that this is one of those projects that will need to come to parliament as well once we progress it through the gateways.

I believe it was entirely reasonable to ask for a pause on that project while government considered other large infrastructure projects.

Craig, you might have something further to add there.

Mr LIMKIN - Until Hydro goes to the market, we won't get the true cost. We can make estimates on a variety of escalation figures and inputs, but this project has a very large contingency. Until we actually get Hydro going through the Request for Proposal (RFP) stage, which is what they are commencing as the minister said, we will not know the final cost of this.

At this stage we took a very conservative view and everything that we did in incoming government briefs, but the market testing will determine what the final price is.

Ms LOVELL - So, these estimates have come from Hydro Tasmania, so they're estimating these increased costs because of the delay. Do you accept that estimate from Hydro that that would be a fairly accurate estimate?

Mr LIMKIN - Again, while we can put estimates on a lot of things, until we actually go through a market-based process, the market will determine the price of this and the risk allocation in those matters. Hydro is in the process now to do that, and as part of this process it will go through gateway processes, and we will get certainty on those numbers once we see what the market has provided.

Ms LOVELL - Minister, you mentioned that there will be a quantum of funding required to progress the project. Do you have any modelling around what amount that will be or if this is subject to this work that's been done by Hydro?

Mr DUIGAN - There is a number. What is the number?

Ms PINTO - The amount is \$1.96 billion and that's in 2024 dollars

Mr DUIGAN - The amount of \$1.96 billion in 2024 dollars.

Ms LOVELL - Does that include the estimated delay costs or not yet?

Mr DUIGAN - That's the cost presumably of delivering the project.

Ms LOVELL - In the timeline that it's in now?

Mr DUIGAN - Yes.

PUBLIC

Ms LOVELL - Okay.

Mr DUIGAN - Noting, obviously, that a market-engagement process is currently underway and that provides some more certainty around those numbers, but there is a big contingency in that number but we have seen significant escalation in lots of areas not contained to Hydro projects.

Ms LOVELL - Absolutely.

Mr DUIGAN - Hopefully, at some stage that stops.

CHAIR - If I could pick up where Sarah was, minister, you said previously with regard to the renewable energy project, Tarraleah being one of them, that the certainty of Marinus Link now being past the price approvals process effectively and it is agreed that we're going to proceed, I find it odd that you would push it out when that was part of the condition this is directly linked, as I understand it, to Marinus 1.

I'm following on from Sarah's question. I'm not quite sure why you would delay it at this point, when clearly that's a project that's linked directly to an approval that Marinus Link now has.

Mr DUIGAN - And if you look at the whole-of-state business cases for example, of one input, the vast majority of uplift in terms of Hydro returns comes from the existing fleet, and that's pretty well laid-out. Tarraleah is a nice little bit on top, but it comes obviously at a fairly substantial cost of \$1.96 billion -

CHAIR - A lot of money to spend to not create a whole heap of new energy.

Mr DUIGAN - Yes, but it's part of our Hydro fleet and our generational gift, and it's important that we keep investing in that.

But you have to do the work. You need to be a bit clear-eyed with these things, particularly at that scale, to know what's this going to cost, what are the actual impacts. I felt and think it was a shared view that just taking some time while we considered another very large substantial investment in the energy area and turned all our attention to that. Getting us to a point where we could make that decision this was something we felt was okay to sit for a little bit and wait.

CHAIR - It's nothing to do with the state of the budget, then?

Mr DUIGAN - No.

Ms LOVELL - Minister, have you got a timeline for delivery of the project now?

Mr DUIGAN - FID for Tarra is - let me see - Hydro Tas - We're expecting business - final investment decision mid-2027.

CHAIR - That's only that point. You were asking about the delivery of it, weren't you, Sarah?

Ms LOVELL - Yes.

Mr DUIGAN - I think designed to come in line with Marinus at 2030.

CHAIR - While we're talking about Marinus a bit more, minister, I will frame the question. While there are obviously a lot of issues in this space, there's a statement in the whole-of-state business case regarding risks. It's somewhat interesting. There is:

The government's focus is on realising the benefits and opportunities to consumers, and the state of additional interconnection through enhanced energy security, affordability, returns to government and economic growth.

However, key insights from the Project Marinus whole-of-state business case and the Project Marinus taskforce highlight that achieving these outcomes may require government to consider policy options and targeted options that could alter current energy policy settings. This introduces additional risk and uncertainty ...

Can you expand on what that actually means?

Mr DUIGAN - Yes. Project Marinus will see an increase in transmission costs to Tasmanian customers. In the case of residential customers and small business customers, medium-sized business customers, those costs will be offset by what our forecast to be reductions in wholesale electricity prices. So, we would see those two largely balancing out to be a zero net impact to those customers. Where there will be an impact is to those direct connected transmission customers, including our four major industrial and so on.

In terms of policy settings, we as a government have committed to seeking to mitigate the transmission cost impacts of Marinus on those direct connected customers. That is one issue, because you know, I think -

CHAIR - What is the mechanism you're setting to do that by?

Mr DUIGAN - Given there is some time between now and when that needs to be achieved, we will look at what's the best mechanism to provide that mitigation.

The other policy commitment we've made is a pricing review. A whole-of-customer pricing review to make sure that Tasmanians are seeing benefit from Project Marinus and is the way we set our wholesale price still the best way to set it. Given it is referenced from the Victorian energy price, is that what provides a fair and equitable outcome to Tasmanian customers.

CHAIR - Who's doing that work?

Mr DUIGAN - That'll be done through Treasury.

CHAIR - Through Office of the Tasmanian Economic Regulator or Treasury?

Mr DUIGAN - It would be through the Treasury would be my expectation given they set pricing policy. Again, there is a window of opportunity to get that work done at a comprehensive level before the need to implement it.

Ms O'CONNOR - Those who are most impacted, and it's not just the four major industrials, it's Aurora, they're one of the big customers here too, for example and that's who we buy our power off. Well, most of us do, not all of us.

In terms of input into that review, do you understand what's going on with that?

Mr DUIGAN - It hasn't commenced yet. Marinus will be commissioned at the end of 2030.

Ms O'CONNOR - They have forward Estimates out to 2028-29 next year in the budget they'll be out to 2029-30 which is the year that Marinus will start. One would expect if there's going to be some sort of pricing policy here that would be reflected. Surely, it's going to have to start soon that work, wouldn't you think?

Mr DUIGAN - I would think.

CHAIR - What input would you have into that?

Mr DUIGAN - As the energy minister, my job is to deliver energy to your house and other customers and make sure the lights stay on and keep those costs to customers as low as they can be.

CHAIR - That's the point I'm making. What's your input into that process if you are concerned about the cost to customers?

Mr DUIGAN - Very much that.

CHAIR - What are you going to do? How are we going to engage with the process?

Mr DUIGAN - Again, you are asking me to speculate on what the process looks like. We don't know what the process is or what it looks like at this point. I don't think it's entirely helpful for me to be making projections.

CHAIR - Do you know when it's going to start? Bearing in mind that next year's budget will have forward Estimates out to that period where presumably, Marinus link will be plugged in?

Mr DUIGAN - The end of 2030 is when it will be turned on. Anyway, it is a job and a piece of work we are committed to do doing

Ms O'CONNOR - Will there be any transparency on that process and how prices are determined? Because there's long been public subsidies, particularly of major industrials, and there's never been a line of sight to what MI's big users are charged therefore, the level of the subsidy that's embedded in that agreement. We've heard the Premier talk about the era of transparency, would that apply to this sort of thing?

PUBLIC

Because you can't argue a competitive advantage or commercially in confidence because they want to be paying some sort of presumably equitably designed from the government's lights standardised price.

Mr DUIGAN - In terms of what the government does, that will be transparent, detailed in the budget I would expect. As is the way of government spending it's laid bare for all to see and that would be my expectation. In terms of what ex business pays to Aurora or Hydro for its power, that's reasonable to to live in the world of commercial in confidence

Ms O'CONNOR - But why?

Mr DUIGAN - Because for you and I, we may not see the sensitivities, but if you are in one of those businesses and running one of those businesses and you have competitors here, there and around the world you know your inputs are very pertinent to your product offering. There are nuances we probably don't see.

Ms O'CONNOR - Well presumably, they will again be given cheap power and potentially subsidised by other Tasmanian power consumers.

Mr DUIGAN - They provide a lot of jobs and state products.

Ms O'CONNOR - I understand that, and Tasmanian people provide a lot of taxes back and payments back to the government too.

Mr DUIGAN - There is a balance, and we've seen this play-out with the discussions for Bell Bay Aluminium recently where we understand the value of that business. They are important, but there is a gap between what we can provide power at and what they need it at.

Ms O'CONNOR - Can I ask about renewable energy zones? There was consultation on the draft REZ legislation which closed in September 2024, so more than a year ago. There's a lot of communities and interested people who are in the dark about what the REZ legislation, and therefore what it enables, looks like and concern about the industrialisation of the landscape. It was due to be introduced into parliament this year. Do you want to give the committee an update on what the hold-up is and what the process is?

Mr DUIGAN - Essentially the REZ is designed to offer three kinds of net benefits: existing transmission, the way to build and have transmission paid for. There are national electricity rules which are very prescriptive around how transmission would be built and how it would need to be paid for. REZ seeks to derogate to some extent from the national electricity rules to provide more flexible means of building transmission; so a proponent might be able to build transmission that at some point in the future becomes part of the regulated network but isn't at the beginning, and various other things like that.

It also seeks to put in place standardised community benefits, so people understand what those things are. It also does define, as it has been, I think, universally rolled out in other jurisdictions - defines an area, puts a line on a map. And I think what we have heard through our consultation would be that there is a degree of resistance to having that line on the map, that people are uncomfortable with that.

Ms O'CONNOR - And you understand that.

Mr DUIGAN - Yes, I do. I know it at a level where I can satisfy myself and say, well, it doesn't actually change anything other than dictating where we would seek to have people build things. That being said, I do understand the sensitivities, and we've heard pretty clearly, and I've always said that I wouldn't just recklessly declare a REZ zone, but what I'm attracted to is the benefits that it brings. So, as we seek to build out all the renewables that we want to see built in Tasmania, how can we do that and only build transmission that's required, not overbuild, not have a transmission line coming from every single thing that gets built?

Ms O'CONNOR - It's somewhat reassuring to hear you say that.

Mr DUIGAN - Yes. But in seeking that goal, you need to be able to derogate away from the rules. I'm looking for a REZ model, or call it what you like, a way to enjoy the benefits without necessarily putting the lines on the map.

Ms O'CONNOR - And creating the conflict that can come around that. Can I ask -

Mr DUIGAN - Because I think in Tasmania it's relatively known where the prospective areas are by virtue of what transmission already exists. Where are the windy spots, for example, where are the good solar spots? So, I'm not sure we need the lines on the map.

Ms O'CONNOR - Can I ask what issues - and you've just touched on some of them - but what issues were raised in the consultation and how the government is seeking to address them?

Mr DUIGAN - Certainly that is one that I've heard, people concerned about property values, all those sorts of things; people concerned about transmission build-out; people concerned about -

Ms O'CONNOR - Impact on natural values

Mr DUIGAN - Impact on natural values. Vanessa, you might have a succinct consultation report - and I probably do too, to be honest - but have we published the consultation report on the REZ?

Ms PINTO - No, we have not. Through you, minister: but what I can say is some of the key areas of concern. As the minister has referred to, there were impacts on businesses that are already undertaking business, such as agriculture.

Ms O'CONNOR - Tourism.

Ms PINTO - Tourism impacts, dependent upon the type of development, what it may have to other resources in that area, for example water. There are matters where people may have concerns about health and safety which could be anything from noise levels, air pollution, et cetera, that, as you would I'm sure be very aware as a committee, are areas that the EPA also has equal investment and consideration in. People also indicated concern around foreign ownership of developments coming in and the impact of that.

Ms O'CONNOR - There's plenty of that.

PUBLIC

Ms PINTO - Both on a concern and there were, obviously, opportunities that were raised, equally economic impacts, so a bit of both, of what it could do. You referred to tourism before, but there was also, on the positives, a lot of feedback in terms of what this could do for my regional area, what could this do in terms of jobs and opportunities, what could this do through the supply chain. There was quite a breadth of feedback that was provided, very constructive.

Ms O'CONNOR - Thank you for that. Is there a reason that the - because it's pretty standard for a consultation report following consultation on legislation to be a public document. Is there a reason why that consultation document hasn't been released?

Mr DUIGAN - No, I don't think there is. I'm happy to commit to -

Ms O'CONNOR - Would you commit to doing that?

Mr DUIGAN - Yes.

Ms O'CONNOR - Thank you very much. There was a mapping important places initiative undertaken -

CHAIR - Just to clarify that - you're asking it to be provided to the committee today?

Mr DUIGAN - No, I'm happy to publish it.

Ms O'CONNOR - Provide it to the committee today, and I think it should be made publicly available, even though they're sort of a similar thing. Put it up on the website so people who fed in know that the government listened.

Mr DUIGAN - Indeed, yes.

Ms O'CONNOR - There was a mapping important places initiative undertaken as part of the north-west REZ planning in 2023 that allowed the community to mark culturally and environmentally important places. Since that time, the Australian Conservation Foundation released a groundbreaking report called *Mapping Renewables for Nature: A roadmap for our energy future* which used sophisticated mapping techniques and field surveys to identify sites with low environmental values, but high potential for renewable energy development. Why wasn't an approach taken like this in developing the REZ? On the basis of your previous answer, is the government prepared to develop a more sophisticated approach to the location of new wind generation particularly?

Mr DUIGAN - Look, it absolutely was part of the REZ and is part of REZ. If we take, for example, the north-west proposed REZ zone, 75 per cent of that, I believe, relying on my memory, is plantation forestry: pretty good spot for a wind farm in my view. It was chosen on the basis of its wind resource, it's less contested and contestable land use, and a range of factors. I'm sure those natural values are in there as well. That's the value of the geographical map to outline where is good prospective transmission connection, where is least contested land, so, you know, that's part of -

Ms O'CONNOR - Still contested now on the north-west coast, but we don't have to go there at the moment.

Mr DUIGAN - There is no uncontested land.

Ms O'CONNOR - Offshore wind - if no one else has a question, I wouldn't mind asking about offshore.

CHAIR - If I just go with one other question related to that matter, about the REZ. Minister, you talked about the rules that are currently prohibitive. Can you just expand that out a bit more as to what the prohibition is that needs to be addressed and why?

Mr DUIGAN - As I understand it, it is typically around transmission and how transmission is paid for, and what arrangements you can have with proponents to get transmission built. Craig, or Vanessa probably, might have some more detail around what rules we would be seeking derogation away from in order to have the most efficient, least-cost-to-the-public transmission building.

Ms PINTO - Through you, minister: the regulatory system that operates, it's overseen by the Australian Energy Regulator. There's a number of processes that are associated with that, one of which is as a regulator, they determine what is efficient and prudent investment in assets and on the basis of that, they then determine if an asset that's being invested in is deemed, let's say, a quantum of \$10 million, I'll just use a hypothetical, is efficient and prudent and it would apply then to the consumers who are associated with that asset.

Typically, for a transmission asset, it would be within the jurisdiction that's in - we note with an interconnector there are differences.

There can also be assets that are put into a region that are developer-based so you don't seek to go through a regulatory system to have the local consumers. It is either borne by the developer and/or the developer and potentially a large offtake provider. You could have an example whereby a renewable development occurs, a larger offtake load, for example, a hydrogen - I am using a hypothetical - have an arrangement and then there is a development of associated transmission.

Derogation is ostensibly where you seek to derogate from legislation and regulations, and there are regulations associated with the way networks are charged, as I've explained, and there can be different elements to that that might impose a condition upon developers or loads that are taking it or may require a slightly different nuance. Let's just say that new transmission line does provide some benefit in providing added security to the local consumers that there would then be some allocation of charging. That in a simplistic way is how it works.

Ms O'CONNOR - I just want an update. First of all, when is the REZ legislation likely to come to parliament?

Mr DUIGAN - I don't believe we have REZ legislation scheduled for parliament.

Ms O'CONNOR - So, the draft framework that was consulted on is just sitting there cooking at the moment while you consider the consultation feedback.

Mr DUIGAN - How we -

Ms O'CONNOR - Okay, thank you.

PUBLIC

Bass Strait has declared an offshore wind zone in December of last year, and there haven't been many updates since and I want to preface this by saying I'm a massive fan of offshore wind.

What work is Renewables, Climate and Future Industries Tasmania (ReCFIT) doing on offshore wind generation?

Mr DUIGAN - I believe we have a massive opportunity with Bass Strait, which is both relatively shallow and relatively windy, and that's a good place to build offshore wind somewhat.

Victoria has been very ambitious in this space, and I believe we were due to see auctions for offshore wind take place in November of this year and that has not occurred, as I understand it, there are some delays there, but we would have expected to see some progress on the Victorian side of Bass Strait ahead of Tasmania.

Tasmania has two proponents looking at our offshore wind zone. Is that still the case?

CHAIR - They do require significant investment with TasPorts.

Mr DUIGAN - Again, I believe there was an opportunity potentially for Victoria to be useful in that conversation in terms of what they were seeking to do and Tasmanian ports being pretty critical in that build-out.

In terms of updates, Vanessa, you are best placed for that.

Ms PINTO - I will point out a couple of elements. After the Bass Strait area was designated as an offshore renewable zone by the Australian Energy Market Operator in December 2024, once that was declared, there was then a process where you would need to get a feasibility licence to be in sovereign Australian Government territory, and there were applications open till the 10 April 25.

As I understand it, Nexsphere-Equinor had confirmed they applied for a licence for a 1500 MW project called Bass Offshore Wind Energy, and it's still going through that assessment process, so, if approved, an offshore feasibility licence allows a proponent seven years to gain its approvals. It's obviously a very technically complex process to go through, so it needs quite a bit of time to go through that process. So, that would be the first part that I would note.

The second part that I would note is that the government put forward funding for development of a renewable energy services hub. And the concept there is for, not necessarily a physical hub, but a hub that provides support through the supply chain in Tasmania for renewable developments. So, if you were to consider, we have onshore and offshore opportunity for development for local Tasmanian businesses - that could be anything from the electrical componentry that is required within renewable developments; it could be simple as the concrete fixtures for turbines - all of those elements, there could be opportunity for Tasmanian businesses to get into that supply chain. So, that's part of, also, this area and understanding - almost like a directory of where the opportunities are, to then provide local businesses with the chance to feed into that - is a future pipeline of development in the state.

PUBLIC

Ms O'CONNOR - Are there any plans for the Tasmanian Government to be a partner or shareholder in any offshore developments?

Mr DUIGAN - Not at this stage, no.

CHAIR - Regarding the hub, will that pull in people like TasPorts? Because they've got a massive undertaking at Bell Bay.

Mr DUIGAN - Yes. TasPorts are also working on the Bass Strait offshore terminal.

Ms PINTO - That's right; renewable energy terminal. Thank you. Through you, Minister.

Mr DUIGAN - Renewable energy terminal.

CHAIR - At Bell Bay?

Mr DUIGAN - At Bell Bay, yes. Bell Bay, Burnie - you know, those northern ports are probably the ones that people are looking hardest at. And as Vanessa mentioned, we will see, certainly ahead of offshore wind, there'll be the need for those ports to be capable of delivering onshore wind -

CHAIR - They've taken an enormous amount of land for the lay down.

Mr DUIGAN - Yes, and that's why Bell Bay -

CHAIR - As opposed to Burnie. Burnie's a bit constrained.

Mr DUIGAN - Yes, Burnie to a lesser extent. But Bell Bay, with its relatively non-built-out landside is a very good strategic asset.

CHAIR - So, just going back to that - so there will be collaboration? Because we have seen other GBEs not working quite as nicely together in the sandpit, but one of them was one of these. So, you know, TasPorts are in on the game, here? They are? They're on the same page?

Mr DUIGAN - They've had briefings from TasPorts, and I'm sure ReCFIT continues to work closely with TasPorts, and there is obviously, you know, an element of collaboration and connectedness in this space.

Ms PINTO - Very much.

CHAIR - So, the funding that would be required to facilitate this offshore wind - 40 hectares, I understand it. That won't cost nothing, so what's the expectation around funding of such a significant infrastructure?

Mr DUIGAN - I won't speak for minister Vincent, but TasPorts would obviously say there's a very compelling commercial opportunity, so they will have, no doubt, some skin in the game. I think the Commonwealth would see it as a reasonably prudent bet in terms of getting things moving, so it wouldn't be a surprise to see them. I wouldn't be surprised to hear the Victorian Government come knocking.

PUBLIC

You know, I think there are a number of - as you point out, it will be a big investment to provide the sort of land-side infrastructure that would be required. If we're talking about a seven-gigawatt build-out, you know, it's a big job. Massive.

CHAIR - Did you want to get anything else on that one?

Ms O'CONNOR - No, but just back to the REZ issue: Given that the north-east and the central highlands area are not as you described - the north-east 75 per cent plantation - and given the feedback from the community consultation, can we get some sort of confirmation from you on behalf of the government that you will undergo more environmental assessments before declaring any more REZs in the future? Like, proper - so that we don't end up in the situation where we have in the north-west coast, where it's created significant community concern for a range of reasons, but including the impact on natural values.

Mr DUIGAN - Yes. I can't sit here in good faith and say I can make community concern go away.

Ms O'CONNOR - No, that's not the question, because people become concerned about policy decisions for a whole range of reasons, some of which are very personal to them. It's about the meta-issue here that we have this long and sorry history in Tasmania of being divided over land use, conflicts and often government steps in and creates or amplifies division. Given the challenges we're going to face as an island community, it would be really great if government, through policy, stopped trying to divide communities. I'm just keen to know whether there'll be more consideration of natural values, if any REZ is to be declared in the future, particularly given the environmental sensitivities of the plateau and the Central Highlands and the north-east corner.

Mr DUIGAN - I think it would be worth Vanessa perhaps pointing to what are - noting that REZ legislation is not necessarily going to be brought before parliament to put lines on a map, but in terms of what was contemplated around natural values and other values in selecting the proposed North West REZ. As I have said, it was chosen on the basis of it being a less contested parcel of land. That didn't mean it was uncontested, but in terms of what we looked at, Ness, or what would be the boundaries for natural values.

Ms O'CONNOR - Yes, and in doing that, I'm curious to explore, because there's parts of the west coast which may not have the same natural values impacts as other places in Tasmania. When government is thinking about the placement of renewables, they go, okay, not much migrant bird traffic here, maybe we can do this here or encourage this here.

Mr DUIGAN - Until you start looking.

Ms O'CONNOR - The west coast is interesting in terms of those values parts of it.

CHAIR - [inaudible]

Ms O'CONNOR - No, up in the mountain -

Mr DUIGAN - Desolate.

Ms O'CONNOR - It's desolate. It's beautiful, absolutely beautiful -

Mr DUIGAN - That's subjective too.

Ms O'CONNOR - There's also grasslands.

CHAIR - Barren? It's hardly barren, there's all sorts of things up there.

Ms O'CONNOR - I know, it's extraordinarily beautiful.

Mr DUIGAN - It's a good spot for a walk.

Ms PINTO - Through you, minister: just in relation to that question, ReCFIT undertook quite a comprehensive spatial analysis that looked over 60 spatial data layers with more than 380 individual spatial features. These included land use, environmental heritage aspects like wind speed, solar values, residential areas, hydrology, potential hazards, terrain, all of that was considered. In that, you - obviously there was consideration of natural values, and the methodology that we've applied in undertaking that work is actually available on our website and lists all the values considered in quite a bit of detail. That's undertaken quite a body of work already in that space that can be referenced for 30 years.

Ms O'CONNOR - Okay, thanks Chair. That will do me for now.

CHAIR - I just want to go to the North West Transmission Developments now for a bit, acknowledging we will have TasNetworks next week as well. Minister, can you provide an update on what the anticipated cost of that is and timelines, et cetera, now?

Mr DUIGAN - As you'd be aware, in the original contemplation of Marinus Link, which was two cables, the North West Transmission Developments was a coastal route and then an inland route as well. It's been staged now. It's one cable and the coastal route, 130 kilometres, as I remember, of new augmented transmission. That coastal route is 95 per cent brownfield, that is, it already hosts transmission, so the coastal route, 95 per cent -

CHAIR - How much of that do you have to increase the corridor?

Mr DUIGAN - There is some variation: not much in some places, reducing in other places. TasNetworks will be able to fill you in. Of the 5 per cent that is greenfield, we have agreements, TasNetworks has agreements in place with those landowners.

CHAIR - Can you tell me where the actual greenfield sites are on that?

Mr DUIGAN - No I can't.

CHAIR - TasNetworks?

Mr DUIGAN - TasNetworks: and in terms of north-west transmission, it will now continue to proceed to financial close, which is planned to occur by the end of Q1 2026. TasNetworks has concluded its contingent project application 1 financing facility with the Clean Energy Finance Corporation, and this means arrangements are in place to continue the development phase until the project reaches financial close.

CHAIR - This is just the coastal line you're talking about, just to be clear?

PUBLIC

Mr DUIGAN - Yes, when we talk about NWTB, it is that coastal route.

CHAIR - There's been some confusion about this, so I think we need to be really clear.

Mr DUIGAN - There is a spur, Burnie to Hampshire Hills, which is part of the second stage, which we would be looking to build as an unregulated asset, potentially with Robbins Island and ACEN and potentially HIF.

CHAIR - HIF aren't going there now, you know that.

Mr DUIGAN - Going into Burnie?

CHAIR - Correct, so they are out of the picture.

Mr DUIGAN - Well, contingent - you know, they may do a deal with Robbins which might then have them -

CHAIR - Staying at Hampshire?

Mr DUIGAN - No, no. They're pretty wedded to Burnie. I think it's a good outcome, to be honest. Where was I? TasNetworks has commenced the process on CPA 2, the construction phase, with the CEFC. They've also submitted their CPA 2 application to the AER, which is open for consultation until 28 November, and this is part of the normal regulatory process for contingent projects and will ensure that all recoverable costs are prudent and efficient.

Genus, who have been appointed as the delivery partner for the NWTB, are finalising design, route and costings. Project cost: The *Project Marinus Final Investment Decision Assessment Report* states that the P50 cost estimate for the north-west TD is \$1.1 billion in real 23-24 dollars.

It's important to recognise that NWTB is expected to be funded 84 per cent by concessional debt from CEFC, and that's heavily concessional debt, and that concession is designed in such a way as it will flow to benefit customers, and it will be funded via 16 per cent equity, and you will see there is a \$191 million allocation in the Budget and that's that equity piece for the North West Transmission Developments, and - anything else?

CHAIR - Can you describe the mechanism by which the benefits of the concessional finance flow to the customer?

Mr DUIGAN - Yes, I can, but Craig can probably do it better, I was very full bottle on that recently, but yes, if you're able to. It's essentially the cost of the capital will be much lower than it ordinarily would be, and so the cost of construction is much lower than it ordinarily would be, or the project cost.

CHAIR - Because you haven't got all the debt repayment?

Mr DUIGAN - That then is delivered back to the customers via a lower cost of the asset.

CHAIR - Lower RAB, you mean?

PUBLIC

Ms PINTO - Yes. Through you, minister: the regulator will take into account costs associated with an asset, so an asset will have capital costs, and associated with that will be the equity that's put in, and then the debt financing for that investment. Then there are operating costs. When you have a much lower debt financing that is applied in this case as the minister has referred to deeply concessional. It puts down that downward pressure on that cost. Yes, what you will end up with is a lower regulated asset base that, simplistically, is applied then to consumers. That's one component that has been applied for the north-west - the deeply concessional will flow through. The second component is the grant that was provided.

CHAIR - That was about to be my next question.

Mr DUIGAN - It was \$346 million.

CHAIR - That's not just for the north-west transmission, but that's across the whole of TasNetworks' regulated asset base.

Mr DUIGAN - Yes.

CHAIR - How does it work? People have asked me this and I can't explain it to. Hopefully, you can.

Mr DUIGAN - The \$346 million will be applied against the TasNetworks regulatory asset base. All of it. That has the effect of bringing down the RAB to the extent of \$15 million per year which will be taken away from people's bills.

CHAIR - Where does the \$346 million go? Who gets it? TasNetworks?

Mr DUIGAN - It goes to TasNetworks.

CHAIR - When the AER looks at their regulated asset base, determine how much TasNetworks can reasonably charge in the next five-year period, isn't it?

Mr DUIGAN - Yes.

CHAIR - When's the next one due.

Mr DUIGAN - The regulatory period is - I'm going to say 2029, but again I am relying on my memory.

Ms PINTO - Yes, correct.

CHAIR - It is 2029 to 2034, right? During that time, Marinus will come online, assuming it all goes tickety-boo. That obviously will be factored into that.

Mr DUIGAN - Yep.

CHAIR - I am trying to understand how that flows through to the next five-year period of 2034 or 2035?

Mr DUIGAN - 2039.

PUBLIC

CHAIR - How does it work beyond that period?

Mr DUIGAN - I would need to take advice on that.

Ms PINTO - I am going to clarify what I said earlier. I didn't explain it correctly. There will be an asset that is valued -

CHAIR - Which is the whole asset owned by TasNetworks.

Ms PINTO - Which is the whole asset. Let's just say the \$1.1 billion is the asset and the regulator deems that is an efficient and a prudent value of that asset. There are then costs associated with servicing that asset, one of which is debt.

When I referred earlier, I just want to correct on the record the explanation for the concessional financing. When you have a much lower interest rate, you're obviously paying a lot less. Those benefits flow through to reduced costs for the customer. Equally, if you have a broader asset base, so let's talk about the 346 million across TasNetworks' broader asset base. The same principle applies except you have instead, in this instance, been given a grant that you can then attribute to the cost of that asset base that can then again be passed through to consumers. It's about reducing the costs that would be imposed on the consumer.

CHAIR - The \$346 million goes to TasNetworks to assist their capital program, because it's a very capital-intensive industry or business.

Mr DUIGAN - It goes to them to offset what their asset base is. A reduction in their asset bases.

CHAIR - They could use it to reduce their debt.

Mr DUIGAN - Well, if that had the same effect.

CHAIR - I am trying to understand how this flows through because it's a really complex area. With all due respect, you haven't explained it. Someone else has. It's difficult for a lot of people to understand how this is actually going to make things better for them. The major industries who are very deeply concerned about the high price of transmission and the increasing cost of transmission, this will only offset it partially. Is it fair to say that even with the concessional finance for the North West Transmission Developments - the \$346 million grant against the whole TasNetworks asset - we will still see increases in transmission costs?

Mr DUIGAN - Yes.

CHAIR - To what per cent?

Mr DUIGAN - However, what I have said in terms of policy commitments made by government is that for direct connected transmission customers - who will see by far and away the greatest impact - we will mitigate those impacts.

CHAIR - But you will mitigate the effects from outside of this process because that process is separate to the policy decisions going to be made through work by Treasury.

PUBLIC

Mr DUIGAN - That will happen irrespective of what government policy is around that mitigation of transmission impacts.

CHAIR - To be clear, what you're saying to me is this, the grant and the concessional finance will reduce the cost to TasNetworks. The regulator will look at that and think rather than being however much extra, it's less, so we'll make an assessment based on that. But even so, there will still be an increase in the actual value of the regulated asset base that TasNetworks holds?

Mr DUIGAN - Yes.

CHAIR - Do you know, or do you have projections about how much the regulated asset base is valued at now? What will it be after Marinus Link is built and then North West Transmission Developments work is completed?

Mr DUIGAN - I don't have that with me and it's certainly a question for TasNetworks. I think we can carry that, but they certainly would, well, they might.

In terms of the modelling for the \$346 million, it equates to a \$15 million annual reduction in transmission costs across the network.

CHAIR - Over what period?

Mr DUIGAN - Year on year.

CHAIR - Forever?

Ms PINTO - That's in current dollars.

Mr DUIGAN - Current dollars.

CHAIR - Okay. We might take a break. I want to come back to the North West Transmission Developments. We have some other questions related to that after the break. We'll take 15 minutes, if that's alright.

The Committee suspended from 10.59 p.m. to 11.15 p.m.

CHAIR - Thanks for coming back, minister. Just to pick up on the North West Transmission Developments, and you mentioned in your comments that Genus had been awarded the engineering fulfilment construction contract and that includes a Tasmanian Industry Participation Plan (TIPP).

I do note in that in that plan, I will call it TIPP for short, that it does require local workers from the north and northwest will make up approximately 45 per cent of the construction workforce, and the Genus will target a minimum ratio of 15 per cent of Tasmanian-based employees, 15 per cent of the total project workforce, FTEs, we made a Tasmanian-based employees, 85 per cent interstate- or overseas-based personnel engaged on FIFO arrangements.

I have a couple of questions on that minister: do you, as a responsible minister, consider it acceptable that under the TIPP only 15 per cent of the total North West Transmission

PUBLIC

Developments project workforce is committed to being Tasmanian-based with 85 per cent explicitly expected to be interstate or overseas FIFO workers?

Mr DUIGAN - What I would say to that is that it's not a particularly ambitious number.

CHAIR - That's all they're required to do. This might be a question for TasNetworks. I'm happy to take it up next week with any of these, what is the actual current percentage of north-west transmission workforce who live in Tasmania or on the north-west coast, and how does that with compare with the approximately 45 per cent local construction workforce?

Mr DUIGAN - Thank you for your offer to take it up with the team because that is, I think, very much in their wheelhouse. I would just make a comment around the TIPP.

CHAIR - Debating an industry participation plan.

Mr DUIGAN - Conversations that I have had, albeit anecdotal conversations I have had, with Genus senior management in one form or another, and surprised to hear that number that you were saying.

CHAIR - It was news to you?

Mr DUIGAN - I would just simply reflect on conversations that I've had where those people have pointed to the fact that there would be a great deal of, you know, benefit for various contractors here in the state, and as I say, if that's the TIPP number, then it's somewhat unambitious.

CHAIR - Who said that requirement then under the TIPP, whose job is that?

Mr LIMKIN - It would be the management of the board of TN. They're the accountable authority for the procurement, and so they would have set the TIPP process in there.

CHAIR - That seems like an unambitious target. You don't discuss that sort of thing with TasNetworks?

Mr DUIGAN - Yes.

CHAIR - Because this is part of the whole thing that it's being sold on, all the benefit to the north-west.

Mr DUIGAN - Indeed, and I would say in discussions that I have had with TN, you know, I have been told numbers more like 45 per cent.

CHAIR - Well, we will ask them next week on that. I'm sure they'll come prepared; I'm sure they're watching now.

Mr DUIGAN - And I think 45 per cent is a much more acceptable number.

CHAIR - So, minister, is it your job? Or whose job - if it's not yours, whose is it? This is an expectation, it's been agreed, and lacking ambition, as you might say anyway - but whose job is it to monitor that, to make sure that they have at least 15 per cent?

Mr DUIGAN - Well, I would imagine it's a requirement of the business and the board, presumably. I don't actually know in detail where that responsibility sits.

Mr LIMKIN - Through you, minister: if I could just take it up a level. So, Project Marinus and the north-west TD will have a number of impacts on the community in the north-west. It will have skills impact, jobs impact, housing, roads, et cetera. As part of the new governance structures we've set up, the DSG executive is accountable for ensuring these type of impacts, because it goes across the broader portfolios. So, in Skills, for example, to ensure that we get a Skills outcome, the government's funded the Clean Energy Centre of Excellence. The team of Skills Tas are working on a workforce need to support - procuring parties to be able to do that. So, one of the things that we will be doing across the department is really focusing on these type of mechanisms.

In relation to TasNetworks' delivery type of model, the government sets clear requirements in the statement of corporate intent and the statement of expectations for these businesses. Those will be updated as we continue to move on this journey, to be really clear on what the government's expectation is. My expectation - we are currently working with Treasury on the next round of that, and so this will be something that's monitored and looked at in relation to that.

CHAIR - Minister, when you look at the next ministerial statement of expectations for TasNetworks, will you be making some consideration of those matters about the benefit to north-west workers and the businesses? Like, there's plenty of good engineering businesses up our way, you know, I'm just trying to understand who's going to make sure that this doesn't just turn into some document that sits on a shelf and is roundly ignored, and we see planes full of FIFOs.

Mr DUIGAN - Yes, sure. I think nobody - you know, I think there will be an element of the workforce that does come from interstate, and that's probably okay, but we need to make sure that the opportunities for Tasmanian workers and Tasmanian businesses, as you have identified, are fully grasped. I've been talking to the Tasmanian Chamber of Commerce about how we can position businesses, particularly in the north-west coast, to have an understanding of what the opportunities might be -

CHAIR - It's not just the north-west coast; it's right across Tasmania.

Mr DUIGAN - No, but I think there is probably particular focus in light of decisions that have been made regarding Project Marinus. You know, I kind of look at the work that's been done through the Bell Bay Advanced Manufacturing Zone, where industry has been brought together to better provide a consolidated view of opportunity and how particular industries might fit in. So, I think there is a job of work to do to bring people into the fold and set out how our businesses and how our workforce might be able to engage with this. As the secretary has mentioned, the government's leaning in in terms of training, that will be a key consideration. But there is also, I think, a wider piece to do.

CHAIR - Minister, it also says that under the TIPP that we - which is Genus, that's who it's talking about here:

PUBLIC

... plan to engage a range of Tasmanian subcontractors and suppliers to ensure strong local participation aligned with the Tasmanian Government's Buy Local policy.

So, who oversees that process? Do you have any - do you take any interest in that, to make sure that that is the case?

Mr DUIGAN - Again, in terms of, I guess, the outputs that live within that document, it's something that would be overseen by the TasNetworks board. Obviously, I'm a shareholder of TasNetworks board. Obviously, I'm a shareholder of TasNetworks and have great interest in all of the things that they're doing and if they've made commitments or -

CHAIR - Do we expect them to report against a lot of these measures in -

Mr DUIGAN - Yes. I must admit I don't know what the reporting mechanisms for that are, and if -

CHAIR - It's a bit vague, that's why I'm asking.

Mr DUIGAN - Okay. I'm not sure. I'm happy if anyone here in the room has line of sight on what those reporting responsibilities would look like.

Mr LIMKIN - Minister, we're not aware of those reporting mechanisms. I chair the Energy Executive Steering Committee, which is all heads of agency who oversee the advice to you and Cabinet on North West Transmission Developments and also Marinus Link. I am happy to look at, as part of the reporting requirements under that, to make sure TasNetworks is being held to deliver that -

CHAIR - You need to put some reporting requirements in it.

Mr DUIGAN - Well, I believe what we are doing and what we are committed to doing is having a very robust governance framework for Project Marinus, knowing there are contingent projects, and projects that need to be delivered in alignment. I know the secretary can speak to the governance framework, and I believe these are the kind of things that we should be having visibility of through that governance framework.

Perhaps, Craig, if you could touch on the framework that's been contemplated, noting there has been a great body of work that's been happening up to the point of the FID, but now we go in to the construction phase and the delivery phase, and there needs to be some -

CHAIR - This is a document that sets out how this is going to be delivered -

Mr DUIGAN - Indeed.

CHAIR - on the north-west coast with a company not from Tasmania.

Mr DUIGAN - I take that point, and I believe it is worthwhile at this point discussing governance, as we would see it, and where there is opportunity to prosecute things like that.

Mr LIMKIN - Thank you, minister, and through you: as the minister said, we've moved through a different phase in the Marinus governance and the north-west TD, I will put it all in one package. That revolves around four areas: we have an accountability to help the shareholders manage their responsibilities, so holding boards accountable; making sure entities are delivering on the commitments to the government; making sure risks are identified really early and that they're addressed, and those matters.

There's a shareholders responsibility line. There's a project assurance role where we as a department need to make sure that they are delivering the project in the most cost-effective and timely manner, so we're using Infrastructure Tasmania gateway process; in some cases, we're using the Australian government process because they are a joint shareholder in this, so instead of using ours, we're using theirs, and that is to support and identify issues early, and timely decision-making.

CHAIR - North West Transmission Developments is a state responsibility, not the Commonwealth.

Mr LIMKIN - That's correct. In the North West Transmission case, it's the ITas framework doing it. In the Marinus Link it's the Australian Government. It just depends on what element of the project we're using.

Then there is a coordination of policy in strategy and advice to the minister and government about what levers and policy matters are there. There are a variety of committees in relation to this. The one that really supports the Energy Committee of Cabinet, which the minister chairs, is the Energy Executive Steering Committee, which is the one I chair at secretary level - DPAC, Treasury, NRE and the Crown solicitor as our legal adviser to really make sure we deal with timely issues. Any issues of non-delivery, any concerns on project delivery are identified early; they are appropriately then raised up, or appropriate action is then taken. -

CHAIR - But you weren't aware of this agreement in place?

Mr LIMKIN - This is a responsibility of TasNetworks. The procurement process and the setting of contracts with their parties are a management responsibility of TasNetworks. Our job as a steering committee is to make sure that they are complying with government policy, and we will have to make sure, given you raised this matter, we will look at whether they are complying with government policy, but in cases like this, where we have flagged the concern, we've looked at it, we've provided advice to shareholders or we've dealt with it directly with the businesses. We have a very open forum on north-west TD between the ReCFIT team and TasNetworks, so that's how we would identify how to deal with this matter now that's been raised in this committee.

CHAIR - I just note, and it probably goes to the same answer that it's up to the TasNetworks board, so they will be asked about this next week, but the section relating to SMEs commits to deliver a minimum of 75 per cent Tasmanian SME participation rate over the life of the North West Transmission Developments project. Which higher ambition, you might -

Mr DUIGAN - It's much higher ambition, yes.

CHAIR - It sets out monitoring and remedial action if it's not achieved, so there is notionally, if someone holds people to account here - which may include repackaging scopes and targeted outreach. Minister - and you may not be able to answer this, and I will ask it again next week if you can't - but do you know how many Tasmanian businesses have actually been engaged on the North West Transmission Developments project to-date, and how many of these are SMEs?

Mr DUIGAN - No, I do not, but I would be very happy for that question to be asked and answered of TasNetworks, and I don't know that we would likely have that here from the government's perspective.

CHAIR - Now, the plan - (inaudible 11.31.08) of the plan - commits to biannual reporting on Tasmanian SME participation, including contract value breakdowns and business location and states that Genus is open to joint reviews with TasNetworks and the Tasmanian government. It seems you might have a role here. I'm just wondering, have you, as one of the responsible ministers here, received the biannual SME participation reports that are described in the plan? If you have, can you provide one to the committee?

Mr DUIGAN - It's not one that I have a great memory of. If I have received it, I will -

Mr LIMPKIN - I'm advised that we do not have any of the reports that the member talks about. What we're doing at the moment is finalising an agreement, or an MOU, between us, the Commonwealth and Victoria, about reporting requirements to ensure -

CHAIR - This is not regarding Marinus, this is on the North West Transmission Developments. I want to keep on northwest - I don't want to be distracted by that.

Mr LIMKIN - I'm advised, Minister, that it is specific for the North West TD, given the North West TD is so intrinsically linked to Marinus. As part of the renegotiation there was a commitment for a joint working group to ensure that North West TD is delivered for Marinus. That is why this MOU is occurring, and there is a clear commitment to make sure we deliver the benefits for Tasmania out of that work and the feds are very committed to that.

Mr DUIGAN - I think we need to be very clear that project Marinus is a singular entity. It needs to be delivered at the same time and that consists of Marinus Link and NWTD and there is overarching governance.

CHAIR - But I take you back to the question, that it seems you haven't received any reports as yet?

Mr DUIGAN - Again, I'm not aware of the status of that.

CHAIR - Can you take this on notice to find out if you have it?

Mr DUIGAN - Do we know when the reporting period is scheduled to commence? We don't currently have any reports on this but are happy to take it on notice and check and get back to you.

CHAIR - Sure. Well, there will be questions for next week.

Ms O'CONNOR - Would it be possible to give the committee an update on the strategic benefit payment that's proposed for northwest landowners, which comes to a close on the 1 December? And to confirm whether it's the government's intention to use its compulsory acquisition powers for those landholders that don't sign up. I think there's about 30 at the moment.

Mr DUIGAN - Thank you. Yeah, happy to talk to that. Strategic benefits are sort of a relatively new benefit payment and it has been described, I think, as an open-the-gate payment to allow the transmission entity, in our case TasNetworks, to come on to the land, to engage with the landowner to understand what the impacts are likely to be, and to be part of the process. It's not the primary mechanism - or it's not even a mechanism, or it's not even a mechanism for the delivery of compensation. That's not what it is set for. Compensation is delivered through the LAA, the *Land Acquisition Act 1993*, and it is judged on a case-by-case basis by the Office of the Valuer-General and takes into account a range of impacts, and is a sliding scale and is in the most part a larger quantum of payment than the Strategic Benefit Payment.

In line with what's been done in other national jurisdictions - Victoria and New South Wales is probably the closest alignment for Tasmania - our Strategic Benefit Payment is a \$200,000-per-kilometre payment to landowners paid on an annual basis. It's indexed back to, I think, 2022. It's one of a number of payments that are made to landowners for their participation in hosting transmission. We understand that there is a greater impact on those people that do have transmission towers and lines across their property, and we need to engage with those people, to have that circumstance for the greater good, for the lights to come on in this place requires transmission across people's properties.

Ms O'CONNOR - Can I just unpack with you then? I mean, what's the difference if a landowner signs up to a Strategic Benefit Payment and so there's that \$200,000-per-kilometre per year -

CHAIR - No, not per year.

Ms O'CONNOR - Sorry, \$200,000 per kilometre. For those land owners who don't sign up, is it simply the compensation, or the payment if you like, that they receive through the compulsory acquisition of the necessary land and that's the end of it?

Mr DUIGAN - Yep.

Ms O'CONNOR - Okay, and what are the latest numbers on landowners who are resistant to signing up to the Strategic Benefit Payment?

Mr DUIGAN - I don't have - it's a pretty dynamic situation. We're getting close to the end of the process, and I'm not getting a daily number, but I know that it changes very regularly.

CHAIR - TasNetworks will know that answer?

Mr DUIGAN - TN will have that. But I would make the point that the best outcome for people is to have TasNetworks land agents on their property, to have their property properly evaluated. I went to Gawler recently to meet with two landowners who had been part of the process. As I say, for this transmission development, 95 per cent of it already has transmission on it, 95 per cent, and we've got deals with the remaining five.

PUBLIC

In this case the towers are bigger, they're higher, but there are fewer of them. In both of the cases I was talking to, currently 10 towers, and in both instances that would go down to eight towers. Not only that, the alignment would be better for the utilisation of pivot irrigators so they are getting better productivity out of the land, fewer towers, and getting paid a fair and reasonable sum of money for their engagement with that process and the ongoing impacts of having that transmission on their property.

I know that there are calls for people to resist and whatever else. I want those people to make sure that their goals and the best outcome for them, are aligned with the people who would seek to hold them back from the process because I'm not sure there is alignment there.

Ms O'CONNOR - I mean, is the take home message for landowners there that resistance will be futile, ultimately?

Mr DUIGAN - Look, we don't want to acquire anyone's land. TasNetworks has no interest in acquiring anyone's land. But we do need an easement. This is a project. This has been the way for a long time now. Linear infrastructure, be it transmission, roads, whatever, needs to be built to serve the greater good. We try to do it in a way that to some extent recognises the greater burden placed on some people as opposed to others. It's probably an imperfect system, but it's the system we've got, and I think that the strategic benefit payment adds a layer of comfort to those people to join that process and get the best outcome available to them.

Ms O'CONNOR - Thank you. If we could move on to a question and a matter that I've asked you about before, the HIF Global plant. I noticed you didn't rattle that off in your list of renewables projects this morning -

Mr DUIGAN - I should've done.

Ms O'CONNOR - Well, it's not renewable if they're burning wood, really.

Mr DUIGAN - It is the greatest source of renewable energy in the world.

Ms O'CONNOR - I encourage you to read the science on native forest biomass. The proposed HIF Global methanol plant and other so-called e-fuels plants will require enormous amount of energy from the grid to power. I think that the HIF Global's about 150 or 160 megawatts.

Mr DUIGAN - I thought it was 300.

Ms O'CONNOR - No, it's 260 megawatts. We're already in a position where major industrials are wanting more power than we can currently give them.

Mr DUIGAN - No, we're not.

Ms O'CONNOR - We're not?

Mr DUIGAN - No.

CHAIR - They just don't want to pay for it.

Mr DUIGAN - No, we're absolutely not.

Ms O'CONNOR - Do we have enough power for these plants?

Mr DUIGAN - Yeah. Well, it's important to recognise government policy is that these plans would bring forward generation with them. Hydro Tasmania would provide a level of firming. Obviously, variable renewables require firming for when the wind doesn't blow. Hydro has, on its book, an amount of firming available. The reason these new loads will bring with them new generation.

Ms O'CONNOR - Just back to the question of the major industrials. I thought that the Boyer Paper Mill had been told there wasn't enough power in the Tasmanian grid for electric conversion.

Mr DUIGAN - Absolutely not. I won't reflect on what it may have been told at some point in time, but that is not the case as I sit here today.

Ms O'CONNOR - We are advised at a drop-in session, HIF Global told participants, when asked about whether they intended to use native forests as a carbon source for their plant, that they weren't able to use native forests as they were required to use PEFC certified forests, of course. Native forests can be PEFC. Certified and Forestry Tasmanian forests are PEFC-certified.

What capacity do you have as minister to make sure that any of these so-called green fuels or e-fuels plants are not using power from native forests, which I'm sure you'd understand because you're an intelligent man, would have a negative climate impact?

Mr DUIGAN - I don't necessarily take that view. I don't.

Ms O'CONNOR - That's just the science.

CHAIR - That you're not intelligent.

Mr DUIGAN - All those things.

Ms O'CONNOR - The science on native forests as well as logging and burning's impact on the climate is well-understood.

Mr DUIGAN - There may be somebody in the room today who can say, categorically, one way or the other. I should have done my homework after you asked me the other day about the carbon inputs into - whether it's Bell Bay Power Fuels, HIF or whoever it might be. My understanding is that it was primary carbon source are residues from plantation forestry currently -

Ms O'CONNOR - Genuine residues, not what we have historically falsely described as residues. They were whole trees going to the Triabunna Mill, for example. Not residues. Genuine residues.

Mr DUIGAN - I am not going to be drawn on your definition of what residues are or what they are not. I don't think they're calling themselves so-called green fuels. They're calling

PUBLIC

themselves green fuels. They would be here in Tasmania. They would be using renewable energy. They would be using renewable carbon -

Ms O'CONNOR - From?

Mr DUIGAN - - from trees -

Ms O'CONNOR - From?

Mr DUIGAN - - and residues -

Ms O'CONNOR - From?

Mr DUIGAN - My understanding is that plantation residues are currently unused. I wouldn't particularly be averse to seeing some of the wood chip that sits on the dock at Bell Bay going into the Bell Bay Powerfuels Project rather than being shipped away. That would be fine. I have no problem there.

CHAIR - Same in Burnie.

Mr DUIGAN - Same in Burnie.

Ms O'CONNOR - So native forests feed stock? Couldn't call themselves a green fuel.

Mr DUIGAN - I don't think - and we are wandering somewhat - is there anyone in ReCFIT who knows what HIF will bill their power fuels? Have they made a commitment around their carbon inputs?

Ms O'CONNOR - And is that not something you as energy minister would be across?

Mr DUIGAN - Not as energy minister.

Ms O'CONNOR - Or someone, like your agency would look out for?

Mr DUIGAN - Well, my agency's here.

Ms PINTO - I am advised, minister, that HIF plan to use plantation forest residues.

Ms O'CONNOR - Do we understand if they've found a supplier of those residues or is it a bit preliminary?

Mr DUIGAN - Yes. No.

Ms PINTO - I think they're in active -.

Mr LIMKIN - They're in active discussion is my understanding.

Ms O'CONNOR - Forico?

Mr DUIGAN - I do think they have MOUs with - again, I don't want -

PUBLIC

CHAIR - Neighbouring companies.

Mr DUIGAN - Yeah, companies in Tasmania.

Ms O'CONNOR - As a matter of principle, if we've got this clean, green brand that successive governments really haven't particularly well protected, do you agree the notion that as a state we'd be felling forests, or allowing forests to be filled to supply furnaces? Not only is it a negative for the climate, but it's actually damaging to the brand?

Mr DUIGAN - We don't currently do that.

Ms O'CONNOR - Would you like to see us be sure that we don't?

Mr DUIGAN - As I said earlier that bioenergy is the greatest supplier of renewable energy globally -

Ms O'CONNOR - You can't, say that in an unqualified way -

Mr DUIGAN - Why?

Ms O'CONNOR - because what the science tells us is that there's a whole lot of different kinds of biofuels -

Mr DUIGAN - Yeah.

Ms O'CONNOR - so the source of your feedstock actually really matters about whether or not it's a climate-positive or negative.

Mr DUIGAN - Anyway, we are getting into a fairly esoteric area -

Ms O'CONNOR - Not really because you're the minister for energy -

Mr DUIGAN - Yep.

Ms O'CONNOR - and there'll be these proponents who come forward and say, we need power for this production process -

Mr DUIGAN - Yep.

Ms O'CONNOR - and for the state of Tasmania to be able to say, we've got a set of standards here and we don't believe the burning of native forests is clean or renewable.

Mr DUIGAN - Yep. I would say that anybody who is making green fuels would want their supply-chain to be certified and that would be a matter -

Ms O'CONNOR - They do want it to be certified and at the moment it's certified to the same standard as Forestry Tasmania, which is not reassuring.

Mr DUIGAN - To you, maybe not.

PUBLIC

Ms O'CONNOR - You are comfortable with an industrial process here, burning natural forests for power.

Mr DUIGAN - I am not saying those words.

Ms O'CONNOR - In not so many words. You suggested it though. You did suggest it.

Mr DUIGAN - Okay.

CHAIR - Have you a question?

Ms O'CONNOR - We will confirm it.

Mr DUIGAN - As I say, they are in the business of making green fuels. They are going to want those fuels into the markets they sell and those markets they sell into will demand them to be meeting the standard they require.

Ms O'CONNOR - It sounds like it's a pretty low standard. PEFC is not Forest Stewardship Certification.

Mr DUIGAN - Oh, but we know about that, don't we?

Ms O'CONNOR - We know Forestry Tasmania hasn't been able to get it the two or three times they've tried.

Mr DUIGAN - Certain Indonesian forest companies do.

Ms O'CONNOR - Are you talking about Ta Ann? Do you want to have a chat about Ta Ann?

Mr DUIGAN - They used to make wonderful plywood, didn't they?

CHAIR - He's not the m\Minister for resources so we might leave that one for the minister for energy.

Mr DUIGAN - They used to turn little logs into plywood and what a good circumstance that was.

Ms O'CONNOR - Have you seen those huge lots full of rotting plywood in the Ta Ann lots up in the north-west?

Ms LOVELL - Chair, can I get onto a topic that -

Ms O'CONNOR - I am very happy for other people to ask questions. There just didn't seem to be much enthusiasm for it, so -

Mr DUIGAN - I bored everyone to death.

Ms O'CONNOR - I thought I'd just use the time.

PUBLIC

Ms LOVELL - I was just waiting for an opportunity.

CHAIR - No, I was waiting for you to finish.

Ms LOVELL - Minister, can I just go back to the conversation we were having about Boyer and the upgrade? If I can confirm, you're saying there is enough power in the grid now for Boyer to conduct that work and upgrade -

Mr DUIGAN - Yes.

Ms LOVELL - their boiler? Do you know if Boyer have been advised of this?

Mr DUIGAN - I would assume so. Hydro Tasmania has pretty regular contact with Boyer.

Ms LOVELL - Do you know what's changed? Because they've been told for quite some time now there hasn't been enough power and Hydro have been quite clear about that. What has changed that now there is?

Mr DUIGAN - I don't think that that's the case.

Ms LOVELL - Don't think that's -

Mr DUIGAN - There is power should they, it needs to be on a commercial arrangement, but there is supply on the grid.

Ms LOVELL - Okay, and that's your understanding that's always been the case?

Mr DUIGAN - Yes.

Ms LOVELL - Okay. I had some other questions, Chair, if I can keep going?

CHAIR - Go ahead, yes.

Ms LOVELL - Minister, the Auditor-General's report recently into the financial statements of government business enterprises and state-owned companies has had a particular focus on termination payments for key management personnel, and found that:

- TasNetworks had the highest single termination payment of \$711,000 for one person,
- also had the highest average termination payment of \$296,500,
- one key management personnel at TasNetworks received a termination payment of \$74,000 after completing less than two years in that role,
- and that while TasNetworks, Hydro and TasPorts all had significant restructures during the audit period, the average termination payment at TasPorts was only \$42,250, compared to \$296,500 at TasNetworks, \$251,222 at Hydro.

Given everything we know about the state budget at the moment and the operations of the government business enterprises and how impacts on the budget, how do you justify such

high termination payments for energy businesses compared to other government business enterprises?

Mr DUIGAN - Well, I think there would be, you know, individual circumstances around each of those terminations that you mentioned. It's a good question to ask of TasNetworks when they're here at the table next week, I think. But again, you know, individual -

Ms LOVELL - Do you have a view as the minister, though, with oversight of those businesses?

Mr DUIGAN - Well, my view as the minister, and what I find myself talking about frequently, is managing those operational costs in the best interests of delivering value to Tasmanians. So obviously staffing is a cost, and executive staffing no doubt, and those sorts of things, you know - we do find ourselves talking about them a bit, and it's incumbent on me to keep driving home the message that the businesses need to be doing what they can to manage their OpEx.

Ms LOVELL - The Auditor-General has focused on this specifically in his report as sort of an area of concern, particularly around that inconsistency around payments between different businesses. Would you support the Auditor-General to be able to perform a deeper analysis of that and perhaps a deeper audit into executive appointment and contracts across government business enterprises? Do you think that would be a worthwhile exercise?

Mr DUIGAN - Is there anything that would prevent the Auditor-General from doing that?

CHAIR - Money.

Unknown speaker - Budget cuts.

Ms LOVELL - That will be- yes - I mean, do you think that would be a worthwhile exercise, for him to - for the Audit Office to be able to do that work?

CHAIR - To help inform you, as well.

Mr DUIGAN - Yes, look - I think often when you take when you take something like that in isolation and look at it and you say, 'Well, that seems completely unreasonable', and then someone will sit at the table who knows the circumstances around it, then it seems less unreasonable. But broadly, I think we need to be, as government - you know, if we're going to ask Craig to find deficiencies in his department, you know, I have a similar view of our GBEs, that we should be looking for them to be as efficient as they can be, and if the Auditor-General was of a view that that could be something prospective, then I would have no problem with that.

CHAIR - If I could just follow up on that? Minister, do you, in your updates -

Mr DUIGAN - Sorry - if you don't mind, Chair. Just in terms of the TN employee that we were talking about, had over 40-years' service with ongoing legacy entitlements. So, again, there's some context around that.

PUBLIC

Ms LOVELL - Might be some leave-management issues, perhaps.

Mr DUIGAN - Well, possibly, but you know - again, 40 years' service.

Ms LOVELL - We can explore that further next week.

CHAIR - Minister, in your interactions with the government businesses that you're the shareholder minister for, which I assume happen relatively regularly - every month?

Mr DUIGAN - They do, very frequently. Weekly, in a lot of circumstances. Certainly fortnightly.

CHAIR - Okay. So, do you keep an eye on things like turnover rates of staff, this sort of - particularly when you're looking at the high turnover that appears to be the case in TasNetworks, particularly with significant payouts for those - sometimes they haven't been there that long, as the member for Rumney pointed out. Do you ask for information about that?

Mr DUIGAN - So, I would typically be aware of changes in senior management, those types of things. There are a number of metrics in the dashboard that we would look at very regularly - staff engagement

CHAIR - Is that a code there, staff turnover?

Mr DUIGAN - Turnover - I don't believe there is a particular - in the case of TasNetworks, I don't think 'turnover' is a reported metric, no, but staff engagement, those sorts of things are.

CHAIR - Minister, you would be aware, and you were minister for Energy two years ago, weren't you?

Mr DUIGAN - Yes.

CHAIR - When TasNetworks appeared before GBE scrutiny two years ago, they'd just done a -

Mr DUIGAN - Psychosocial -

CHAIR - Yes. A significant survey where they uncovered all manner of horrific cultural situations in the business. I understand they've done another cultural survey. We will ask them more about this next week, but do you take an interest in that because sometimes the cultural issues can feed into the turnover thing. Are you interested in that? Tell us what you know about that.

Mr DUIGAN - Very much so. I know a new psychosocial survey has been conducted in line with the recommendations of the original one. I believe the business would like to speak to that next week, but clearly out of scrutiny two years ago there were some red flags about how TN was travelling in terms of its people, and I believe that has been a real area of focus for the board and for the management. Again, I don't want to steal their thunder, but I believe there is -

PUBLIC

CHAIR - Have you drilled down into the data that sits behind the survey? Do you get access to that, including the comments.

Mr DUIGAN - I have certainly seen that survey at a pretty detailed level - not, not for some time I would admit, but certainly in the wake of that scrutiny hearing, we had a good look at what people were saying.

CHAIR - The most recent survey I'm referring to.

Mr DUIGAN - No. I have not seen any, other than - because it's only happened very recently and I'm not sure that -

CHAIR - How recently?

Mr DUIGAN - Weeks, and I'm not sure there is a fully detailed report that's been generated off the back of that yet, but I've had conversations through my regular meetings that would say - again, I don't want to pre-empt what TN might say about that survey, but there are, I believe, the outcomes of that survey.

CHAIR - We will drill into that next week.

Mr DUIGAN - I have one thing here in terms of TN turnover, down 6.3 per cent for the last financial year.

CHAIR - That's right across the workforce. Do you have a breakdown at the senior management level in that, or middle management?

Mr DUIGAN - No.

CHAIR - That's across the whole workforce.

Mr DUIGAN - Yes.

CHAIR - We will ask TasNetworks about that.

Ms LOVELL - Minister, I want to go back again to a conversation that was in a hearing yesterday around federal Coalition dropping their net zero targets. I know there was some discussion about that yesterday, but again, we've been in here all day and haven't had a chance to reflect on that

My question to you is, do you acknowledge that the federal Coalition dropping net zero puts at risk renewable energy investment in Tasmania, and have you had any conversations with your federal colleagues about that?

Mr DUIGAN - Yes, I have. I have spoken to, and I speak often to minister Bowen, but I have had meetings with both the former shadow Energy minister and the current shadow Energy minister, and explained the Tasmanian context, explained the fortunate position in which Tasmania finds itself not grappling with the retirement of our legacy baseline generation.

PUBLIC

It's important to recognise that Marinus Link and Battery of the Nation projects all had their genesis with the coalition, and I have no doubt that our energy projects and our aspirations to play a larger role in the decarbonisation of our state and the nation more broadly is supported. The context is different here. We are not facing the shutting down of coal-fired, gas-fired assets. We should be thankful for that.

Ms LOVELL - Do you accept there's a level of risk though by that change in policy for Tasmania?

Mr DUIGAN - No, I don't.

CHAIR - Not while the Labor party held the majority.

Ms O'CONNOR - Minister, I want to follow up from a line questioning from my colleague, Vica Bayley in Estimates downstairs about the Energy Saver Loan Scheme and to get a commitment from you, minister, understanding you said you will be reviewing the scheme and looking into stated similar schemes to see what the follow on might be.

We would like to get a commitment from you on the intent of the future scheme and that it will be effectively, the same. That is enabling everyday Tasmanians to access solar energy or energy efficiency upgrades they wouldn't otherwise be able to afford.

Mr DUIGAN - Thanks for the question. The Energy Saver Loan Scheme has been an unqualified success, by any measure. It has supported \$67 million in loans to allow Tasmanians to make energy improvements to their homes and lifestyles, with e-bikes, car chargers and things.

Ms O'CONNOR - It is a terrific scheme.

Mr DUIGAN - A terrific scheme, no doubt. The other really important legacy result of the Energy Saver Loan Scheme has been the expansion and the added capability that's been added -

Ms O'CONNOR - To the grid.

Mr DUIGAN - To the grid, but also to our installation suppliers, our network and our businesses. How many solar installations? There was 4,500 or something like that?

Mr LIMKIN - It was 6700.

Mr DUIGAN - It was 6700.

Ms O'CONNOR - In the last year?

Mr DUIGAN - Critical mass has been added into that sector of the business community and that has a self-sustaining nature, because now those businesses are big enough and strong enough to go out and chase that business.

We have tasked ReCFIT with reviewing the scheme to seeing what the broad scale learnings out of it are, where it could be better targeted. Some of the discussion yesterday was

what do you do - noting there are other programs supported by the federal government and the state government in terms of some of our more affordable housing offerings being less energy efficient. That being a bit of a spiral and people not necessarily living in those houses, not having the wherewithal to go out and either get an Energy Saver Loan Scheme loan or indeed put up the solar panels off their own back. What do we do? What are the learnings? How do we make it potentially a little bit more targeted to fill some of the gaps? What we probably see with programs like the Energy Saver Loan Scheme are people who are engaged in the area, interested in doing something and probably already have the wherewithal. Certainly, I know plenty of people, me being one of them, who has taken advantage of that scheme and installed solar panels on my house. We need to make sure the transition opportunities are able to be more broadly spread.

Ms O'CONNOR - For clarity, will there be something like the Energy Saver Loan Scheme in place in the future?

Mr DUIGAN - Noting all these things require to go through the budget process and all of that, it would certainly been my great hope and aspiration.

Ms O'CONNOR - When you talk about targeting perhaps any future scheme, are you talking about a more needs-based lens you might apply to that scheme?

Mr DUIGAN - That is one of the things that perhaps a broad scheme like the Energy Saver Loan Scheme doesn't capture. Again, we will do the work, have a look at it and will see what the opportunities are.

Ms O'CONNOR - Because the other aspect of course, is nega-watts. That's energy efficiency. When we were in government, we rolled out 9,500 free energy efficiency upgrades, particularly in the social housing stock. Is there any program that the government's looking at to help people use less energy in a sustained way.

Mr DUIGAN - Yes, there are federal and state programs certainly around that and adding energy efficiency upgrades to social housing. There's also things like No Interest Loan Scheme, which is a really good program which allows people to buy more energy-efficient appliances, typically in that area. Again, Energy Save Loan Scheme has probably been our pin-up scheme, and has worked very well. We have seen great uptake in solar. As more community energy resources become available and that area is more sophisticated and there is a great deal of work that's happening nationally around CER, there is opportunity for government to support those aspirations.

Ms O'CONNOR - OK, thanks. Are you able to give the committee an update on the farm power sharing trial, come into effect on 1 July? It's not administered through you directly?

Ms PINTO - Not directly, I think it's a TasNetworks program.

Mr DUIGAN - Yes, it's a TasNetworks program.

Ms O'CONNOR - I will ask them next week, but you don't have any line of sight?

Mr DUIGAN - No, next week. I don't think I have a brief on that other than to recognise it's a good space for us to be in. It's been an ongoing barnacle for people who own those sort of

PUBLIC

properties who have to have meters here and there and can't share across properties and those sorts of things. It's good to lean into.

CHAIR - Red tape, I'd say.

Mr DUIGAN - Yes, get rid of it.

Ms O'CONNOR - Get rid of the bad red tape. That's different.

CHAIR - Before we wrap up ministers -

Mr DUIGAN - Sorry Chair, I do have a couple of updates. I wanted to clarify an answer regarding Tarraleah redevelopment, which I said would come online in parallel to Marinus Link. The case for Tarraleah is very much contingent on Marinus Link. The current plan for Tarraleah redevelopment to be completed is therefore around 2032 to 2033, which would be firmed up at the FID for this project.

CHAIR - Which is next year?

Mr DUIGAN - It is 2027.

CHAIR - Right 2027 the FID.

Mr DUIGAN - Consistent with this, I want to explain further the position that Tarraleah was delayed. I use apostrophes as this is what was used in the incoming government briefing, as there was a requirement to undertake an assessment under the Treasury Guidelines for Capital Investments. The new Treasury Guidelines for Capital, which is publicly available, is the case for all large, proposed projects. This is not a special requirement on Tarraleah in order to postpone the project, it was useful to undertake the assessment in parallel to the Project Marinus FID and to finalise that once a Project Marinus FID had been made.

This is one important part of the development work being undertaken by Hydro and the government to ensure a rigorous and informed FID for this project, that being Tarraleah-

CHAIR - That was projects for over \$50 million, delivered by GBEs. Is that the one you're referring to?

Mr DUIGAN - Yes and Tarraleah will be somewhere north of that. In terms of pass-through benefits of the CEFC concessional financing, I have been provided advice which TasNetworks can elaborate on next week. CEFC financing will reduce customer bills by reducing TasNetwork's maximum allowed revenue, the MAR, that it is able to recover from customers through transmission network charges each year. As TasNetworks and CEFC will enter into a concessional finance arrangement for the purpose of the national electricity rules to ensure these benefits are passed on to consumers each year.

The MAR will be reduced through a transmission CF adjustment as defined under the national electricity rules, which will work to lower TasNetworks return. That's an important bit I forgot to mention. TasNetworks lower return on revenue building blocks such as the return on revenue from the project. It is effectively derived using the projects concessional weighted average cost of capital (WACC), which is reflective of the concessional debt and equity rates

PUBLIC

and the gearing of the project relative to the AER's assumed gearing. So, the AER would assume the WACC to be here, the concessional debt brings it to there, that's passed on to the consumer.

CHAIR - So you knew all that, didn't you?

Mr DUIGAN - Well, it's funny how long stuff stays in, in a way.

CHAIR - I appreciate that, because it's - I mean, that's the sort of thing that I can point people to, is an explanation of how it actually works.

Mr DUIGAN - Yes. I would be happy for those to be tabled for *Hansard*, or whatever needs to happen.

CHAIR - Thank you. Just in the few minutes we've got left, minister - and tell me, this may be what's been referred to, I guess: one of the points that fit under this output group is referred to as, 'Advancing Tasmania's interest in the National Electricity Market policy reforms and development'. So, what specific work is being done in that space, and for what purpose?

Mr DUIGAN - So, the Nelson Review - have you had a briefing from the Nelson Review?

CHAIR - No.

Mr DUIGAN - The Nelson Review is into the National Electricity Market. It's a piece of work which has emanated from the national ministers' meeting, and it is looking at improvements that could be made to the NEM. I've had some - and I'm not sure how widely I'm able to comment about work that's contemplated. It's going to the MINCO. So, there is a MINCO in December.

In broad terms, as I say, it's looking at where there might be, for want of a better term, market failings or the market not delivering some of the outcomes to align with policy. Ade might have some very succinct words about - I don't know, you've had a lot of interaction, Adrian Christian, from ReCFIT - things that you would be comfortable to say about the Nelson Review?

Mr CHRISTIAN - Through you, minister: so, the review is looking at the operation of the spot market, the contract market, and how the market will deliver the long-term investment that we'd need to get through the energy transition. You'd be familiar with the Capacity Investment Scheme from the federal government. That has a couple of years left to run, and then that's going to be finished.

The Commonwealth government has used its balance sheet to help the energy transition through that scheme, and the job of the panel is to come up with a set of recommendations for ministers about what comes after the CIS. It's not just about the dynamic efficiency and long-term investments; it's also about, as I say, contract markets, liquidity, the ability of retailers to get contracts, the transparency of prices, and the operation of the spot market in the short term.

PUBLIC

CHAIR - So, is there any work being done on the effectiveness of the current zones within the NEM?

Mr CHRISTIAN - In terms of the regions?

CHAIR - Yes, the regions, sorry. The wrong word, I used.

Mr CHRISTIAN - No, that's a standing feature of the market design. So no, there's been no work looking at combining regions to create larger regions. That's really a function of the physical nature of the networks and the degree to which electricity can flow between places to price signals.

CHAIR - But most - all entities are linked. Sorry - all jurisdictions and zones - zones? What are they called?

Mr CHRISTIAN - Regions.

CHAIR - Regions, sorry - are linked, obviously, through interconnectors. Whether it's South Australia and Victoria, Queensland and New South Wales, here and Victoria. It just is deemed that's the way it is, is it?

Mr CHRISTIAN - Well, it's set up with state-based regions, but that reflects not just a state-based concept - which obviously the NEM comes from, a state-based model - but it also does relate to the size of the pools, and the physical flows between pools will provide a physical and an electrical dimension to the design of regions. They both work together.

CHAIR - The NEM has been around for a long time, now. Maybe if you started from scratch, you might not do it the way it is. Is that overarching operation of the NEM being considered, because you do hear from some people that they think, you know, it's bit of an unwieldy beast?

Mr CHRISTIAN - I think if one were - if you look at the history of electricity in Tasmania - in Australia, I should say - going through a national energy reform of replacing thermal-based generation with renewables, in a world with a mix of private sector capital, disaggregation and so on. If you were trying to plan an energy transition, it would be easy with state-owned monopoly infrastructure that we saw back in the, well - through the evolution of electricity sector from the 20s to the 1990s, but those eggs were broken and the omelette was made.

What the review is showing is that within the construct of the NEM and the way it currently functions, the spot market works really quite well for organising the most efficient forms of generation at a point in time, but the dynamic efficiency is the main shortcoming of how does a market deliver the long-term revenues that new generators need to make the investment, and the market likes to contract in the short-term, two to three years, and that's what the reform is providing the solution to.

Mr DUIGAN - Thank you, and thank you, Chair. I believe Vanessa has a response to a question on notice regarding the TIPP reporting from Genus.

Ms PINTO - I'm advised that TasNetworks' contract with Genus includes clear reporting requirements for the North West Transmission Developments workforce plan, which commences once Genus moves from early works into the main construction phase in early 2026. From that point, Genus must provide regular workforce updates covering recruitment, training, local participation and subcontractor engagement in line with the Tasmanian Industry Participation Plan. Government will have oversight through TasNetworks' monthly contract performance reporting to shareholder ministers, and through established project governance forums where workforce performance, risks and compliance with commitments are reviewed.

The committee suspended from 12.17 p.m. to 1.00 p.m.

Output Group 5 - Cultural and Tourism Development

5.6 Sport and Recreation

CHAIR - Thank you, minister, for coming back. We are now into your portfolio of Minister for Sport. I will ask you to introduce new members at the table and then, if you wish to make some opening comments, you're welcome to go then we'll go to questions.

Mr DUIGAN - Thank you, Chair. I have with me at the table Craig Limkin, Secretary, Department of State Growth. At the other end of the table with him, Shane Gregory, Associate Secretary, Department of Premier and Cabinet. To my immediate left is Amanda Lovell, my Chief of Staff. It is great to be here, back with you all to talk about sport recognising the vital role that sport plays in improving physical and mental health and building community connectedness and social skills. The state government is committed to ensuring more Tasmanians, regardless of their age or background, get active and have somewhere to play the sports they like. It is important that we continue to work with the sector to provide safe, inclusive and fun opportunities for all Tasmanians. The 2025-26 Budget includes significant and important funding for sport and active recreation initiatives which we will continue to deliver.

We are continuing to assist more Tasmanians access to affordable participation opportunities through the continuation of Ticket to Play and the second round of the pilot Ticket to Wellbeing program. The Tasmanian Active Infrastructure Grant program has been allocated \$5 million over two years to provide grants to the sport and active recreation sector to build new, and upgrade existing, sports and active recreation infrastructure. The government is investing \$130 million in community sporting clubs and infrastructure right across the state. This includes further upgrades to Dial Park, the new Northern Suburbs Community Recreation Hub, Elphin Sports Centre, Glenorchy Sports Centre, increased capacity at the Devonport Oval Sports Complex precinct, and improved additional facilities for community venues such as Penguin Sports and Services Club and the Valley Road regional football club.

On top of this, a \$130 million redevelopment is underway to transform UTAS Stadium and \$12 million investment to improve the Silverdome. The Tasmanian Institute of Sport continues to successfully support talented Tasmanian athletes to develop their sporting potential and compete on the wider stage. That is why we're investing \$1.5 million for the TALENT ID for 2032 program with the aim of developing athletes for the 2032 Brisbane Olympic and Paralympic Games.

PUBLIC

Access to organised sporting opportunities shouldn't depend on where you live. Programs such as Reclink are doing a fantastic job in our communities, particularly in southern Tasmania, providing access to sporting competitions for young Tasmanians who might not otherwise have the chance. Very pleased the budget includes an additional \$450,000 over the forward Estimates to enable the Reclink team to continue their work. I look forward to continuing the work we're doing to help sport and active recreation organisations and people who wish to participate and reach their goals. I am happy to take questions here on sport.

CHAIR - I will hand over to Bec on this one.

Ms THOMAS - Thank you for your overview, minister. The descriptor on page 262 of the Budget explains that the output funded by the line item 5.6 delivers a range of policies, programs and services to encourage all Tasmanians to participate in sport and active recreation and includes the Tasmanian Institute of Sport, responsible for providing opportunities for elite athletes.

The line item shows the appropriation decreasing by 72 per cent across the forward Estimates from \$84.16 million in 2025-26 to just \$24.31 million in 2028-29. How do you explain this significant decrease in funding for sport and recreation participation and Tasmanian Institute of Sport funding?

Mr DUIGAN - I appreciate the question. As we know, this is an interim Budget. Consideration for investment decisions for future years, particularly 2028-29, will be carefully considered in future budgets. Importantly, this will be informed by work that we've done to develop the Community Sport Facilities Portal and will take a strategic look at needs across the sector and around the state.

Part of the reason for the drop-off is that a number of current and previous significant developments such as Northern Suburbs Community Recreation Hub, Glenorchy Sports Centre, et cetera, will have been completed over this time and funds to deliver these fantastic facilities will have been expended. It's important to remember that the government has spent more than \$200 million in the last five years on community sporting infrastructure. We are continuing this delivery in partnership with the Commonwealth and local government and through this collaboration and careful planning, the government will continue to invest significantly in this critical area, and this will be done through future budget processes. I note there are some areas where there are gaps in this particular budget which will need to be contemplated in future iterations.

Ms THOMAS - Thank you, so capital funding aside, in relation to the actual participation and elite sport outcomes delivered by this budget line, can you be clear on what the cuts are across the forward Estimates to those elements? Because my understanding based on the descriptor provided on page 262 of the budget papers is that this is operating funding and grants and subsidies and capital are included in a separate line item.

Can you clarify, you just mentioned that part of the reason for the significant drop off from \$84.1 million to \$24.3 million across the forward Estimates is because of that capital projects that you mentioned will be taken out of the line item. My expectation would have been those capital projects would have actually been included in the capital investment line item rather than the 5.6 Sport and Recreation line item. Can you just clarify what you said there? Are those capital projects actually included in 5.6?

PUBLIC

Mr DUIGAN - In terms of comments you make around cuts, there are no cuts. There are considerations for future budgets. In terms of the detail requested, I might pass it to the secretary here to give you what you seek and clarify any of those points.

Mr LIMKIN - Ms Thomas, it depends on who is actually going to be the asset owner. If the state remains the asset owner, we actually capitalise it as you said and it'll be in the capital items, but where we provide funding for sporting infrastructure that is going to be owned by local government, for example, it's through a grant. I will use an example. In the 2025-26 Budget, there's \$13.5 million over two years for the Dial Regional Sporting Complex in Penguin to enhance its capacity to host statewide national content. That asset is not a government asset. That asset will remain a council asset. It is a grant that is paid out by the department, and we enter into a grant deed with the council with the number of milestones and outcomes and we make those payments.

Not all capital projects which are being delivered through the sporting outcome are actually capitalised because they don't meet the definition under the Australian Accounting Centres because we're ultimately not the asset owner.

Ms THOMAS - Okay, are you able to provide a breakdown then of line items 5.6 grants and subsidies and capital investment just for the committee's understanding of what is actually included in there, because you just said that they're provided as a grant?

Minister, are you able to provide a breakdown of the difference there, because what I just heard the secretary was that those grants, if government doesn't own the asset, are provided to local government? There is also a grants and subsidies line in the budget. I am seeking clarity on are those grants included in that. For 2025-26, there's \$6.9 million in grants and subsidies. What's included in that item line?

Mr DUIGAN - Thank you. Appreciate that question, and Craig, that might be one you have?

Mr LIMKIN - I don't have that minister, but if the member's happy to put it on notice if you're comfortable, we'll answer that and be very clear on what are operating capital grants at a top level. As you would know through the 2024-25 budget, DSG had a significant number of election commitments to support sporting organisations and in the budget paper it goes on for like 3 or 4 pages.

If we list them all out, it'll be voluminous, but we'll give you enough information for you to be able to understand that information and reconcile back to last year's budget paper, Ms Thomas.

Mr DUIGAN - Is that likely to be a piece of information that we could provide before the end of the day?

Mr LIMKIN - I think we should be able to minister.

Ms THOMAS - What you're saying there, minister, is that there will be no cuts to participation initiatives. Is that where you're committing to over the forward Estimates? But they will be subject to future budget consideration. Clearly there's a significant decline, but

PUBLIC

state sporting organisations and clubs who rely heavily on the funding provided through this budget line are rightly quite concerned about the significant drop-off in that funding line.

How do you respond to that in terms of sport and keeping Tasmanians active is a priority of this government that's clearly not reflected in the budget papers. How can state sporting organisations and local community clubs be assured that they won't be being asked to do more with less because that's what it looks like in the numbers.

Mr DUIGAN - This is our interim Budget, certainly not my intention for there to be any cuts to those currently funded organisations.

Mr LIMKIN - Just in relation to the specifics, so for example, I can advise that Cricket Tasmania, for example, is funded through the forward Estimates. Reclink for example, there is funding there for those. AFL Tasmania, Basketball Tasmania, Football Tasmania, Hockey Tasmania, there are there are allocations across the forward Estimates for each of those organisations that support community participation and community organisations and participation in those groups. They are included in the Budget, in the numbers.

Ms THOMAS - I appreciate getting that breakdown because as you can appreciate, it's hard to scrutinise it without knowing what that breakdown is, so it's a bit difficult, but on page 239 it provides a figure of \$11.59 million for major sporting partnerships in the key deliverables table. Can you provide a breakdown of what that \$11.59 million specifically is for?

Mr LIMKIN - The Major Sporting Partnership is actually under this line item, and so this is funding for the Hawthorn Football Agreement renewal, the JackJumpers sponsorship renewal and the continuation of that Cricket Tasmania additional uplift that the government committed to in the 24-25 Budget.

Ms THOMAS - Hawthorn, JackJumpers and Cricket Tasmania are all funded through that \$11.5 million total. Are you able to provide a breakdown of that funding?

Mr LIMKIN - I don't have a breakdown; I've just got it in total, I'm sorry.

Mr DUIGAN - I've probably got that somewhere. Just if you can bear with me while we find that.

Ms THOMAS - My other related question while that information is gathered is that funding to major sporting partnerships is only appropriated until 2026-27. Do all do these three major sporting partnerships end in 2026-27 or is the funding reflected elsewhere in the Budget?

Mr DUIGAN - In terms of that question, major sporting partnerships -

Mr LIMKIN - Currently the major sporting partnerships are for example, JackJumpers are currently in the process of renegotiation and so the Budget has allocated the funding that is required that we've entered into. There will be future decisions for government should they want to continue on entering those contracts at those points in time.

Ms THOMAS - The current deal with the JackJumpers ends in 2026-27?

PUBLIC

Mr LIMKIN - The current deal, my understanding, is being renegotiated at this stage, so the government has made an allocation in the Budget to enable us to work through that process at the moment.

CHAIR - Can you just clarify when it actually runs out then, the current one? You're in negotiation now, when does this one actually finish?

Mr DUIGAN - I just will point out that we will have Brett Stewart here shortly who will have a greater level of understanding because he not only looks after that, but looks after events as well. In terms of any gaps that we've got, Brett is 15 minutes away, or 15 minutes away at the beginning of the session.

Mr LIMKIN - Brett will be able to get into that one. We've just got a committee timing challenge.

Mr DUIGAN - We can provide those answers. How did we go with -

CHAIR - Have we got that answer or not?

Mr LIMKIN - No. We're just seeking the advice.

Mr DUIGAN - Amanda's just writing down this one. In terms of the breakdown of the major sporting partnerships, Cricket Tasmania: 3.56 million; the JackJumpers: 2 million; and Hawthorn Football Club: 4.55 million.

Ms THOMAS - So 4.55 million to Hawthorn, \$2 million to the JackJumpers, and \$3.56 million to Cricket Tasmania; do those three organisations receive funding from any other line in the Budget?

Mr LIMKIN - Through you, minister: there is a portion of this funded through the Events funding as well.

Ms THOMAS - For all three?

Mr LIMKIN - Yes. My understanding is for all three.

Ms THOMAS - I wasn't aware the JackJumpers got Events funding, but I'm happy to hear about that if that's the case.

CHAIR - The amount you've just given us, does that include the Events funding or just the Sport funding?

Mr DUIGAN - Sport funding.

Mr LIMKIN - Just the Sport funding.

Ms THOMAS - Where is the \$12 million sponsorship of the Tasmania Devils Football Club reflected in the forward Estimates?

PUBLIC

Mr LIMKIN - Through you, minister: my advice is that it was included in the 2024-25 Budget under this initiative. The money allocated is 5.8 million in 2025-26; 5.8 million in 2026-27; 12 in 2027-28; and 12 in 2028-29.

Ms THOMAS - Okay. Which line, though, is that in?

Mr LIMKIN - My understanding is that it's 5.6.

Ms THOMAS - It is in 5.6, sorry. Where the description on page 262 talks about encouraging participation in sport and recreation, all Tasmanians - my understanding was that this is more for the community and elite, but it also includes, by the sounds of it, sponsorships for professional sport in line item 5.6.

Mr DUIGAN - If that's where it is, yes.

Mr LIMKIN - Through you, minister: my understanding is part of the AFL club funding deed is a commitment from the Devils to commit to working on participation in the community and how they deliver that, and work with our community to increase participation in AFL and other sports. That's why it's included in this line. Similar to the JackJumpers, there are metrics in there that have the JackJumpers encourage community participation in basketball as well.

Ms THOMAS - Just to be clear then: there will be \$12 million allocated from that 5.6 line item to the Devils football club in 2028-29, which would leave the pool for community sport and elite sport at the Tasmanian Institute of Sport, grassroots-participation state sporting organisations as it's currently budgeted, at about half of that, which is 12 million. To the AFL, the Devils, 12 million, and 12 million to the rest of community sport across the state.

Mr DUIGAN - Of course, that is not to consider decisions that will be made in future budgets.

Ms THOMAS - That's the plan according to these forward Estimates, that's the government setting the priorities across the forward Estimates, basically sending the message that, of our bucket of money for sport, we're going to allocate half to the AFL Devils football club and the other half to the rest of sport across all of the different codes at all of the different levels in Tasmania; you agree that that's a fair analysis of that line and appropriation?

Mr DUIGAN - If that's how you would like to characterise it, yes.

Ms THOMAS - The total funding amount that the government will provide to the Devils over the 10-year funding agreement: is that \$120 million, \$12 million a year, or are there additional sponsorship amounts included in the AFL deal?

Mr DUIGAN - Shane, have you got that?

Mr GREGORY - I'd have to just check that and take that on notice, I think. We're just going to have to calculate that, minister.

Mr DUIGAN - We have to get the calculator out.

PUBLIC

Ms THOMAS - My other related question on that matter is how much funding the Devils will put into community sport over the 10 years. The government has regularly quoted that the Devils will be putting \$360 million into AFL in Tasmania. My understanding is \$93 million of that will be for community development; I'm just wondering if you can clarify if that is the case?

Mr DUIGAN - Great, thank you. The AFL has committed \$358 million total to the new club and Tasmanian football: that's \$210 million for the operational funding of the new club; \$10 million for the T and A [training and administration] centre; \$15 million for Macquarie Point; and \$123 million for game development, grassroots football and talent academies.

Ms THOMAS - Minister, do you know how much of that \$123 million is for grassroots?

Mr DUIGAN - I would need to seek a breakdown. Is that a breakdown that we have at this point?

Mr LIMKIN - No, I don't think so.

Mr DUIGAN - I'm not sure that I have seen in my time a breakdown of that.

Mr LIMKIN - I have not seen a breakdown either, minister.

Mr DUIGAN - So no.

Ms THOMAS - You can't tell me how much of that is game development: it may be a question for the Devils. Do you have a final amount yet of how much the government will invest through the sponsorship deal with the Devils?

Mr DUIGAN - Do we have our calculator working, how are we going with that?

Ms THOMAS - Not yet? Okay. While we're on AFL, minister, are you able to tell me what amounts the government is providing to other AFL clubs, including Hawthorn and Richmond, and over what agreed period through the forward Estimates? You mentioned there was funding to Hawthorn of \$4.55 million in 2025-26, 2026-27 -

Mr DUIGAN - Yes.

Ms THOMAS - over the two years, so a bit over \$2 million per year for over two years; Richmond, you've recently announced -

Mr DUIGAN - It would be more than that. I think the Hawthorn deal is \$9 million, from my memory, for calendar year 2026-27; that's a total of eight games. For Richmond, there are games scheduled in 2026 and 2027. One game per year, which I think is \$1 million each, so \$2 million there. What else are we talking about?

Ms THOMAS - Any other AFL clubs?

Mr DUIGAN - I don't think there are any - well, there would be in AFLW - where we are there with North Melbourne, and would need to know and understand what that one looks like, if that's us or if that's events, potentially. Yes, in this beautifully tangled web that we have

PUBLIC

found ourselves in with the separating of Sport and Events, there are a few vagaries in it all. The Hawthorn money - the deal sits with events, the money sits in sport. With the Richmond piece, I think the whole lot sits in events. The AFLW sits in events as well. In terms of getting a whole-of-government picture of that, there's a bit of wrangling there.

CHAIR - Have we got information about when the Hawthorn deal runs out?

Mr DUIGAN - Yes, in 2027.

CHAIR - It runs out in 2027? Right.

Mr LIMKIN - Through you, minister: because this was an interim Budget, and the speed Treasury had to work with, we weren't able to do all the appropriate splits. One of the things we will continue to do work with Treasury between now and the actual Budget next year is actually to resolve some of these matters so they're in the right output.

CHAIR - Minister, would you expect in the May Budget next year that all funding relates to sport like the North Melbourne women who are amazing team who have had record-breaking winning streak. Hawthorn, if it's renegotiated and the Devils all appear in sport.

Mr DUIGAN - It is not that simple. They are, by their nature, events and they have a visitor economy impact, and they have been viewed as more impactful perhaps in that space than in the pure sports space where we might seek to look after the Tasmanian football AFL team or grassroots sports more broadly. There is there is a conversation ongoing and an amount of work that's happening in that.

CHAIR - Let me reframe it then. Acknowledging the vagrancies of this, but this is what makes it really hard for scrutiny and to understand the full amount of money that's been put into some of these things. On behalf of the people of Tasmania and so I will ask, can we expect to see that all funding related to a particular venture, whether it be Richmond, North Melbourne women or the Hawthorn football club, or the Tasmanian Devils team to be in one line item?

Mr DUIGAN - That is a worthy aspiration. Again, I can't give you that commitment here today because there is work to be done. It is somewhat more complicated than it would appear at face value.

CHAIR - You should have events as well as sport.

Mr DUIGAN - It used to.

Ms THOMAS - On that note, if not in the budget lines and set out like that in the Budget. minister, will you undertake to be transparent on the amount of funding provided and publish or make available the information about the amount of funding provided to the different levels of sport? I hope some of that will be reflected in the breakdown we get, but that's my intention in trying to seek that breakdown is for it to be clear.

Mr DUIGAN - I have no problem in showing you and think it is absolutely what we should do.

PUBLIC

Mr LIMKIN - Your question regarding what the state is providing for the commitment to the club. The state is committed to delivering the Macquarie Point stadium and the following matters for the club. It's a \$20 million for the establishment of the new club, \$144 million for funding once it's established and that's in line with the expected AFL team commencement in 2028, which is why it goes to \$12 million in the forward Estimates and \$105 million for the training and administration base as well.

Mr DUIGAN - I also can add that of the \$123 million of benefit from AFL, \$90 million will be spent on game development.

CHAIR - Which means?

Mr DUIGAN - Grassroots the game.

Ms THOMAS - I thought grassroots were separate. I thought you said game development, talent development and grassroots.

Mr LIMKIN - For the committee's information, we will work on that other reconciliation we promised the member as well before the end of the day, which is the breakdown of the operation or the grants capital.

CHAIR - And the total amount of spending on AFL across whichever area it is, we know how much is exactly being implied.

Mr DUIGAN - The only missing bit there is AFLW. But anyway, thank you, Craig. Secretary Limkin off to the other place and we will bring in Brett Stewart.

Ms THOMAS - Minister, to clarify, you said \$93 million for game development?

Mr DUIGAN - \$90 million of the \$123 million that was put in that bucket of-

Ms THOMAS - \$93 million for-

Mr DUIGAN - \$90 million.

Ms THOMAS - Sorry \$90 million, which is around \$9 million per year over the 10 years of the deal. There is \$9 million a year and the government is putting in by that add-up - minus the stadium - you're talking about establishment funding, operational funding, and funding for the High Performance Training Centre: \$269 million. Effectively, \$269 million and the return back to grassroots from the Devils themselves is \$90 million.

Mr DUIGAN - Yes.

Ms THOMAS - You've talked about funding to the JackJumpers being part of that line item in the key deliverables of \$2 million. Does that include sponsorship for the WNBL team, or is that separate?

Mr DUIGAN - No, I don't believe it does? This is maybe one for you, Brett.

PUBLIC

Mr STEWART - That's an aggregation which probably has already been discussed - if it hasn't, apologies, because I haven't been - Hawthorne -

Ms THOMAS - It's all been a bit confusing.

Mr STEWART - Yes. It's been aggregated in previous budgets.

Mr DUIGAN - Sorry, Brett for the benefit of *Hansard*, we have at the table Brett Stewart, Deputy Secretary, Creative Industries, Sport and Visitor Economy. Thank you, Brett.

Mr STEWART - Thanks, minister.

In previous budgets, it's correct to say that some of those individual sponsorship arrangements have been separated out. In this budget, they've been aggregated. That line item includes funding for Hawthorne, the 2026-27 four-game sponsorship, the current recently extended five-year sponsorship with the JackJumpers men's team, and an uplift following on from last year's uplift to Cricket Tasmania.

The situation with the WNBL - we are currently in live negotiations with the JackJumpers around what options we might put to the minister into for consideration, in terms of sponsorship options for the WNBL moving forward.

Ms THOMAS - Okay. So, there's no funding allocated in the budget here for the WNBL?

Mr STEWART - Not specifically.

Ms THOMAS - Okay, but there's \$2 million for the JackJumpers. And do you know when the current agreement with the JackJumpers expires?

Mr STEWART - The original agreement was a five-plus-five, and the second five was executed last year, the end of last year. There's four years remaining on that sponsorship agreement with JackJumpers men's program.

Ms THOMAS - Okay. From what we heard earlier though, that includes \$2 million sponsorship, but it's only reflected in the forward Estimates for one year. Is that right?

Mr STEWART - Correct. It includes funding up until the end of the 2026-27 financial year. Clearly, consideration will need to be given in the May budget for that arrangement and whatever arrangement we reach, endorsed by the minister with the WNBL.

Ms THOMAS - Okay. The reason it's not in the forward Estimates is because it's under renegotiation as a one sponsorship package, rather than two sponsorship packages? Because it sounds like you have a current agreement for another four years. Why wouldn't the \$2 million for that be reflected in the forward Estimates?

Mr STEWART - I suspect that's because this is an interim budget and been put together very quickly. Certainly, in our initial discussions with the JackJumpers about the WNBL, their preference was to wrap up their sponsorship for both programs into one arrangement, which clearly we would have a preference for if it was possible. Potentially that's why Treasury have not made an allowance for those future years. However, in more recent discussions with the

JackJumpers, we will be more likely to be entering into a separate arrangement with the WNBL franchise, because there will be some separation between those two- how those two teams are managed and operated.

Mr DUIGAN - The other reasonable point to make on what's reflected in this budget and what may be reflected going forward, is that piece of work that's happening in terms of sports and events and tourism and where these things will actually sit in future.

Ms THOMAS - Minister, as part of that consideration that will be given to sponsorship of the JackJumpers going forward, how will you consider the proposal that's been put to you by Basketball Tasmania which refers to the significant issues that community basketball has in surviving both at the grassroots level and at the elite level with our NBL1 competition? My understanding is they've put a proposal to you suggesting that funding for basketball on a more holistic level be considered and looking at a framework for allocation of funding across professional, elite and grassroots. How will that proposal be considered as part of the considerations of the sponsorship deal with the JackJumpers?

Mr DUIGAN - It's excellent that Basketball Tasmania are turning their mind to these things and how we put our sports on a more sustainable, more certain footing. We've had funding arrangements for NBL1 clubs over a period of time. There are real and perceived issues with that. It's the role of Basketball Tasmania to think about these things, so we will certainly consider that and work with them to come up with what is a good system going forward. Brett, do you have anything that you would like to add there?

Mr STEWART - Through you, Minister: it's a good point, and we've certainly been having some discussions about that integrated approach, because clearly when we can achieve that integrated approach, I believe we get better outcomes, but we also probably get better bang for buck. The best analogy I can probably relate to is our funding for Cricket Tasmania, which is fully integrated, and the question begs: why don't we do that for all sports where there's an elite component?

It's a very fair point. I believe that we will be looking at opportunities in that space moving forward but, obviously, in recent years we've had some pretty significant changes to that elite space in many sports, including with the JackJumpers; now we have WNBL entering, AFL, et cetera. I believe, where we can, we would work with the sport to achieve that. There's a bit of work to do in that space though.

Mr DUIGAN - There is, noting that at the very highest level, these are privately-owned entities and there are those challenges, but from my perspective, to see the full pathway of potential player progression, that's a really worthy goal, to have a clear, set-out pathway and to have Tasmanians playing for the JackJumpers, be it men's or women, I believe that's where our head needs to be, and the clear progression of getting players through that system. I believe we have all of those blocks: they're probably not quite aligned in a way to deliver that outcome.

Ms THOMAS - Yes. It's really encouraging to hear you say that, minister. Something you and I have discussed before, and I will ask again in this forum, is would you consider the government developing a framework outlining its rationale for investing in sport at the different levels, and providing some criteria and justification for how it allocates support to the professional-commercial level, particularly where these entities are owned and operated as

businesses, then to the elite, sub-elite level and grassroots level; is that something you will turn your mind to?

Mr DUIGAN - Certainly I'm not against that. A point I would make about, you know, when the opportunity comes to have Tasmania represented at the elite level, the history of that has tended to be pretty ad hoc. These opportunities come and we either take them, or we don't take them, or we pursue them, we don't. There hasn't been in the past a neat framework for, you know, 'We will seek to enter this competition at that time'. Whether that's something that could be contemplated, noting, say, for example, in netball, I believe there are some conversations happening there and some aspirations there, and certainly with football as well, I believe it's not without some merit. I'm interested to hear your thoughts, Brett, about how a piece of planning work like that might fit.

Mr STEWART - Thank you, minister. To round out the basketball discussion, we do have an active representation from Basketball Tasmania at the moment that the department's considering, and we are working closely with Ben and the team to better understand their proposal and what that means. We will also try and set that against that broader thinking about an integrated approach. So we're actively working on that. Just in terms of that broader framework piece, I think it's a really good point that the department has made some structural changes in recent times because of the change in, particularly, the professional and elite sporting landscape in Tasmania in the last five years to try and bring those functions together.

Where we're looking at pure content like a Hawthorn game, that's assessed through Events Tasmania; where we're looking at something like the Tasmania Devils, that's a long-term, sort of 50-to-100-year strategic approach. What we have done is bring those functions of the department together, and in particular in the sporting space we now have Active Tasmania, the Tasmanian Institute of Sport, and a function that we're currently establishing to centralise our dealings with professional sporting bodies together. At least we will be dealing with these sports holistically, in a strategic manner, from one part of the department.

Mr DUIGAN - Another related part of that is around infrastructure and facilities and work that's been happening with the portal, and looking at potentially using that to inform an infrastructure and facility strategy going forward. Those two pieces will work - potentially fit together.

Ms THOMAS - This is something I've asked before in relation to the facilities portal: you mentioned the next step being to develop infrastructure as community, or just a sporting infrastructure plan. Is that on the agenda, now that that facilities portal is developed? Is there any funding allocated for that purpose, to develop a community sport infrastructure plan?

Mr DUIGAN - I think we would like to see a few more layers of data added into the portal. It has, I think, council and school at the moment, but there are some more data sets that need to go into that. I think it is the foundational piece of work that would inform that future infrastructure strategy, yes.

Ms THOMAS - Can you provide detail on the government's funding agreements with the other top participation sports in Tasmania? Can you outline what funding the government provides to Cricket Tasmania - well, you've talked about Cricket Tasmania - Football Tasmania, as in round-ball football; Netball Tasmania; and Basketball Tasmania, and over what agreed period?

Mr DUIGAN - Thank you. I think Brett's probably got it at the fingertips there.

Mr STEWART - Sorry, minister, I'm not sure I have a list, but I know our funding for Cricket Tasmania in the last financial year was \$3.56 million.

Mr DUIGAN - Football is 500.

Mr STEWART - Basketball we funded in the 2024-2025 state Budget: \$1.26 million over three years to Basketball Tasmania, that included NBL1, and then there was an additional commitment of \$600,000 for participation growth initiatives, so that is a total of 1.86 for basketball over and above the JackJumpers.

Ms THOMAS - Did you say Football Tasmania?

Mr DUIGAN - Yes, 500.

Ms THOMAS - 500,000?

Mr DUIGAN - Yes, with some other things floating around.

Mr STEWART - We have funded, for example - we've provided funding through our Events budget for South Hobart Football Club in recent times to assist them with their NPL championship matches, et cetera: more on an Events basis, though, than structural funding.

Ms THOMAS - Sure, and Netball Tasmania was the other one.

Mr STEWART - Netball: I will get that figure for you.

Ms THOMAS - Thank you. What about AFL Tasmania, separate to the Devils? For a long time the government has funded AFL Tasmania, so on top the funding that's been provided to the Devils over the last couple of years, what was the funding provided to AFL Tasmania?

Mr DUIGAN - Let me see if I've got it. I don't think I do, but Brett will have it.

Mr STEWART - We will have it.

Mr DUIGAN - We have plenty of people in the room. We will have it.

Mr STEWART - Yes. We will. We might just have to take that one on notice, and netball, AFL -

Ms THOMAS - Okay, AFL and netball.

Mr DUIGAN - We will have them momentarily.

Ms THOMAS - I would be interested to know the funding amount, as well as the agreed period and the purpose of the funding for those deeds.

PUBLIC

Mr STEWART - We might have to take that one on notice, minister, just because we'll have to go and look at the deeds and provide you with a list of those agreed purposes. We probably won't have those on hand in the room today.

Ms THOMAS - The funding amounts if you can find those.

Mr STEWART - We will have those.

Mr DUIGAN - In terms of the deed, are they publicly available?

Mr STEWART - Probably not, but we will provide that -

Ms THOMAS - I don't need to see the KPI's - the overarching purpose would be what I'd be interested in.

Mr DUIGAN - Righto. Good.

Ms THOMAS - Thank you, and I know other members will have questions. I am conscious of that. The Active Tasmania Infrastructure Grants program listed in the Key Deliverables has been cut from \$5 million per annum to \$2.5 million per annum and is funded for two years only across the forward Estimates. How can you justify, minister, reducing the spend on community sporting infrastructure, when clearly there's not enough facilities to keep up with increasing participation and demand?

Mr DUIGAN - It's been, as you rightly say, an important part of our offering into community sport. I would continue to argue of its importance. I also recognise decisions need to be made, and each budget will have its own set of priorities. My job as sports minister is to do a good job in selling the need for the community infrastructure grants.

Ms THOMAS - You will continue to do that as we prepare for the next budget, next year? Do you expect that there will an allocation for the Active Tasmania Infrastructure Grants program?

Mr DUIGAN - I do. The premier has made statements about his expectations for the community infrastructure grants. They align with mine. He has made commitments in that area to have the full allocation or the allocation return to its previous level of \$5 million per annum. I am very hopeful of that circumstance.

Ms THOMAS - Is there any other funding available for sport and recreation infrastructure over and above that program? It used to be the major sports; major grants program. Sport and Rec, back in the day, when I once worked there. It is called something else now but, is there another pool of funding for infrastructure?

Mr DUIGAN - There are a couple of pools of funding for various purposes. The infrastructure grant I think is the one that deals with that kind of larger quantum's up to \$500,000. Where we're seeing change arrangements being done up and those sorts of things. There are a number of grant opportunities around sport equipment and that sort of thing. Have you those in front of you?

PUBLIC

Mr STEWART - I do. To add a point on the Active Tasmania Infrastructure Grants fund, the original commitment of \$10 million was honoured. The reason it was split into two lots of 2.5 was because of the interim - because of the problem with the budget. The second lot of the 2.5 is currently being assessed. That program is still being rolled out.

The reason the second five, which was split into 2.5, if you follow me, was held back was because of the 2024 election commitments. Which was 110 election commitments which were mostly for infrastructure for sporting clubs. Whilst they were being rolled out, which took us a few months, we decided to pause the second \$5 million so that clubs had an opportunity to properly apply. Then obviously that second five was split into two lots of 2.5. That's complicated, but I just wanted to provide clarification.

Mr DUIGAN - That is correct, thank you Brett. I appreciate you providing that clarification.

Mr STEWART - There are a couple of other funding opportunities for clubs. These broadly come out of the the Community Support Fund, which is a Treasury fund, but they do make an allocation to the department each year.

CHAIR - It is 25 per cent.

Mr STEWART - Yes, it's risen to around about \$1.8 million in recent years. It used to be around about \$1 million.

CHAIR - Based on the losses from poker machines, which is a challenge in itself?

Mr STEWART - Correct. We have an Active Industry Project Fund, which isn't focused on infrastructure, but focused on helping sporting bodies uplift their capability. Their governance, their structures, their processes, et cetera. That's funded through the CSF. We also have the Active Clubs Program, which is also funded out of the CSF. That's focused on providing sporting clubs, not organisations, but clubs, the ability to get some new equipment.

Ms THOMAS - In that funding pool you mentioned of \$1.8 million just for the infrastructure grants?

Mr STEWART - Yes.

Ms THOMAS - How much funding is there for the state sporting organisations and other peak bodies provided through Active Tasmania? Minister, do you know?

Mr DUIGAN - Sorry, what was the question?

Ms THOMAS - Active Tasmania by my understanding is that they have infrastructure grants programs that local clubs can apply for and then there's another pool of funding for state sporting organisations and other peak bodies. How much is in this funding pool?

Mr STEWART - The CFS is split across the Active Infrastructure Project Fund, which is the one where we're assisting clubs to improve themselves. In 2024-25 we funded that to \$784,974. The equipment program, which is the active industry fund, that was funded to \$2,439 million for that period.

PUBLIC

Ms THOMAS - What about the state's boarding organisation funding pool for participation outcomes? That's a different funding pool, is my understanding.

Mr STEWART - I will have to check that one.

Ms THOMAS - What is the current funding amount is for that pool and how it's changed over time. Do you know, minister?

Mr DUIGAN - Not off the top of my head, no.

Mr STEWART - Which fund were you referring to, sorry?

Ms THOMAS - The funding pool that funds Volleyball Tasmania, Badminton Tasmania, the states sporting organisations.

Mr STEWART - That's our specific purpose funding for organisations. In the period for 2024-25, the total paid in those funding arrangements was \$5,787,000 million That's to clubs and organisations to support their operations.

Ms THOMAS - Do you know how that's changed in the last five years? Has that been around the same figure?

Mr STEWART - It's probably gone up, but I'd have to get those figures for you.

Ms THOMAS - Are you able to take that on notice?

Mr STEWART - Yeah. I've only got the last financial year I'm afraid, in terms of actuals.

Ms THOMAS - Thank you.

Mr DUIGAN - Was that in a form elsewhere that would be reasonably easy to collate? In terms of what we're taking on notice?

Mr STEWART - I think so.

Mr DUIGAN - Okay, righto.

Ms LOVELL - Minister, back in the 2023-24 budget there was funding allocated in the forward Estimates for 2025-26 to Surf Life Saving Tasmania for marine rescue vehicles, trailers and vessels. I understand they've since very recently been told that funding is being reallocated to Volunteer Marine Rescue Tasmania. Can you explain why that decision has been made?

Mr DUIGAN - One for you, Brett? Are you happy to do that?

Mr STEWART - Yes, I can answer that for you, minister. I can assist you with that.

Previously the arrangement was that all volunteer marine rescue organisations were funded via Surf Life Saving Tasmania. Four of those VMRs made a decision to leave the umbrella of Surf Life Saving Tasmania. The government and the minister had to make a decision about how those four volunteer marine rescue organisations will be funded moving

PUBLIC

forward. The decision was made to fund them separately via an allocation of \$80,000. At the same time, the decision was made to not reduce Surf Life Saving Tasmania's allocation by that \$80,000. So, Surf Life Saving Tasmania has not had a reduction of \$80,000, as a result of not having to pass that money through to the VMRs any longer.

The decision was made to utilise - the original allocation for the vessels was made over four years of \$1 million; that money has been allocated. That money was utilised by the VMRs to replace vessels, equipment and trailers, not by Surf Life Saving Tasmania.

The government made a decision, I think in 2024, to add another \$250,000 to that commitment for equipment that wasn't allocated to VMRs or Surf Life Saving Tasmania, in order to provide the funding which was necessary to the VMRs for operational funding for \$80,000, given that they'd split off, that \$250,000 was utilised. The decision was made to be able to fund those VMRs for the next three years.

Ms LOVELL - So, can I - if I can clarify, \$250,000 that was allocated in a previous budget to Surf Life Saving Tasmania for equipment has been reprofiled to go to those VMRs for operational funding. Is that?

Mr STEWART - Through you, Minister. That \$250,000 that was allocated to Surf Life Saving Tasmania was allocated to them when all seven VMRs were under the Surf Life Saving Tasmania banner. Since then, four of them have come out from under the Surf Life Saving. So, the original allocation was made in a different context to that that we're in now.

Ms LOVELL - I understand that, but what I'm asking is - so, the \$250,000 that was allocated in the 2023-24 budget, specifically for vehicles, trailers and vessels to Surf Life Saving Tasmania, has been reprofiled to four of those VMRs for operational funding? Is that what you're explaining?

Mr STEWART - For three years. Correct.

Ms LOVELL - Okay, and was there -

Mr DUIGAN - And that operational funding, in the original context, would have sat on the books of Surf Life Saving.

Ms LOVELL - Yes. So, there's no longer funding for the vehicles, trailers and vessels to anyone. Is that?

Mr STEWART - There was \$1 million originally funded for the new vessels and vehicles for all seven of the VMRs.

Ms LOVELL - When was that?

Mr STEWART - That was over four years. It began in -

Mr DUIGAN - In 2021-22.

PUBLIC

Mr STEWART - Yes. And Surf Life Saving Tasmania haven't seen a reduction in their operational funding. In fact, it has increased in recent years. In this financial year, it's gone up by \$700,000 to \$1.35 million.

Ms LOVELL - Yes. No, it's not the operational funding I was asking about; it's specifically that \$250,000 for the vehicles, trailers and vessels. That's the funding that's been reprofiled and reallocated to the other VMRs.

Mr STEWART - As a result of it no longer having to come out of Surf Life Saving Tasmania's operational funding.

Ms LOVELL - It's kind of different funding though, isn't it? It's operational and essentially capital funding that was for equipment.

Mr STEWART - So, the intent of the original \$1 million, as was the additional \$250,000, was to fund equipment, vessels, et cetera for the VMRs as they sat under Surf Life Saving Tasmania. We fund Surf Life Saving Tasmania; they then pass that money through to the VMRs. That's what was done with the original \$1 million. The additional \$250,000 was to be treated the same way, but as four of those VMRs had left Surf Life Saving Tasmania, the decision's been made to use that \$250,000 to offset the money that we haven't taken off Surf Life Saving Tasmania to fund them operationally.

Ms LOVELL - Okay. And, was Surf Life Saving Tasmania consulted before this decision was made?

Mr STEWART - Through you, Minister. The department did meet with representatives of Surf Life Saving Tasmania in February to discuss funding options at the time. We were asked by the minister to look for options to resolve the issue, with Active Tasmania funding what is essentially a sporting organisation being Surf Life Saving Tasmania, not being in the business of funding safety organisations - clearly acknowledging that Surf Life Saving Tasmania play a very important role in that space as well, but the VMRs are purely a safety organisation. Once four of those organisations came out from under there, we needed to find a way to maintain their operations. We did discuss that with Surf Life Saving Tasmania. This option was put to them, as I understand it, I wasn't in the meeting, but advice that I've got is that this option was put to them.

The decision has only been made relatively recently on the \$250,000, and unfortunately, we haven't had the opportunity to speak with them in recent times despite attempting to in the last couple of weeks.

Ms LOVELL - As I understand it, Surf Life Saving Tasmania still performs the majority of volunteer marine rescue services in Tasmania. I'm curious as to the criteria that you've used to make this decision, which it does mean a reduction in their funding or a funding that they were expecting to receive that now they're not.

Mr DUIGAN - They were expecting to have to, when the funding was allocated, they were expecting to have to fund another four VMRs that they no longer fund, and that's the reality of it. Certainly, in the first year of the VMRs exiting from Surf funding had been provided to Surf and we need ask if they would be of a mind to give us \$80,000 of that funding back that we could distribute to the VMA and they, I think, they declined that invitation.

PUBLIC

We have to find a way to support our VMRs. I'm more concerned frankly about getting them into a governance space where they can deliver their services safely and effectively and whether MAST or SES or police or someone is a better vehicle for them. I have had personal interactions with VMR and been rescued. I know their value. We need to get it sorted, they need some funding, and my view of this was a fairly pragmatic way to get it done.

CHAIR - Just conscious, I want to go to Stadiums Tasmania as well; we have only got another half an hour. Just keep that in mind.

Ms LOVELL - I'll be brief, yes. Minister, I had some questions again hearing yesterday and the North Launceston Football Club, which has also been reported overnight by the ABC. I understand that you told the House of Assembly Committee yesterday that there was a letter or there was a letter that went to the North Launceston Football Club during the election campaign committing \$100,000 to them to find new facilities, and then that you told the committee yesterday that you chose not to sign the letter after the club president had appeared with Labor at a media conference.

Is it typical that draft letters go out to clubs with commitments like that that then don't end up being signed until later? I would have thought if an organisation receives a letter with a commitment in it that they should be able to take that as a solid commitment. Is that usual?

Mr DUIGAN - What I would say is there was a discussion happening in the context of an election. We were talking to the club, and I was happy to share my thinking around what might be a way forward for the club and so I did that, shared the letter which was drafted in the election HQ and that went out to the club. The commitment didn't progress.

Ms LOVELL - Why is that so?

Mr DUIGAN - Because some election commitments do, some don't. Some make it through the process, and some don't. The reason it's not signed is because I did not have the imprimatur -

Ms LOVELL - Can I just go back to what you said in terms of election commitments, some progress and some don't. Can you talk through that process a bit more, because I would think that a community organisation or a sporting club, if they receive an election commitment, they would be able to understand that if your government is re-elected that that commitment stands. What do you mean by some commitments progress, and some don't?

Mr DUIGAN - This was a discussion that I was having with Adrian Hall, the president of North Launceston, about what we might be able to do. As it turned out that didn't come to fruition.

Ms LOVELL - But why not?

Mr DUIGAN - Because -

Ms LOVELL - If he had a letter saying that they would receive funding if the government was re-elected.

PUBLIC

Mr DUIGAN - But I was sharing my thoughts with him. The political party makes a decision about what its election platform will be, and that wasn't one that got up.

Ms LOVELL - Should other organisations treat commitments from the Liberal Party in the same way if they receive a letter during an election campaign?

Mr DUIGAN - If you get a signed letter from the Premier, that's talking to an election commitment. That's a very different thing to me sharing my thoughts with someone -

CHAIR - But the greyhound industry and the salmon industry feel the same.

Mr DUIGAN - - to me sharing my thoughts about what might be a way forward.

Ms LOVELL - But they're saying they received a letter from you, or they received a letter.

Mr DUIGAN - They received - and I had spoken to him -

Ms LOVELL - Are you saying it wasn't a letter?

Mr DUIGAN - - 'Why don't I send you what I am thinking and let me know.'

Ms LOVELL - Have you spoken to Adrian Hall since to advise him that offer's been withdrawn?

Mr DUIGAN - I don't believe I've had a conversation with Adrian since then.

Ms LOVELL - Are you aware that he's been trying to confirm that with you for some time since the election?

Mr DUIGAN - I don't believe my office has had any contact from Mr Hall.

Ms LOVELL - Can you confirm or rule out that any other community groups or sporting clubs have had funding withheld or altered because they engaged with opposition parties during the election campaign?

Mr DUIGAN - First of all, I would say that that wasn't the case regarding this election campaign or this conversation with North Launceston, I remain very wed to the prospect and the outcome of getting a home for North Launceston. It's very important to me that that occurs.

Ms LOVELL - You said yesterday that they chose a different pathway, that it was withdrawn or that the commitment didn't stand because they chose a different pathway. Can you explain what you meant by that?

Mr DUIGAN - Look, as I've said, I am committed to getting a home for North Launceston. That's the outcome that we need to be focused on -

Ms LOVELL - But can you explain what you meant by they chose what pathway they chose?

PUBLIC

Mr DUIGAN - Again, I had been having conversations with Mr Hall prior to me sending him my thoughts and my outlines. He, I don't believe, responded to that. That would speak to a change in his thinking, but I remain committed to getting an outcome for North Launceston, noting that Stadiums Tasmania has been leading a very regular piece of work, along with Launceston City Council and AFL Tasmania about what we do, how we put this story club on a great footing going forward.

Ms LOVELL - So the outcome that you were discussing was a \$100,000 funding commitment. If you remain committed to finding an outcome, do you remain committed to that outcome?

Mr DUIGAN - Again, at the time of the election, the party would make decisions around what commitments it seeks to fund. That one wasn't funded. Then we have to - again, I would point to the work that is ongoing because this is a piece of work, like anything else, that we just need to get on with to get an outcome.

This is pretty esoteric and doesn't advance that cause. What we need to do is find a way. As I say, people are meeting regularly. I think there was a meeting - might be a meeting scheduled for Friday, is there? Last Friday. We're talking. Come the time when I've got something in front of me - that's what this work is for, to get something to me. I don't have anything in front of me at the moment. Nothing. But I am committed to an outcome.

Ms THOMAS - On the topic of election commitments and shifting goal post, Minister, through the election, the Liberal Party committed \$12.5 million for a home for Hobart Basketball or multi-purpose indoor courts facility for courts at New Town Bay. At the time, the media release made a commitment to \$12.5 million for this facility. There were no caveats, no 'if this happens, if that happens, we will provide it.' It was a solid what they thought, solid commitment to the Hobart City Council and the Hobart Phoenix Basketball Association.

There is no funding as far as I can see in the Budget for this commitment. There's no funding in the forward Estimates for this commitment. In fact, the Hobart Phoenix Basketball Association received a letter stating that the government remains committed to this project if federal funding can be received to make up the balance. Now that particular requirement wasn't part of the election commitment announcement. Minister, will you give consideration to removing that requirement from your commitment to \$12.5 million and commit that that will be included in future budgets?

Mr DUIGAN - Well, the first thing I'll say is, the commitment was made by the Premier, so I won't go around changing his commitments -

Ms THOMAS - You're the sports minister.

Mr DUIGAN - and I would say in regard to it not being included this year that this is the interim budget and it doesn't contain a number of things, due to the compressed timeframe, which was a real thing if you would like to discuss that with Treasury types.

The 2025-26 Budget will ensure funds are provided for the delivery of essential public services. It is intended to resume usual budget timing next year and deliver the 2026-27 Budget in May. Other funding priorities, including commitments made at the last election, will be considered as part of the 2026-27 budget development process in conjunction with an

PUBLIC

assessment of delivering existing programs and services, and this will include commitments made to support the home of football and the commitment to the New Town Bay Project Phoenix Basketball Tasmania.

In terms of the contingent federal funding, I would be very pleased to see that and have had conversations with Lord Mayor Anna Reynolds around that and know that Hobart City Council is committed to this as well. I think they see a role for themselves in advocating for that, and I think it's an absolutely reasonable expectation. Perhaps City of Hobart hasn't received quite as many benefits, notwithstanding commitments to Macquarie Point, things like that. There are opportunities for the federal government to have a role in that, but the state stands ready when that occurs. We will up the ante as we have done.

Ms THOMAS - So should that not occur, can the Hobart Phoenix and Hobart City Council rely on the government still providing that funding as was the commitment announced during the election campaign?

Mr DUIGAN - The commitment has been made.

Ms THOMAS - I've got other questions, but we'll go to Stadiums Tasmania as we're running out of time

CHAIR - We will go to Stadiums Tasmania. Did you need to bring James to the table?

Mr DUIGAN - Would you like to hear numbers?

Mr STEWART - I can be very quick. We have a current funding agreement with Netball Tasmania. That's for \$500,000 per annum. It expires this year. We can provide more information to the committee if it's required, but the high-level purpose - and this is a pretty common set of wording - is to support the administration, development and promotion of grassroots netball and the elite development of netball in Tasmania. We also have an agreement with AFL Tasmania until the end of October 2028. That is a very similar agreement, \$500,000 per annum promotes grassroots football during that funding period. I can provide more detail on those parameters if required.

Mr DUIGAN - Chair, I have a document to be tabled around various major sporting partnerships, capital grants to entities, 2024 election commitments, AFL team package and others.

CHAIR - Thank you. So, do you want to introduce -

Mr DUIGAN - Yes, and we have joining us at the table for the first time today, Mr James Avery, CEO, Stadiums Tasmania. Welcome James, thank you for your time today.

CHAIR - I might just lead off. Minister, Stadiums Tasmania's financial statements, in budget paper 2, volume 2, showed over the Budget and forward Estimates notwithstanding the suite of grants of over \$20 million, it will incur losses totalling over \$27 million. By the final two years of the forward Estimates, it's incurring a loss of over \$9.5 million each year and a cash deficit of over \$6 million. Furthermore, by 30 June 2029 it is estimated that it will have negative cash deposits of \$11.9 million. So, rather than be shown as negative cash deposits this clearly represents required borrowings by the entity.

PUBLIC

Given the projected significant deficits for the entity, how is the government going to ensure that the entity is financially stable?

Mr DUIGAN - As by way of my opening remarks, I think that the purpose of Stadiums Tasmania is to take a strategic view of all our infrastructure that has, to this point, I think been offered up in a pretty piecemeal way. I think there is opportunity in that, through existing infrastructure of course, through the new multi-purpose stadium at Macquarie Point, which you know would be a very substantial change to the landscape of the stadia infrastructure in Tasmania. James is well placed -

CHAIR - The question is for you first: how will the government ensure that the entity is financially sustainable? That's a matter for the government.

Mr DUIGAN - Yes. We would talk to James and say, James, what are you doing to make the entity commercially sustainable: James?

Ms O'CONNOR - And then he'd say top up your funding.

CHAIR - No. Let him answer please.

Mr AVERY - Some context into those forward Estimates, those numbers: for the years 2027-28 and 2028-29, it excludes grant funding to run venues, but it does include forecast operating expenditure. That's why you're probably seeing the delta that you are seeing in those outer years in terms of losses, and that's a decision that's been made to get a greater understanding.

The funding comes when we acquire new venues, but for those outer years, there is no funding for any of the venues. I think there is an understanding that all the modelling has been done on some KPMG modelling from several years ago. The thinking is that once we have at least two years of operating venues, there will be a better understanding of what the P&L looks like, what the revenue opportunities look like, what the funding needs to look like in those outer years, so -

CHAIR - You're telling us, through you minister, that it seems that we don't have any idea of what the funding requirements are going to be to prop it up?

Mr DUIGAN - Well, I think, as has been mentioned, we have a better idea after we've been running venues for a little while, but James, happy to have you speak to that.

CHAIR - Well, just before you go back to James, minister, does the government then envisage that you will need to significantly increase grant funding to the entity to meet its projected deficits?

Mr DUIGAN - No. I think as James was explaining, we want to see what the landscape looks like so we have a better understanding of what we would need to provide.

CHAIR - You're not saying you won't need to provide grant funding?

Mr DUIGAN - Well, let's understand what the circumstance is before we go jumping to one conclusion or the other.

PUBLIC

Ms THOMAS - Before we go jumping into significant assets.

CHAIR - Yes. So we don't then know - there hasn't been any - or has there been work done to really try to understand this? We're here to look at this, to understand the impact on the state's financial position, potentially adding another stadium into the mix, with others that aren't returning a significant return, or any sort of return much as I can understand, from the ones we have.

Mr DUIGAN - Again, we have the subject matter expert at the table, and I would invite him to make a comment for that question that you're asking.

Mr AVERY - The modelling, as I mentioned, that's been done is being recognised as something that needs to be tested in reality. Also the numbers in relation to the cost to run venues at the moment - or sorry, previously - versus how we are going to run them with greater efficiencies and driving greater revenues, suggests that to model any numbers in those outer years could be a futile exercise. There is funding there for head office operations, for us to operate as an organisation, but in terms of the venues, we think we should be able to achieve far better numbers than what's been forecast by KPMG in the past, and how the venues have been operating prior to us taking ownership of them.

CHAIR - It seems the entity will be required to undertake borrowings during 2027-28; is that true? If so, why do the presented statements not include any interest costs?

Mr DUIGAN - James?

Mr AVERY - I'd have to take that on notice in relation to interest costs, Chair.

CHAIR - Wouldn't it be in your financial statements here?

Mr AVERY - No, in terms of your question as to why, not if -

CHAIR - Does this mean that the government will fund the interest?

Mr AVERY - No. I don't necessarily believe that's the case.

Ms O'CONNOR - But if you can't, the government will have to?

Mr AVERY - Yes, correct.

CHAIR - Isn't it undermined by the fact that you're not making money?

Mr AVERY - Yes, but I think that is incorporated, though, isn't it?

CHAIR - That's a question for, I'm asking you.

Mr AVERY - Yes. I'm just checking for you, Chair.

There are no borrowings in the modelling, so we're going to have to generate greater returns from commercial opportunities and revenue opportunities.

CHAIR - So from the current assets you own - because the stadium, if it proceeds, won't be built for a couple of years, or whatever, how long -

Mr AVERY - The Macquarie Point stadium?

CHAIR - Yes. So, how do you propose to make money out of the ones you've got?

Mr DUIGAN - I think at this point, it might be worth me taking the opportunity to speak about our content strategy which has been developed by Stadiums Tasmania, which is absolutely seeking to answer the questions that you're putting around how do we maximise the opportunities in front of our stadia, and how do we manage them differently, and how do we go about deriving a greater revenue stream from them. The content strategy is a piece of work that has been done by James and his team at Stadiums Tasmania, and it's an important first step in seeking to maximise the opportunities.

From here, Stadiums Tasmania will work with the industry and stakeholders on a detailed action and implementation plan, and this piece of work provides a vital addition to the work being done as part of the broader visitor economy to ensure Tasmania's stadia and entertainment precincts deliver maximum value for the community and economy. I'm aware that Stadiums Tasmania undertook an extensive, statewide consultation process engaging key stakeholders from the sport, tourism, hospitality and entertainment sectors, and that approach - and during the process, stakeholders expressed a strong support for a strategic approach to content acquisition that optimised venue usage.

I would point members to the PBR [Professional Bull Riders] bull riding at the Silverdome that we had recently, which was very much an outlier in terms of content that would be seen at that venue, and talks to the value of this strategy. We know that the venues within Stadiums Tasmania's current and future portfolio are important community assets that bring communities together for a diverse range of events, and we are committed to seeing these venues optimised at all times. I will leave it there, but thanks, James, and that's kind of the point.

Ms O'CONNOR - I'm just trying to clarify: the Pre-Election Financial Outlook Report of June this year makes it clear, as one of the risks it identifies, that once Stadiums Tasmania has acquired UTAS and Ninja stadiums, it will require additional funding of approximately \$11 million a year to operate and maintain its assets. So that's additional funding. What is your understanding, as minister, of where that funding would come from?

Mr DUIGAN - Should that funding be required, we would seek, as I say, to have those venues deliver the maximum returns that they can so any funding exposure for the government is minimised. That's the intent of Stadiums Tasmania.

Ms O'CONNOR - So connected to that in budget paper 2, volume 2 is on page 113, 'Statement of Comprehensive Income'. Can you explain the 'expenses' line item, employee benefits, and what it means in the out years in terms of FTEs? The contrast between what's happening, for example, in the health system, where we're seeing jobs being cut, and clearly more jobs being created in Stadiums Tasmania, what does \$4.732 million equal in terms of FTEs working for Stadiums Tasmania on the projections here?

PUBLIC

Mr DUIGAN - I don't have that in front of me, but in broad terms, as Stadiums Tasmania acquires more venues, the need for more employees goes up commensurately. James is - more to it than me.

Mr AVERY - You see that it's actually pretty flat across those latter years: that's a staffing structure that reflects an organisation that owns and operates multiple venues. By that stage it should be four venues. It is also reflective of an organisation that is required to acquire and deliver content in all those venues, but it's also an organisation that currently is delivering capital projects, including the \$130 million redevelopment of UTAS Stadium and the \$12 million project at the Silverdome. There could be others in addition to its own capital projects in relation to those venues.

CHAIR - It's all funding out of state. That's all funding by equity? That's all in the budget paper 1? It talks about the equity contribution for the state. It's not through money generated by the state.

Mr DUIGAN - Federal government? Commonwealth government?

CHAIR - All of that. Sixty-five is ours. Twelve for the Silverdome is ours and \$6 million of other capital works is ours. Did you want to ask a question on that?

Ms O'CONNOR - What's the projected number of FTEs to be working for Stadiums Tasmania in 2028-2029?

Mr AVERY - It won't be significantly greater than what we have at the moment. We have staff at our venues, obviously. At the moment, in the last 12 months since acquiring two venues, we've increased staff. Our head office headcount is eight at the moment. It wouldn't be a significant increase beyond that in the outer years. Obviously, we'd need to as we pick up a couple more venues, increase our headcount, but nothing significant. Which is why the numbers reflect that, at head office.

Ms O'CONNOR - The total expenses across that period increased by \$16 million to 17 million.

Mr AVERY - But not employee benefits.

Ms O'CONNOR - No, that's right. Employee benefits start to jump from this next budget year. We understand it's about the acquisition. There's a very significant uplift in expenditure too, some of which clearly will be subsidised by the state.

Mr AVERY - That's to run the venues.

Ms O'CONNOR - Employee benefits? Is that to run the venues?

Mr AVERY - No, we're talking about two different things here. The expenditure is in there to run the venues. The grants, or funding, to offset that is not included in those outer years.

Ms THOMAS - Can I follow on from that, Chair? Minister, in the Stadiums Tasmania annual report on page 36, it outlines personnel expenses. From my calculations, it looks like

personnel expenses have increased by 58 per cent 2024-2025 - by \$614,000 - from \$859,000 to \$1.473 million. I just heard Mr Avery say there is eight staff. Do you understand the breakdown of that staffing profile and what those -

Mr DUIGAN - I couldn't give you a breakdown of the staffing profile, but what I would say is through that period you're talking of, where Stadiums Tasmania has gone from being a contemplative manager and owner of venues to a real owner and manager of venues. I would also point to the fact I have charged Stadiums Tasmania to deliver the \$130 million upgrade of UTAS Stadium. There has been the need for the entity to gain some capability, and they've done that in a relatively short period of time. To the breakdown, I would leave it to James, but I would talk to that step change in the responsibilities of Stadium Tasmania through that period of time.

Mr AVERY - From a headcount perspective, we've been very prudent. Prior to picking up venues and picking up capital project delivery, we had four staff. That's doubled in the last 12 months, but that is also reflective of the fact we've picked up staff from the Silverdome and UTAS Stadium during that period.

Ms THOMAS - How are the remuneration amounts determined for these staffing positions? Is it something that is benchmarked across entities like Stadiums Tasmania across Australia?

Mr AVERY - Yes, it is, but it also has to be appropriate to the local market. We also look at the the state service in relation to bandings as a guide. There are a number of factors. It's not just what other venues have in terms of remunerating their staff. That is an indicator, but it's not the only indicator. We have to be rightsized for the Tasmanian market.

Ms THOMAS - Thank you.

Ms O'CONNOR - Minister, is it fair to say that the CEO of Stadiums Tasmania from a remuneration perspective, is paid at a relatively equivalent level to a secretary of an agency, a whole government agency? Sounds like it.

Ms THOMAS - Looks like it in the figure in the annual report.

Mr DUIGAN - It's got a big job to do.

CHAIR - Being that it is 2.30 p.m., minister, thank you for your time today in your Sport portfolio. We will have a break and come back for Parks.

The committee suspended from 2.31 p.m. to 2.45 p.m.

CHAIR - Thanks, Minister. We've got your Parks portfolio, which includes a couple of other areas: land titles, valuation and Crown land. We will start with land title survey mapping services. If you could introduce the people at the table for us. Then if you wish to make some opening statements regarding all those areas, that would be fine.

Mr DUIGAN - Thank you, Chair. Yes, I have with me at the table today, Louise Wilson, Deputy Secretary of Environment, Heritage and Land. Mr Stuart Fletcher, General Manager Land Tasmania. Thank you for your attendance.

I'm pleased to be here to speak to my role as Minister for Parks, which obviously includes land and various others. Of course, our government and all Tasmanians are proud of our world-class national parks and reserves of Crown land which cover 50 per cent of the state. These areas are vitally important to Tasmanians and to the visitors who come to this place from all over the world and experience what we have.

Tasmania's natural landscapes are world-class destinations. Of course, opportunities to explore diverse coastlines, recreation, and wilderness areas and observe unique wildlife. We are continuing to invest in our parks to deliver significant economic, social, cultural and environmental benefits for the state.

This Budget includes an additional \$21.6 million over the forward Estimates in operational funding in recognition that wages, insurance, fuel and contractor costs have all increased. There's also pleasingly a further \$12 million over three years from 2026-27 to maintain and upgrade visitor experiences and infrastructure across our parks and reserves enabling continued protection and enjoyment of these destinations.

The Budget includes ongoing commitment to delivering capital investments in key visitor sites from The Edge of the World in the north-west to Maria Island. This significant investment in our parks estate also supports regional employment with over 445 nature-based tourism operators in our state to benefit from these improvements we are funding.

Critical works at the Royal Tasmanian Botanical Gardens delivering the \$40 million Next Iconic Walk in the Tyndall Range. Investing \$10 million to substantially manage recreational off-road vehicle access and improve off-road experiences within the Arthur-Pieman.

We're continuing to invest in bushfire capability to protect our natural assets with \$678,000 to enable winch capability for the upcoming fire season. Of course, we know that that capability has proved crucial in the early stages of a fire, when it's still small and burning at a lower intensity, and provides an opportunity to put it out before it becomes out of that realm.

We've also made a number of key investments across the Lands Tasmania portfolio, including \$2.75 million to modernise and uplift the capabilities of the Land Information System Tasmania (LIST), and deliver a number of key milestone releases in the implementation of national electronic conveyancing. And, noting we have Lands Tas at the table and that being the first output. I look forward to questions in my portfolio areas.

CHAIR - Sorry - I was listening, but did you introduce the people at the table?

Mr DUIGAN - Yes, I did.

CHAIR - You did, right, I couldn't recall whether you did. My apologies.

Output Group 1 - Land Tasmania

1.1 Land Titles, Survey and Mapping Services

CHAIR - I will go to Dean, on Land Titles, Survey and Mapping Services 1.1.

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Mr HARRISS - Thanks, Chair. Minister, the budget and forward Estimates have a decrease in 2026-27 of \$580,000, and a further decrease in 2027-28 of \$480,000. Can you give us some detail on what that reflects?

Mr DUIGAN - Yes, thank you. I will defer to Stuart to provide detail and context on that reduction in ongoing funding.

Mr FLETCHER - In terms of the budget overview, the decrease in 2027-28 and 2028-29 reflects the funding profile and the completion of the royal commission into national disasters project, in relation to the all hazards redevelopment of The LIST. That funding coming off at the end of those projects. What was the other decrease?

Mr DUIGAN - The following year, I believe.

Mr HARRISS - It was 2026-27 and 2027-28.

Mr DUIGAN - Yes, those two years. That's the cessation.

Mr FLETCHER - Yes, that's the funding coming off.

Mr HARRISS - Right. And then in 2028-29, there is an increase, but it only goes up to \$13.103 million, which is still -

CHAIR - Take out inflation, and it's backwards.

Mr HARRISS - It's still \$600 less than current 2025-26 Budget.

Mr FLETCHER - The 2025-26 has funding for the all hazards project included in this financial year, so once that funding drops off at the end of this project- so it reduces -

Mr HARRISS - Right, so it decreases over that time.

Mr FLETCHER - Yes.

Mr HARRISS - In the description, it says part of its job it also 'produces, maintains and integrates a wide range of land information datasets which support critical emergency management in Tasmania.' Can you explain that to me? Is there a percentage of that allocation that goes to that- funding allocation that goes to that?

Mr FLETCHER - The Land Titles, Survey and Mapping Services output group covers the Land Titles Office, it covers location services, which includes the Office of the Surveyor-General, and our mapping and spatial data areas. A component of that budget would include- but I don't have the breakdown of individual budgets for business units within that output group.

Mr HARRISS - And are there any backlogs in titles processing at the moment?

Mr FLETCHER - There's a couple of sides to what the Land Titles Office does. We have registration of dealings coming into the Land Titles Office, that's typically transfers, mortgages,

discharges and other types of dealings. Then we have examination of survey plans, which is another body of work the Land Titles Office does.

In terms of registration, our current time frame for processing between lodgement and registration of dealings is 25 days. We publish those time frames on the Land Information System Tasmania. On a weekly basis, we update that information. It's important to note, though, the time between lodgement and registration really doesn't impact on whether someone can take possession of that property or received their mortgage; it's just the registration of that dealing. And, in circumstances where the homeowner or the interested party might want to deal in with that property, that's the only time that they would need it actually registered. We do have processes in place in the Land Titles Office to put those higher up the queue.

Mr HARRISS - Have there been any data breaches or cyber incidents in Titles office last year?

Mr FLETCHER - No.

CHAIR - Not that you're aware of, you can't say no definitively, always that's a very foolish statement. With The List, it does suggest there's been additional information provided. Are there new overlays in The LIST?

Mr DUIGAN - There's always new overlays in The LIST.

CHAIR - What are the new features?

Mr FLETCHER - We're actually redeveloping The LIST map and common operating platform at the moment. Our primary focus is on that work. However, there would have been additional data sets made available within the last 12 months. I suspect most of those would have been restricted access datasets in relation to Emergency Management. There would have been data set simulation to the potato mop top response from Biosecurity. There would have been datasets made available in terms of fire responses on the west coast fires last year and even this year.

CHAIR - All that work, even if it's related to a primary industries matter or a state fire service matter is all funded within this budget line item, the additional layers of data that's put in?

Mr FLETCHER - The actual making available of the data will sit within that line item. The actual creation of the data would sit within the actual outputs they relate to. Some of the data we make available via The LIST would be datasets that are even outside our jurisdiction, so bureau of datasets, other national datasets that are relevant to operations within Tasmania.

Mr DUIGAN - Given The LIST and its value and members interaction with it, I will take this opportunity, Stewart, and this is without notice and I apologise for that. For anyone who'd like a briefing on The LIST -

CHAIR - How to use it?

PUBLIC

Mr DUIGAN - Yes. We would absolutely offer that because if you see it in the hands of somebody who's good at it, it's an unbelievable too. I fumble through it at times, but we would be more than happy to provide that for anyone who's interested.

CHAIR - Someone did provide some training to our staff to help them.

Mr DUIGAN - Yes, it's great for EOs and that sort of stuff. If there is an interest there, happy to provide that.

Ms O'CONNOR - An update, perhaps, on the government's original plan to divest itself of the Land Titles Office and whether you can confirm as minister, that's no longer part of the government's plan?

Mr DUIGAN - No longer part of the government's plan.

Ms O'CONNOR - That is confirmation. On what basis did you decide to walk away from it, apart from the application of common sense?

Mr DUIGAN - The government of recent times has canvassed the divestiture of public government businesses and has decided not to proceed down that track.

Ms O'CONNOR - Was it because it was politically sensitive and unpopular. Or was there also identified a risk potentially, to holders of titles?

Mr DUIGAN - I would certainly make the point that lands titles offices in other jurisdictions are held privately. That's not the case here in Tasmania. They work irrespective of the ownership structure of them. You have to be careful with the information that is held. It is very valuable information. As has been touched on already, people would seek to get to that information, whether it's publicly held or privately held doesn't necessarily make it more or less secure. We have had our conversation around divesting public assets of recent times, and happily settled where we are.

Ms O'CONNOR - Can I ask, given that titles now are stored electronically, what kind of security provisions are in place to protect that asset and therefore make sure your kind of protecting the rights of property owners in that the titles are safe?

Mr DUIGAN - Yes, it's a good question and one that occurs to lots of people. It probably to a large extent is blind to the fact that paper titles aren't necessarily all that safe either.

Ms O'CONNOR - They can catch fire, for example.

Mr DUIGAN - It can be burned, can be lost, can be whatever else, and technology has evolved, but as I say, they're valuable items and we need to be looking at how we do that. As we move into our electronic conveyancing age, Stuart, you're probably best placed to provide detail around the mechanisms that protect those.

Mr FLETCHER - We've always held titles electronically, and we currently - at the moment we still have paper certificates of title within the conveyancing system. The Recorder of Titles has indicated to industry that we will be removing paper certificates of title on 1 September 2026, and there are a number of controls that have been put in place. Obviously,

at the moment, when you lodge something with the titles office, like a transfer, it comes alongside the paper certificate of title.

The Recorder of Titles has put in a number of controls for industry around what's expected of industry to ensure that the party that's dealing with that particular property has a right to deal with that property; so obviously verifying their identity, verifying their right to deal, so that's basically establishing a link between 'John Smith' and the 'John Smith' that we have on the titles register, so evidence that would link that person to that address, and then retention of evidence in relation to verifying that right to deal. That is in place at the moment with industry and has been in place since last year.

In terms of the broader cybersecurity, obviously the Land Titles Register is a significant piece of infrastructure, basically holding a record of everybody's land holdings in the state. We have significant multiple instances of that land titles database in different sites across Hobart, two separate sites, and also regular backups of that information as well.

The agency also has a significant emphasis on cybersecurity, so we've employed a number of strategies to protect our systems and data to align with the Tasmanian government's Protective Security Policy Framework. We've invested in a protective services team with additional cybersecurity staff to increase the team to three dedicated staff. We've strengthened our IT use policy to clearly preclude the use of work emails and personal subscriptions to limit our exposure to third-party systems breaches, so that's obviously someone putting their work email into a ticketing system or something like that, and using the same passwords, and those systems being breached.

We've got significant network firewalls, intrusion protection prevention systems, email filtering, antivirus and anti-malware software, multi-factor authentication on all of our systems, regular software updating and patching, and regular data and systems backup. We've also had a fairly large focus on staff cybersecurity training and awareness, particularly phishing attacks, with simulated phishing attacks for staff within the agency where they receive an email that looks very real.

CHAIR - Like we all do.

Mr FLETCHER - And we also work closely with the Department of Premier and Cabinet and Digital Strategy and Services team on whole-of-government cybersecurity acts - services.

The other side to this is external systems, so electronic conveyancing is not just our system, it's also, at the moment, PEXA which is an ASX-listed company who manage the electronic conveyancing workspaces. That's where the electronic conveyancing transactions occur and the actual dealings are lodged with the relevant land titles offices across Australia, through that system. Money transactions occur in that space and then the lodgement gets pushed into our system via web services.

Ms O'CONNOR - Thank you.

Mr FLETCHER - We've done - not penetration testing, but we've certainly had assessments done on those third parties as well.

CHAIR - Anything else on 1.1? If not, we will move to 1.2, which is valuation services.

Output Group 1 - Land Tasmania

1.2 Valuation Services

Ms LOVELL - Minister, there's been some criticism of the Office of the Valuer-General outsourcing valuation services, and questions over the impact that may have had on the accuracy of land valuations. What processes does the Valuer-General have in place to ensure that accurate valuations are undertaken by these contractors?

Mr DUIGAN - Probably at that level of detail, it might be one you should speak to.

Mr FLETCHER - In terms of outsourcing valuations, typically with outsourced - the statutory regular valuations, well, certainly over the last 10 years, in terms of ensuring that valuation information is correct, we have staff within the Office of the Valuer-General that QA all of the valuation information that comes back to us from contractors, alongside having significant controls within the contracts that require those parties to undertake those pre-QA processes as well.

Mr DUIGAN - The other thing that I can add there, just in regard to recent correspondence that I've had on this issue: The *Valuation of Land Act 2001* provides a competitive tender process and the formation of a tender committee to assess tenders and make recommendations to the minister. The tender process is managed by the Office of the Valuer-General, however, it's also required to adhere to the Tasmanian government's Purchasing Framework Better Practice Guidelines, and is conducted in accordance with the Treasurer's instructions PP1 to PP6 to obtain qualified persons to undertake fresh valuations of the valuation districts. Quality assurance processes are deployed by the OVG to manage the performance of contractors in the provision of the statutory valuation services. I apologise if that's what Stewart just said.

Ms LOVELL - Doesn't hurt to just reinforce. Have there been any complaints made to the Office of the Valuer-General about valuations in the last, well, 2024-25 and 25-26 to date?

Mr DUIGAN - Short answer to that would be yes, there are. I was reading recently somewhere here, but there was a number, we know the number, and we will provide that.

Mr FLETCHER - Tasman and Sorrell, their valuations for both of those municipalities were provided to landowners in May this year. In relation to objections received this year, there were 321, and that's fairly normal in terms of objections around revaluations.

Mr DUIGAN - And of those objections - well, I won't ask questions.

Ms LOVELL - You can.

CHAIR - You can pop round here. Would you like to continue, or are you right?

Mr DUIGAN - Very quiet, yes.

Ms O'CONNOR - Were those objections because people thought they were undervalued or overvalued in broad terms?

PUBLIC

CHAIR - According to their view.

Mr FLETCHER - There'd be a number of reasons. Overvalued would be, I suspect, one of the ones where we'd see most of the objections, but there might very well be an objection in relation to other attributes of the property as well, say, the land area or the type of use of that property might be objected as well.

CHAIR - Any other questions from members on - did you want to ask about the valuation of the Treasury building? Didn't you ask that?

Ms O'CONNOR - Thank you, Chair.

CHAIR - See? I remember everything - mostly.

Ms O'CONNOR - You remember a fair bit. We did ask the question yesterday of the Treasurer: so there's a request for proposals process that the government's going through in order to what it calls repurpose - but, potentially, is sell the Treasury building. The Treasurer said that the Valuer-General had undertaken evaluation on the Treasury building and then referred us - or sort of fobbed us off. Here we are asking the question - here I am - whether the Valuer-General has undertaken a valuation of the Treasury Building complex as part of the process of the government seeking expressions of interest for whatever private entity they want to do something with.

Mr FLETCHER - The Valuer-General does provide valuation advice on a regular basis to Treasury about its properties and its portfolio, but specific valuations would be something, I think, best directed to the Treasurer. I mean the Valuer-General's under specific obligations under the *Valuation of Land Act 2001* around keeping those valuations confidential. Under section 8 of the *Valuation of Land Act 2001*.

Ms O'CONNOR - Section 8 prevents -

Mr FLETCHER - It requires the Valuer-General to maintain confidentiality on that. It's obviously a matter for the portfolios in terms of those valuations.

Ms O'CONNOR - We could argue about that. Section 8, but it's a public building that's supported by public funds and it homes public servants. We will have to get that another way and perhaps get back to the Treasurer after he fobbed us off.

Ms THOMAS - Did you ask if a valuation has been provided?

Ms O'CONNOR - I did.

Mr FLETCHER - We do provide valuation advice to Treasury regularly.

CHAIR - But on this particular building -

Mr FLETCHER - On the Treasury building.

CHAIR - So it has been done. When was the last one done?

PUBLIC

Mr FLETCHER - I couldn't give you that date.

CHAIR - In recent times?

Mr FLETCHER - It would be this year, I would suspect.

Ms THOMAS - Still on the topic of valuations: Minister, the subject of the proposed sale of Wilkinson's Point has been a matter of some public interest and certainly of interest in my community. Part of the last response I got was that the proposed sale would be subject to a valuation to be provided on the value of the land by the Valuer-General, and that the land was proposed to be sold at the value to be determined by the Valuer-General. Has that valuation been provided?

Mr DUIGAN - I've got lines regarding the Auditor-General's reports. Stuart, have you got anything on a fresh valuation for Wilkinson's Point?

Mr FLETCHER - I understand the Valuer-General has provided valuation advice to -

CHAIR - Recently?

Mr FLETCHER - I'm not sure recently. Certainly, it would have been before the Auditor-General's report was provided. I don't think we've provided any advice subsequently.

Mr DUIGAN - There was a valuation that was part of the commentary in the Auditor-General's report. In terms of -

Mr FLETCHER - That valuation would have to be provided to the Director-General of Lands who sets the reserve price for the property based on the valuation. If there's a subsequent valuation, that would need a subsequent reserve price assessment undertaken by the Director-General of Lands.

Mr DUIGAN - In terms of anything that we're able to share with Ms Thomas, is there anything in that realm or is that all elsewhere?

Mr FLETCHER - Those valuation reports are a matter for State Growth, so that is something that we wouldn't be able to share.

CHAIR - Is that minister Vincent who's responsible for that area? I'm just trying to understand who we can ask if there's been a valuation there and has a reserve price been set?

Mr FLETCHER - There has been a reserve price set, but I understand that there were discussions about changes to the valuation. I don't think it's been set subsequent to those.

CHAIR - Can we just expand that out? You said there were changes to the valuation - changes by whom?

Mr FLETCHER - There were different scenarios being considered in terms of the Wilkinsons Point properties. The evaluations were provided on the basis of the certain scenarios that were provided. If there was any changes to those, we would need to provide an

PUBLIC

updated valuation advice and that would need an updated reserve price assessment undertaken by the Director-General of Lands.

CHAIR - Who is the responsible minister for this now? Even that's unclear.

Mr FLETCHER - It's portfolio land, so it would be State Growth.

CHAIR - Minister Vincent?

Ms THOMAS - I was going to ask the question in Crown Land Services because it's Crown Land.

Mr FLETCHER - I can endeavour to find out.

CHAIR - We don't want to miss the opportunity if it should be asked here. We have until Thursday with Minister Vincent. If we could get that, as to where the responsibility for this now sits.

Mr DUIGAN - We can find that out before the end of the session and provide clarity there.

Ms THOMAS - I will ask my questions there in case something's left open.

CHAIR - In Crown Land Services?

Ms THOMAS - This is why it's taken seven weeks and I still haven't got a response from my letter to the Premier.

CHAIR - We will move on if there are no other questions to 1.2 - Valuation Services to 4.1 - Parks.

Output Group 4 - Parks

4.1 - Parks.

Mr DUIGAN - If we could have our Parks team at the table. I note the secretary of NRE Tas is not joining us today. He is in an alternate committee and sends his regards, presumably. We do have Sophie Muller, Deputy Secretary, Parks and Wildlife Service and Alice Holeywell-Jones, General Manager (Operations). Thank you.

It is the minister, Mr Vincent, for Wilkinsons Point.

Ms THOMAS - Can you explain how?

CHAIR - I will ask him where he wants us to ask those questions.

Ms O'CONNOR - Thanks, minister. I'm going to ask the first question as the member for Hobart with a particular concern for the fire safety of this city, which sits in the foothills of the Wellington Park. As you know, Minister, the Wellington Park has a complex mosaic of management around it, coordinated through the trust, but as I understand it, Parks has a primary and core fire-management responsibility for the Wellington Park. I don't know if you've had

PUBLIC

the opportunity to listen to a briefing from Professor David Bowman about the risk to Nipaluna/Hobart as a result of a catastrophic bushfire. What sort of work is Parks doing in the Wellington Park to mitigate fire risk to Hobart? In answering that, can you give us an indication of the level of resourcing that Parks is putting in to the Wellington Park at this point?

Mr DUIGAN - Thank you. I can say that in terms of the entire scope of Parks' holdings, it is fire that gives me the most concern. I think we have seen in recent times, and whether that's indicative of what we will see in the future or whether this is a period of time we're going through, but we have some challenges in fire. I would thoroughly commend the work Parks has done preparing to meet that challenge, of embracing technology to meet that challenge, satellite imagery and mobile camera monitoring and all of those things.

The understanding that the only viable method of curtailing those fires is to get to them early and and fight them while they're small fires. Because on the west coast when they get away, they're away and there are obviously a number of landscapes there that are not adapted for fire. Fire in there would be a very big problem.

Mount Wellington, Hobart, as evidenced in 1967 is a fire prone place. It was then, it remains so. We like to live amongst the trees and it's a great place to live, but it's a challenging place to make safe from that particular risk. I have sat out in my boat off Opossum Bay on a 40° day and looked back at Hobart and you can see the oil shimmering off the gum trees and if ignition occurred, good luck with that.

CHAIR - Not good luck, bad luck.

Mr DUIGAN - With that said, I will ask Sophie to speak in more detail on how parks -

Ms O'CONNOR - Activities and resourcing in the Wellington Park specific to the fire risk mitigation imperative.

Mr DUIGAN - Indeed, because of the scope and scale of Parks, whether the resourcing is put where it's needed and in terms of specific resources that stay in one place to meet one threat is not, as I understand it, the typical way. I will leave it to Sophie to speak to those things.

Ms O'CONNOR - Before we go to Sophie. Yes, and Hobart has been identified as one of the most bush fire prone cities in the world. It's called a wildland urban interface which puts a special responsibility on the land managers in and around Hobart to properly resource and make sure you're scientifically grounded in your fire mitigation activities.

Mr DUIGAN - Again, while we like to live amongst the gum trees, there will be risk.

Ms O'CONNOR - I understand that, and I agree with you on that, but as you would know minister, what the science is telling us, the national and state climate risk assessments, is that that bush fire risk has increased. That the bushfires are likely to be more frequent and more intense, and we'll see things like a pyrocumulus potentially barrel over the top of Kunanyi and so what we're trying to establish here is how seriously Parks takes its responsibility in the Wellington Range.

Mr DUIGAN - Absolutely. That is contemplated frequently.

PUBLIC

Ms MULLER - Parks is participating in work that's been led by the Wellington Park Trust. They have received funding last year to develop a fire management plan for the park. That work is being led by TFS in conjunction with the trust as part of a tenure blind bush fire management planning approach.

As part of that work, three strategic bush fire management plans have been developed and they each address bush fire impacts to different human settlement areas. Options for treatment include planned burns, fuel breaks and fire trails, both strategic and tactical.

The areas of focus were based on TFS risk mapping, which was predominantly around the urban areas with a variety of tenure arrangements. We've been participating in these discussions as part of this work as it's unfolded with partner agencies including councils, STT and TFS. A key focus has been to ensure the vegetation mapping is accurate to inform management actions, including both the treatability and the feasibility of treatability of the land, which will then determine and inform priority actions in terms of burning and upgrade of fire trails.

Around the middle of this year, we were involved in a flight that was arranged by TFS to identify priority areas of treatment and are going to do that ground truthing of the mapping. We're continuing to support this work, including the operationalisation of those plans that are under development.

In terms of sort of broader fire resources, there has been a strong investment in our resource capability across Parks - not specifically with regard to the trust itself necessarily, but certainly more broadly investing in technology to assist us to do early detection. We know that there's increasing risk and threat with climate change, with dry lightning playing an increasing role in terms of fire emissions in the landscape. Ensuring we're investing in that technology and that capability to do early detection and a rapid response is a key strategy and focus of ours.

Ms O'CONNOR - Thank you. Can I interrupt there to try to get to the bottom of activity in the Wellington Park? What I hear from Sophie is that at the moment there's planning happening, there's meetings, there's conversation, there's planes going up, there's photographs being taken. In terms of actually doing that management treatment - and notwithstanding what you've said about waiting for vegetation mapping; there's already a set of vegetation mapping through the TASVEG system. What work is actually happening on the ground in the park? Summer is a month away. What's happening to make sure that community safety and bushfire risk in the Wellington Park is mitigated to the greatest extent possible at this time?

Ms MULLER - We maintain the East West fire trail, which is a key strategic fire trail in the area. We have been undertaking remediation works for that trail over the winter period. That is an example of an on-the-ground activity that we've had as part of our business as usual. There would be a range of business-as-usual activity that Parks do to address fire risk in addition to that broader sort of strategic review that's being led by TFS.

Ms O'CONNOR - As you know, minister, the window for controlled burns is narrowing. We are seeing that happen around the world, and as a consequence, we can rely less, for example, on very large air tankers coming in from Oregon or California to help us. How much has it impacted on Parks in its fire management work, to have that burning window narrow to

where it is now? It will continue to narrow. How much has that changed the way Parks deals with fire management issues?

Mr DUIGAN - We typically would see seasonality and year-on-year fluctuations in the window. It's either an acceptable time to burn or it's not. The relative humidity is either right or it's not. Parks typically has a schedule of burns it would seek to do. Some years it gets a long way through its burns, other years it doesn't. But the important thing is to keep filling that schedule.

How you go about burning Wellington Park is a challenge - close to a large population centre, and the risk that comes with that. Parks tends to do, obviously, those landscape scale burns further away from population centres. TFS does the ones more likely to be close to lots of people. It's a job of work for the department, and we have great expertise in that area to do it.

I am an unambiguous supporter of planned burns and fuel reduction. It works. But, you know, there are divergent views there, so it's not always popular. It's not always what people want you to do, but in terms of how you go about doing it - Sophie, obviously you know more-

Ms O'CONNOR - I will just close off this batch of questions with this. As minister, do you understand the risk to the City of Hobart, the capital city, which is a wildland-urban interface city - where we've checked with emergency services, there's no evacuation plan for Hobart, just so you know. Do you understand the risk, and that, as Parks minister, you have some capacity here to make sure that we're as prepared as we can be and this population in the capital city and at the same template, obviously, for community safety all over the island, but you understand the nature of the risk because of Hobart's location and the kind of city that it is.

Mr DUIGAN - Yes, I do.

Ms O'CONNOR - Parks has responsibility in the Wellington range.

Mr DUIGAN - That's an interesting point. There is a need for a responsibility for people who live in Hobart, in this very fire-risky city, and where you live on a hill which is populated with houses and gum trees on a day where the fire-danger rating goes to catastrophic, there is a good case for people who live in those kind of places to go elsewhere.

Ms O'CONNOR - I hear you.

Mr DUIGAN - We can't come in and clear the hillside.

Ms O'CONNOR - Of course not, but fire management is something that requires a legislative response, potentially a regulatory response, and resourcing, and so while people can take individual responsibility for their own circumstances and the Tasmanian Fire Service is able to do some work in the community on that.

Mr DUIGAN - All of our agencies work together.

Ms O'CONNOR - I am talking about in the city, urban environments. I know there will be other questions, and I have other questions, I just hope I trust that you recognise there's a

unique responsibility for Parks and its firefighting capacity and its land-management work to make sure that as much as possible in the Wellington range is done to mitigate fire risk.

Mr DUIGAN - I think that is true, and I'd be interested in your views, but I think the wider risk remains irrespective of that. You can be as prepared as you want to be, but on the right day, on the right circumstance, Hobart presents a very challenging circumstance.

Ms O'CONNOR - Professor David Bowman and his work is clear; there are things that you can do to lower the intensity of a catastrophic fire.

Mr DUIGAN - Yes, anything further to add there?

Ms MULLER - Probably the only thing I might add is that I think that the fire team have an exceptional approach in terms of adaptive management and connection with researchers such as David Bowman and others. I hold an annual forum where all practitioners come together with the research sector.

There is very much a kind of learning adaptive approach to fire management in particular, as you say those windows for fuel reduction burns and considering how we adapt and plan around that. As the minister mentioned, we kind of do that through having a large number of fuel reduction plans ready to go at any one time and pivot to where that opportunity is in terms of the right conditions.

I would say that, from observation in the role in the last two years, the teams are exceptional at connecting with peers more broadly as well, across a range of jurisdictions and coming together and learning and adapting.

Mr DUIGAN - Yes, there is a great level of collaboration among our services. It's often recognised by people who come and fight fires with us, and it's a point that they raise often. In terms of resourcing, and that's an important point that you raise, and I wouldn't mind it put on the record in terms of Parks' resource and capability in terms of fire.

Ms O'CONNOR - What resourcing is in the Wellington range?

Mr DUIGAN - If there's a fire there, as much as we can get.

Ms MULLER - We have 160 personnel, who are trained to fight fires in remote areas, so that's our arduous firefighters, and as well as our moderate firefighters. These numbers include the seasonal firefighters that have recruited to best numbers for the fire season to assist with planned burning. In addition, we've got 60 people who are trained to undertake roles in the incident management teams.

CHAIR - Just on that, obviously with the impacts of climate change, we're seeing areas of the state like the west coast, places that are dryer than you'd normally expect. We've got some very important heritage assets in that area. People are important, yes. So are these for our tourism, for a whole heap of other reasons. We've seen fire get into these areas. We saw Queenstown under threat. It's amazing how close that came, that fire, to houses in town.

When you talk about resourcing, obviously if you want to resource it so you could deal with every problem that happened, you'd have hundreds of workers. Minister, do you feel

confident you've got enough to deal with the changes? West coast is isolated, you would have to have a lot more arduous - that was an interesting word - firefighters. I know some of these people, they're very amazing. Taking into account the impact we're seeing because of climate change, does it need reviewing? Do we need to have another look at it, or are you confident we've got the resources that we need to respond?

Mr DUIGAN - Look, I would say that I'm confident that we have the resources we need, whether they be the resources we hold in the state or whether they be resources that come from elsewhere and, of course, those resource-sharing arrangements that are in place for personnel, for aircraft, for a whole range of things.

These are things - circumstances that tend to happen in the Northern Hemisphere in one part of the year and in the Southern Hemisphere in another part of the year. I understand that. Tasmania often plays a role - through the course of this year, we've sent our firefighters to the Northern Hemisphere repeatedly and have seen that in the recent west coast fires.

The resourcing piece I think is pretty well-coordinated. I don't think we've gone begging for resources to this point. In terms of looking and protecting some of the values - and we were talking about LIST map before and seeing someone adroit at managing LIST map. If you go into one of those incident control centres where the firefighting is happening in real time, being monitored by remote cameras or satellites or whatever, and there is overlay of threatened -

CHAIR - Vegetation, et cetera.

Mr DUIGAN - Vegetation types and important heritage areas. You can lay down - if you've got a big water bomber you. This year we did put retardant into the TWWAH. No one does that -

Ms O'CONNOR - It's full of PCBs, isn't it?

Mr DUIGAN - No-one does that -

CHAIR - Unless there's no other option.

Mr DUIGAN - - for their own entertainment. These are things that call for pretty decisive measures.

Yes, I'm confident, but we don't just sit back and say, 'That was good. We're all happy with how that went.' Obviously, we review these things and their own learnings out of that. The AFAC review spoke highly of Parks particularly.

Sophie, you might have something to say around how we're situated and what the learnings out of something like that are.

Ms MULLER - I guess the AFAC was a really thorough, external process that assessed the response to the west coast fire complex, both in terms of preparedness and also their response undertaken throughout that fire campaign. While there are a number of recommendations in that, it was very positive in lots of ways in terms of recognising the work of the coordination across the three agencies, but also particularly a lot of the work that Parks has done. We haven't talked about which crews, for example, on the important role they played

PUBLIC

in terms of being able to respond early to - I think there were 24 admissions on that day of the lightning strike. As a result of our capacity to get those arduous firefighters on the ground quickly, they were able to put out those fires pretty quickly and respond rapidly. I think that that review, while it had some recommendations that we are working through, it certainly is complementary in terms of the work of the Parks service in fire responses.

Ms O'CONNOR - I'm interested - some years ago, I think it was the 2016 fires that ripped through the TWWAH as well, we were provided with a briefing. We went into the incident control room and then we got a briefing from Parks. One of the things that was shared with us at the time was mapping that Parks had done on the frequency of dry lightning strikes over, I think it was 50 years, maybe, at that time; is that data still available and could it be shared again? I mean, I'm happy for you to take that on notice, minister. I wouldn't have thought it was particularly sensitive, but in terms of understanding the picture of the increased risk it was very telling.

Mr DUIGAN - Certainly, on that day where we had those ignitions on the west coast, I've seen data for that particular day where there are thousands of dry lightning strikes across the landscape.

CHAIR - They also land on metal sometimes -

Mr DUIGAN - Yes.

CHAIR - like metal in the rock, it sends sparks everywhere.

Ms O'CONNOR - So happy if we just put in a request for that data for the committee?

Mr DUIGAN - Sure. Yes.

CHAIR - How often is that updated, that sort of data?

Mr DUIGAN - I don't know where that data lives, and I'm not sure that anybody in the room would necessarily know that, but we can have a look.

Ms O'CONNOR - Okay, that is good. Could we go now to one of our favourite shared topics, and that is Lake Malbena. What's your understanding of the condition of Halls Hut at the moment?

Mr DUIGAN - My understanding - hang on, I will read my briefs so I don't misspeak. My short synopsis would be it's not materially different to the last time. Okay, Halls Hut, condition of the hut as at 6 September 2024. Both Mr French and Mr Hackett - correspondence regarding the condition of the Halls Hut was sent to Heritage Tasmania for review on 6 September 2024. Do you want me to read the preamble to that, Heritage Tasmania review of Hut:

In regard to the inquiry about the use of a helicopter to undertake maintenance on the hut, Mr Hackett was advised to conduct a self-assessment of any potential impacts to nationally-protected matters to determine if flying to Halls Island and undertaking maintenance would require referral under the EPBC Act. The proponent has confirmed he has received this advice from

PUBLIC

DCCEEW. I understand the proponent is in ongoing discussions with DCCEEW in relation to progressing this matter. The Department of NRE Tas has also written to the proponent seeking an update from the proponent of this matter.

30 April 2025, condition of the hut: Heritage Tasmania reported that an examination of images from Mr Greg French in 2024 show little decline from those at the time of the heritage listing in 2021.

I would reiterate Heritage Tasmania have not raised any concerns regarding the hut's condition since its listing in 2021.

Ms O'CONNOR - Thank you, minister. Can you confirm that is information from late last year that's provided to you?

Mr DUIGAN - I think April 2025.

CHAIR - September 2025, you said.

Mr DUIGAN - I sent a heritage review on 6 September 2024. Look, let's say September 2024.

Ms O'CONNOR - Okay, thank you. What action has Parks undertaken in the past year, for example, to determine whether or not the conditions of the Halls Island hut lease, to quote:

maintain and keep the lessee's improvements in good repair and condition consistent with their condition on 1 September 2017.

What work has Parks undertaken? It doesn't sound that much has happened for the past year on the condition of Reg Hall's hut.

Mr DUIGAN - On the basis of there being no concern from Heritage Tasmania, I'm not sure that there would have been any work.

Ms O'CONNOR - So has there been any follow-up from the department since Mr Jacobi wrote to Mr Hackett and requested that he undertake a self-assessment to determine whether his Halls Hut maintenance proposal needed to be referred for EPBC assessment? Fishers & Walkers Tasmania was advised by Mr Jacobi that, 'NRE Tas will continue to liaise with the proponent in regard to this matter,' but when the stakeholders made inquiries with NRE more than 12 months after Jacobi's letter, they were told that beside an understanding that the proponent was continuing to liaise with the federal department, there were no further updates. Has NRE followed up on this?

Mr DUIGAN - Sorry, could you just take me back to the first bit of that?

Ms O'CONNOR - Has NRE followed up on a statement made by Mr Jacobi to a key stakeholder, Fishers & Walkers Tas, that NRE will continue to liaise with the proponent in regard to whether or not Halls Hut and his maintenance proposal needed to be referred for EPBC assessment?

PUBLIC

Mr DUIGAN - I think, as I mentioned, in regard to the inquiry about use of the helicopter to undertake maintenance on the hut:

Mr Hackett was advised to conduct a self-assessment of any potential impacts to nationally-protected matters to determine if flying to Halls Island and undertaking maintenance would require a referral under EPBC. The proponent has confirmed he has received this advice from DCCEEW.

Ms O'CONNOR - That he needs to refer it for EPBC assessment?

Mr DUIGAN - A self-assessment. I understand the proponent is in ongoing -

Ms O'CONNOR - But the self-assessment, as I understood it, was to inform whether or not the federal department would need to undertake an EPBC assessment.

Mr DUIGAN - I understand the proponent is in ongoing discussions with DCCEEW in relation to progressing the matter.

Ms O'CONNOR - Is that year-old information as well? I mean, we're just trying to -

Mr DUIGAN - Yes.

Ms O'CONNOR - I mean nothing happens with this lease except, you know, the EOI still stands, Daniel Hackett, you know, there's been a liquidator appointed for his company -

Mr DUIGAN - The reality of this - yes, all of those things -

Ms O'CONNOR - and yet, he still has this peppercorn lease on a whole island in the TWWHA.

Mr DUIGAN - Well, his lease has gone up sort of year-on-year -

Ms O'CONNOR - Well, you re-signed it after he'd been bankrupt. Why?

Mr DUIGAN - Because Mr Hackett is working his way through the gears of government -

Ms O'CONNOR - It's very special treatment.

Mr DUIGAN - No, I don't believe it is at all. I think it's entirely appropriate for that extension to be applied while he is engaging with the Commonwealth government to meet its requirement. I don't think that's unreasonable in any way.

Ms O'CONNOR - Is Mr Hackett a friend of yours?

Mr DUIGAN - No. I don't think I've ever met Mr Hackett.

Ms O'CONNOR - Okay, just double-checking, because I'm trying to get to the bottom of why he apparently - this solo operator with a bankrupt company gets special treatment, a

PUBLIC

peppercorn lease over an island in the TWWHA, special treatment from the state, handled with kid gloves.

Mr DUIGAN - I don't - I'm not making any - no.

Ms O'CONNOR - Well, why is it still carrying on?

Mr DUIGAN - Because it's in the federal government process waiting to be assessed.

Ms O'CONNOR - Yes, but all of that time while that's been waiting, it doesn't seem like Parks has even dropped in on Halls Island and had a look at this heritage hut with extraordinary value. They got Hackett to self-assess.

Mr DUIGAN - Again, a heritage-listed building site with no concern from Heritage Tasmania. You know, it - I know it raises your hackles, but it's not raising mine.

Ms O'CONNOR - Well, any sort of private ownership of public, protected lands raises the hackles of a lot of Tasmanians, as I'm sure you're aware. I'm sure you're aware.

Mr DUIGAN - I am aware.

Ms O'CONNOR - You got any update from the Commonwealth on when they might respond to the EPBC question?

Mr DUIGAN - I don't believe so.

Ms O'CONNOR - Made any inquiries?

Mr DUIGAN - No. Well, I haven't.

Ms O'CONNOR - You're just going to let it keep rolling along, or is there any information that your Parks advisors can provide?

Mr DUIGAN - Well, we don't monitor or oversee Commonwealth functions, typically, I don't know - sorry, I should have checked with my team: anything to report?

Ms MULLER - No.

Ms O'CONNOR - So, this is an expression of interest project. It first came forward, as I understand it, in 2016. That's nine years of dividing a community, alienating Fishers & Walkers. I mean, at some point, surely you as minister understand you have to kind of, you know, cut the cord?

Mr DUIGAN - Imagine being the proponent. Nine years in the government.

Ms O'CONNOR - Daniel Hackett? Well, he can console himself on his little private island that the government of Tasmania gave him for eight bucks a year, or whatever it is.

Mr DUIGAN - I don't think it's eight bucks a year, but anyway.

PUBLIC

Ms O'CONNOR - It's the equivalent.

Mr DUIGAN - As I say, I am not uncomfortable to extend that lease while this process continues.

Ms O'CONNOR - For how much longer?

Mr DUIGAN - For as long as it takes.

Ms O'CONNOR - Is that right? So in 10 years, we could be having the same conversation. It's terrible. It's a public protected area, an island in the World Heritage area.

Mr DUIGAN - In the recreational zone, anyway.

Ms O'CONNOR - Yes, the recreational zone, your colleagues in government stitched up so you can get your developer mates in there under private assets. Yes, we know that.

CHAIR - Minister, is there any intent to actually do a bit of a check to see how long this process is going to take? That's because there does need to be some certainty with everyone, including the proponent, as well as the community.

Mr DUIGAN - Indeed. However, I must take this opportunity to commend the new minister for the environment, Senator Murray Watt, who has moved a lot of things off his desk.

Ms O'CONNOR - A disaster for the environment. Minister for anti-environment.

CHAIR - That's not my question.

Mr DUIGAN - Can we check with them? Do we normally? Would we?

CHAIR - When's the next renewal due?

Mr DUIGAN - I think it's March.

CHAIR - Wouldn't it be prudent to check before March?

Mr DUIGAN - Well, the government's not the proponent.

CHAIR - You are going to potentially extend the lease further, so surely you would do some check on it at that point to make sure. If it has just ground to a halt, then what are you going to do? Sit there and wait?

Mr DUIGAN - Well, we have these processes. The Commonwealth processes at arm's length from the state.

CHAIR - But you're going to renegotiate, or possibly extend the lease further? Will you not at least check where it's at?

Mr DUIGAN - I think we will check.

PUBLIC

CHAIR - Good. I think it would be a good idea to check.

Mr DUIGAN - I will get somebody to check.

CHAIR - It might reduce a bit of pain here next year.

Mr DUIGAN - As I understand it, the proponent is in regular dialogue with that department progressing his application, and that's as the world is designed.

CHAIR - Any other questions?

Ms O'CONNOR - Thank you, Chair. Minister, when the Audit Office undertook its review of the expressions of interest process, and this would be sort of four or five years ago now, they were advised by Parks that all leases and licences are subject to ongoing review. The documents released under RTI have called this advice into question. There's an e-mail from a Parks officer to the Tasmanian Walking Company from August 2021. It says a whole-of-state approach for audits with licenced operators is still sometime off. While an audit of Tasmanian Walking Company's operations on the Overland Track was conducted in 2020, there's no indication based on the documents in the RTI that any audits had been conducted since then. This is despite those huts being full of rats a couple of years ago on the Overland Track. Minister, how often are operators working in Tasmanian national parks monitored to ensure they're complying with lease and licence conditions, and are they?

Mr DUIGAN - Thank you. Before I throw to the department to answer that, I would point vigorously to the work we have done around transparency on lease and licencing and having published all of the leases and licences. I think you would have to concede that that is a very good step in terms of providing visibility of those things.

Ms O'CONNOR - I think we helped you do that through an appeal on an RTI to the Ombudsman. I think it was the Ombudsman's decision that helped you be better. Your better self.

Mr DUIGAN - That said, in terms of the auditing of those leases and licences, Sophie?

Ms MULLER - Specifically on the Tasmanian Walking Company, and this is an example. We had an inspection, or an audit, undertaken between 28 July and 2 August this year. Greywater systems were found to be generally performing well without any significant concerns. That's just an example of an audit process that has been undertaken. We have got a team in the property services branch - a small number of people - who are responsible for looking at those sort of milestones and triggers for those types of processes. While I don't have a specific answer around how often because it would vary depending on the nature of the agreement - and there are requirements in those agreements and noting that we've got over 6000 agreements on Crown and reserve land - we do have a process for routine audits and inspections that we undertake.

Ms O'CONNOR - OK, thanks Sophie. Is Parks developing a whole-of-state approach for auditing the activities of licence holders on protected lands?

Ms MULLER - Was that a question about a process?

PUBLIC

Ms O'CONNOR - Are you developing some consistent whole-of-state auditing process for examining those licences, before they're automatically rolled over, for example?

Ms MULLER - Sadly, when we have rollovers, we absolutely undertake an assessment on whether there's any outstanding matters, any issues or concerns, any outstanding payments and there's certainly an input into the decision around rollover sort of agreements.

More broadly, in terms of taking a consistent approach across the state, we have a project underway for CREST, which is Crown Real Estate System Tasmania, which is a project to replace that system which is at end of life. It's no longer performing the functions the functions that we require, and it will enable us to better track the requirements within those types of agreements and more in an automated way identify those triggers for audits and compliance checks and payments, rental reviews - the range of things that need to be considered through the management of those 6,000 agreements.

That system will provide us with a more modern contemporary platform to take a consistent approach - we're in the development of the business case for that project. It is still a little while away, but I think that's the solution for us to be taking a more consistent stable approach.

Ms O'CONNOR - Thank you. Sophie. Can I check, Minister, are there any Park management plans that are currently under revision and being reworked? What's the status of the next Tasmanian Wilderness World Heritage Area management plan? I think the last one came out in 2016.

Mr DUIGAN - Yes, let me see. Ben Lomond management plan currently underway and in relatively late stage of development. Would that be fair to say?

Ms MULLER - In the early stages.

Mr DUIGAN - Well, either early or late. Obviously, we had Maria Island -

Ms O'CONNOR - That'll be publicly consulted?

Mr DUIGAN - Yes, through whatever our normal process is in terms of that. In terms of TWWHA management plan, there is a requirement every seven years to review that plan.

Ms O'CONNOR - Here we are.

Mr DUIGAN - Important to recognise that it's a review of the plan rather than a reinvention of the plan. I think, due at the end of next year, is that fair to say?

Ms MULLER - Middle of next year.

Mr DUIGAN - Middle of next year, and you might like to speak to how that work goes or Andrew.

CHAIR - Has it started?

PUBLIC

Ms MULLER - We've done a considerable amount of work to progress that review. The scope of the review is really about our performance against the review in terms of the key KDOs and the actions. It's been a really sort of thorough and comprehensive internal process to review that and to provide stakeholders with a synced way of analysing it and determining how we're progressing against those outcomes. Noting the scale of that plan, it's a large and complex management plan.

We've commenced targeted stakeholder engagement, which has been pretty widespread, and that will inform our reports that will then go out for a broader public consultation. A two-stage process, firstly with stakeholders which is underway and then early next year, or in the first quarter of next year, going out more broadly for engagement and feedback from the community.

Importantly, this review will help us to identify the next sort of tranche of priority. It's both identifying how we're performing against delivering on the plan to date; identifying some of the sort of challenges and issues around the delivery of that plan; and then, helping us to prioritise the next sort of program of work for us to deliver on the plan.

Through that process, we're certainly capturing feedback around the performance of the plan itself and that will inform a future potential remake of the plan. But there's certainly no plans in the near future for that to occur, but we recognise that through this process those issues will arise and ensuring that we're capturing them as we undertake that process.

Ms O'CONNOR - Can I just understand and then I'll move on Chair or to anyone else who wants to ask a question. We only heard that the Ben Lomond management plan is being revised and presumably rewritten - at some level Maria Island. Are there others?

Mr DUIGAN - There are probably some light touches for Freycinet today in terms of wastewater, that's likely to be.

CHAIR - You've got a management plan on that?

Mr DUIGAN - Not under review, but anyway.

Ms MULLER - We're at the early stages of a process to review the Macquarie Island Management Plan.

Ms O'CONNOR - Are any of these management plan reviews subject to revision, in part because there's an expression of interest project that needs to be facilitated through a management plan change, which is what we saw, of course, with the development of the 2016 World Heritage Area Management Plan, which was written to enable private development, more of it into wilderness areas.

Mr DUIGAN - Not to my knowledge, no.

Ms O'CONNOR - Are there any fresh expressions of interest, projects that you want to share with the committee? Or is it still all sitting there stagnating in a field of broken dreams?

Mr DUIGAN - The Office of the Coordinator-General, manages the expressions of interest project process.

PUBLIC

Ms O'CONNOR - Talks to you though.

Mr DUIGAN - Certainly, as they come through, but in actual fact, I am not really aware of anything new. I am happy to read my brief, I will quickly spool you through the numbers. I am advised 73 proposals have been submitted to date, with 10 of those proposals having a current lease or licence arrangement with PWS. Of the nine projects that are operational, there are two within the Tasmanian Wilderness World Heritage Area being Tasmanian boat charters and Maydena Bike Park.

The remaining proposal, Halls Island, Lake Malbena is not yet operational. There were 22 projects not endorsed by the panel to progress.

Ms O'CONNOR - They must have been really bad for you to not endorse them.

Mr DUIGAN - No commentary. There are 21 projects withdrawn and a further three proponents have surrendered their lease and licence. There are six proposals still in the assessment panel process, with a further 10 proposals endorsed and now preparing relevant assessment documentation. I am advised proposals that have been approved to proceed via the EOI process, if fully realise, will provide investment of over \$99 million and 207 full-time equivalent jobs.

Ms O'CONNOR - That's just a rubbish palaver statement given the values that we're talking about here but anyway carry on. I am interested to know who which stakeholders were part of the preliminary time targeted consultation on the Tasmanian Wilderness World Heritage Area management plan review.

Mr DUIGAN - Do we have that information?

Ms MULLER - It was a pretty extensive stakeholder list, it included Aboriginal organisations, tourism related organisations currently operate within the TWWHA, environmental groups.

Ms O'CONNOR - Tasmanian National Parks Association?

Ms MULLER - Yes.

Ms O'CONNOR - Tasmanian Conservation Trust?

Ms MULLER - I don't have the list off the top of my head, but certainly I know that it was a very significant list of stakeholders that have an interest.

Ms O'CONNOR - Thanks Sophie, that's good.

CHAIR - Can I ask just a higher level one, when you look at the budget line item 4.4 for the revenue from appropriation that was for 2024-25 it was \$42 million. But the actual was \$77 million. Then the expenses, also similarly when we look at \$88 million, the actual expenses were \$154 million. Can I have an explanation of that significant increase and where the money came from?

PUBLIC

Mr DUIGAN - In the absence of secretary Jacobi, I will ask Sophie to provide that detail for you.

Ms MULLER - Could you refer to the table numbers for me?

CHAIR - It's table 9.3 on page 162 for the expenses by portfolio and output. Then page 159 for the revenue from appropriation by output. I asked a question without notice last week and was provided with the actuals. I did confirm there was an error in one week, I must say - not yours.

Mr DUIGAN - No, it wouldn't have been mine.

CHAIR - Well, I didn't go and check your annual report so I couldn't - no, anyway. But if it's wrong then maybe there is an error here. But I was informed in that answer for the revenue from appropriation for output 4.1 Parks, the budget for 2024-25 was \$42.2 million. The actual was \$77.2 million; \$30 million extra.

Ms MULLER - I believe this is a combination of bushfire funding, so we funded for fire. That's the west coast fire response of \$30-odd million or so. I do have the number somewhere, but I can't actually find them right now. It's a combination of bushfire funding, increase in funding as a result of the Parks operational support which was provided through supplementary appropriation, and an upward lift in asset depreciation as a result of a process around the valuation of Parks assets that occurred.

CHAIR - Are you able to provide a breakdown of these additional funds because obviously, some of it was a supplementary appropriation. The biggest component of that was health last time.

Mr DUIGAN - Yes, there was \$8 million for Parks in that sub-appropriation. But in terms of the bushfire funding -

Ms MULLER - The bushfire funding was \$26.67 million that was funded through a RAF. The depreciation of Parks assets that have been valued which has resulted in a high depreciation value was \$21.32 million. Then the Parks operational support funding through the supplementary appropriation bill was \$8 million.

CHAIR - Okay, so the RAF under the *Financial Management ACT* RAF process was related to the fires. Did any of that attract Australian Government support? You had to come back? Because some of that does -

Mr DUIGAN - That's probably the number independent of the Australian Government support, but I will check.

Ms MULLER - I am advised the Australian Government funding does go towards bushfire response, it goes direct to Treasury, not to us.

Mr DUIGAN - That would be our WACC of that. It was a \$52 million fire.

CHAIR - Okay. Thank you.

PUBLIC

Ms O'CONNOR - You get that money directly? If the Commonwealth contributes \$52 million towards the state for fire management in the TWWHA and it goes into Treasury, I don't know what the sum was that you just talked about.

Mr DUIGAN - Yeah, we get 50 per cent -

Ms O'CONNOR - The Commonwealth contributes towards fire management in the TWWHA and that goes through Treasury. Does it go straight into Parks, or it just goes into the public public account and then you get whatever it's decided you might get.

CHAIR - Or through a RAF they obviously got it back out. Because the RAFs came out of the Treasury reserve. Otherwise, how do you account for it?

Mr DUIGAN - Yeah.

CHAIR - You've got to account for it some way.

Ms O'CONNOR - Sure, but you could make it a recurrent contribution from the Commonwealth towards fire.

CHAIR - We haven't had a fire every year. They won't need it.

CHAIR - Other questions on Parks?

Ms O'CONNOR - Minister, I am interested in an update on reserve activity assessments. For a long time, they've been a source of real resentment and frustration amongst people who really appreciate protected areas and the maintenance of natural and cultural values. RAAs as you know, it's not a particularly transparent and open process. It limits public input, for example on compliance with management plans. There are all sorts of levels and, in general, the reserve activity assessment process shuts Tasmanians out of having a say on activities inside their parks. Your predecessor, some ministers ago, but she was a good one, minister Petrusma, made a commitment to review the RAA process to provide a more open and transparent statutory pathway. Are you able to provide any sort of update on what's happening with reserve activity assessments?

Mr DUIGAN - Yes, I am and let me read it to you.

The Tasmanian government committed to sustainably managing and protecting our state's natural assets. The Reserve Activity Assessment (RAA) process has been used by Parks to assess use and development proposals since 2005. It allows for decisions on suitability of the proposal. It is also an important risk-management tool for day-to-day and routine management decisions.

And it's worth noting that 80 per cent of all RAAs are produced by Parks. It is an important tool.

Ms O'CONNOR - They manage the reserves.

Mr DUIGAN - Indeed.

PUBLIC

To support best-practice management of Tasmanian reserve land, government released consultation paper which sought feedback on proposed amendments related to the RAA process. Proposed reforms -

Ms O'CONNOR - When was this?

Mr DUIGAN - When was that?

Ms O'CONNOR - That was six or seven years ago maybe.

Mr DUIGAN - Some time ago.

The proposed reforms were subject to extensive public consultation process based on the provision of detailed consultation report outlining the issues and proposed reforms. Interest in the process was significant with 807 submissions. There was strong support for retaining the existing provisions for assessment under the *Land Use Planning and Approvals Act*, LUPA, and that was an important part of the feedback and the current application of the Tasmanian Planning Scheme for proposal on reserve land across many of the submissions and maintaining LUPA allows for retention of existing third-party appeal provisions.

We have listened to the feedback and that is why I have announced in September the government has decided to pursue further reform without amending the *National Parks and Reserves Management Act 2002*. We will not be introducing a new statutory process for environmental impact assessment on reserve land.

The government remains committed to ongoing reform of the RAA process to further improve transparency, consistency and opportunities for public input into the RAA process. Importantly, improvements to the RAA process over the past four years have resulted in a more consistent, robust process with greater transparency on the significant projects of interest to the community on reserved land. This includes the launch of the online lease and licence portal which supports our transparency agenda through the publication of active leases and licences on reserved land.

The Parks and Wildlife Service will continue to focus on increasing transparency through the publication of RAA assessment guidelines. It will also improve coordination between the RAA process and the planning permit process, further reducing duplication, improving consistency in decision-making and providing clarity about the various LUPA assessment pathways. This work will be undertaken with the advice of State Planning Office.

Our plan changes also include introducing an additional consultation step at the scoping phase of a level 3, which is the complex RAA to draw out key community issues earlier in the process, reporting on progress of level 2 and level 3 RAAs which are underway, publishing further information about the RAA process, including guidelines, ongoing review and improvement as issues are identified. Importantly, we're not backing away from sustainable

and effective management of our natural resources. We remain committed to a balanced, sensible approach to considering proposed developments and use of our natural areas.

Ms O'CONNOR - What does that mean in terms of the timing for there to be a more open and transparent process because you talked about the government remains committed to having a reserve activity assessment process that allows more opportunities for public input. I think I paraphrased you almost correctly. What does that mean in terms of when the public will have more opportunities, and when we're likely to see some substantive change in reserve activity assessments and how they respond to the need for public consultation over public land development.

Mr DUIGAN - Typically, I think we are almost exclusively in the realm of level 3 RAOs where there is that high-degree of public interest. The new reforms would seek to include some public consultation earlier in the process to better understand what those concerns are likely to be and enable us to address those. That, principally, but happy to have Sophie - obviously, you have more experience with this than me, and would like to hear your view on how that will actually work.

Ms MULLER - As, you know, in addition to some of those strengthening approaches to the level 3 RAOs, we're also proposing to have a greater degree of transparency around the level 2 decisions as well. That's what currently in training in terms of the timing. I think we could say that we would expect to see those changes occur in 2026.

Ms O'CONNOR - Minister, has there been any work through Parks - I mean, it's obviously necessary to return land to Aboriginal people and there are a number of ways you could do that. One of them is through a specific reserve tenure or through an indigenous protected area. Has there been any progress in Parks on working with the Aboriginal community and the Minister for Aboriginal Affairs on the return of some of those lands?

Mr DUIGAN - I've certainly had conversations with the previous Minister for Aboriginal Affairs around a lot of those conversations. I must admit that the new portfolio minister and I haven't circled back to continue those discussions, but I have certainly spoken to a number of Aboriginal organisations to hear their thoughts on how we progress these things. I guess at the moment there isn't a pressing decision in front of me. I've interacted and I'm aware of some of the ones that are likely to progress sooner rather than later.

Ms O'CONNOR - As you know, there's, for example, an area of land in the Great Western Tiers, Kooparoona Niara, that was set aside as a reserve - not an actual, I think it's just a conservation area. At the time that that tenure decision was made by a previous predecessor to you, Mr Jaensch, to give it that lower conservation status where even though it abuts the Tasmanian Wilderness World Heritage Area.

At that time, the Aboriginal Land Council of Tasmania, the Tasmanian Aboriginal Centre, were asking government if that land could be returned to them and managed by Palawa people. Has nothing come across your desk on desk on Kooparoona Niara? Because it was a formal request on the part of the Aboriginal community to have the land returned.

Mr DUIGAN - I don't think I've seen anything. I'm certainly aware, but I don't believe I've seen anything formal recently.

PUBLIC

Ms MULLER - The land [inaudible] under our current legislative framework is the responsibility of the Minister for Aboriginal Affairs.

Ms O'CONNOR - Except that she doesn't manage any land.

Ms MULLER - No, but she's responsible for the act.

Ms O'CONNOR - I understand that. But I guess I'd say unless there's a conversation with the Minister for Parks, the biggest land manager - don't let it go to your head - in Tasmania, then it's unlikely that the Minister for Aboriginal Affairs will, of her own motion, necessarily decide just to return some of the land you're managing.

Mr DUIGAN - Again, I guess I would point to those conversations that I had with minister Petrusma, which were about advancing some of those aspirations.

Ms O'CONNOR - It just sounds like it's sitting off the side of someone's desk somewhere and not going anywhere. It's now at least 20 years since lands were returned to Tasmanian Aboriginal people. I think it goes back to 2005, yes, 20 years. Can I ask whether you would perhaps pick that up and have that conversation with minister Archer, because we have to progress this somehow, and there are opportunities in Crown lands and reserves.

Mr DUIGAN - Look, I don't know whether you've spoken to minister Archer yet, but -

Ms O'CONNOR - Not yet: that's tomorrow.

Mr DUIGAN - I am sure it is one of those things that she's very much looking to get on the front foot.

CHAIR - In terms of visitor numbers, you must have actual information about the visitor numbers in the major - Cradle Mountain, Freycinet, Gordon River, Lake St Clair, now the deepest in the Southern hemisphere - it always has been, we just didn't know - Mole Creek Caves, Mount Field and Narawntapu. Can you give us an update on the visitor numbers there?

Mr DUIGAN - I think we absolutely can, and we're seeing visitation coming back to those typically sort of - well, we're getting closer to pre-COVID numbers.

CHAIR - Have you met your targets for 2025?

Mr DUIGAN - There's substantial growth - in some areas like Maria Island growth is very strong. In other areas it's a little bit flatter, but we're seeing people back into the parks, which is good.

CHAIR - The numbers?

Mr DUIGAN - Would you like us to table the numbers?

CHAIR - If you could table them that would be great. I will be interested to look at -

Mr DUIGAN - Any one in particular? I'm happy to -

PUBLIC

CHAIR - Cradle Mountain, because this is one of the ones that may have been affected by the *Spirit* disaster.

Mr DUIGAN - If you look at 2019-20 -

CHAIR - If you could just go to 2023-24 and what your target -

Mr DUIGAN - 2022-23: 264, so you know, pretty flat. 2023-24: 274, 2024-25: 268, so pretty flat.

CHAIR - It's less than what your target was. Your target in last year's Budget was 285.

Mr DUIGAN - Was it? Yes.

CHAIR - What's your target for this next year then?

Mr DUIGAN - This doesn't have that in it, but I'm sure we've probably got them. Anyone else - any other ones that you're interested in?

CHAIR - If you can table them, that's fine, I can have a look at them. It's just that there was - the Premier, identifying the significant impact on all of our tourism operators up that way because of that mess, did offer incentives, but it doesn't seem that they're necessarily flowing through to these areas.

Ms MULLER - I might just add that those targets, as they're referred to in our performance measures, are really an estimate of future potential visitation rather than a number that we're attempting to seek to attract that area. It's kind of based on past trends and forecast data that is published by Tourism Research Australia.

CHAIR - But you might have thought that - and particularly Cradle Mountain - would have gone up a bit further than what it did. It's pretty flat.

Ms MULLER - Possibly that would be impacted by bias this year as well, because the Overland Track was closed for that period of time and day use was not encouraged - discouraged in terms of the park itself, so that would partly attribute to that figure in 2024-25.

CHAIR - In terms of - I have a couple of things in my area. The Next Iconic Walk, can you give us an update on where that's at the minute, in the beautiful north-west?

Mr DUIGAN - The magnificent Tyndall. Yes. I will make the statement about how important walking is to Tasmania, and the vast array of walking opportunities that we have. I think there is always a lot of attention -

CHAIR - On the existing tracks?

Mr DUIGAN - given to these types of developments. Given that they have large investments attached to them, these are part of the offering. They are very popular parts of our offering. They are good for Tasmania's brand. We know from the work that we've done in surveying people, particularly who have done the Three Capes, would say they'd come back - 90 per cent of people who've done Three Capes say they would come back and do a similar walk of a similar standard in Tasmania.

PUBLIC

So there are compelling reasons why we as government would see these as good investments in terms of, you know, building our profile, building our brand, bringing people into our regions, and I think that's a really important part of this. Certainly, it has been for Three Capes in the Tasman. This will do similar things for Queenstown and the west coast and -

CHAIR - Tullah.

Mr DUIGAN - Tullah. So, what have we got - locations for the overnight nodes, on-track shelters and lookouts have now been determined, and concept plans for the huts and other track infrastructure have been uploaded to the PWS website in 2025. The walk has been designed to accommodate a maximum capacity of around 12,000 visitors over the spring, summer and autumn season, a year-round maximum capacity of 16,000 visitors, and to keep the experience wild and sustainable, daily departures will be restricted to 34 people per day for the hut accommodation and 10 camping in tents. So, again, that's important that we throttle the number of people out in the track.

CHAIR - Throttle? That's an interesting term.

Ms O'CONNOR - Constrain, control, contain.

CHAIR - Manage - throttle sounds like you're going to speed them up, or kill them or choke them.

Mr DUIGAN - The project team is aiming to have all the approvals in place by early 2026, with the procurement of contractors and construction to commence shortly after. Current project timelines forecast the walk to be complete in 2029. Once the designs are finalised, construction commences, and the influence of the west coast weather and local site conditions is better understood, a more accurate timetable for completion will be established. Project updates, including a summary of the EIS, current hut and campground designs, along with the findings from various consultations and market research, are available on the website.

CHAIR - Are they starting at both ends at once, or are they working from one end through?

Mr DUIGAN - No. My understanding is it's a one-way walk. You know, you start -

CHAIR - No. I'm talking about the construction of it.

Mr DUIGAN - Constructions of it: are we working from -

CHAIR - One end to the other and hope like hell you meet? No, no, I know you will.

Mr DUIGAN - each end to the middle, or are we starting from one end and working toward -

Ms MULLER - I don't know the precise direction, but I do know that we're looking to appoint multiple contractors to enable us to deliver it quickly.

CHAIR - Two different parts, right: and the Edge of the World?

PUBLIC

Mr DUIGAN - Edge of the World, yes, there recently, and good to have, you know, some designs and that project going forward. If you'd like to hear someone different talk about it, maybe - do you want to have a discussion about Edge of the World, Alice? Danielle? I've got it, but I feel like I've been talking a lot.

CHAIR - You are the minister.

Mr DUIGAN - That's true. The government committed \$2.75 million to deliver upgrades to Edge of the World, as well as revitalise and reimagine the site, and the draft concept design is now available for public feedback. Have you seen that? It has some great images of what people can expect once the works are completed, and it will certainly be an experience to remember. Essentially, it takes vehicles back from the site, to a large extent. There's still obviously access to -

CHAIR - There'd be proper facilities and stuff? Because it's one of the things that's bothered the locals.

Mr DUIGAN - Proper facilities, yes. And you know, it's a pretty challenging place to deliver those sorts of facilities on the basis of the heritage that it contains.

CHAIR - Blowy sometimes.

Mr DUIGAN - It does get blowy. Developed by landscape architects Inspiring Place, the draft concept plan incorporates feedback received so far. The Edge of the World is an important cultural and recreational site where visitors can experience the windswept coastal landscape and breathe the pristine air, and as I was mentioning, the proposed scope of works includes improvement to road access, parking, walking opportunities, toilets, shelter and picnic facilities. We will provide some interpretation around the importance of that site. The project protects the site significant Aboriginal cultural heritage, of which there is much in that area and the natural values, while also ensuring facilities and infrastructure can sustainably accommodate current and future use of the area and the project is expected to be completed in 2027. Danielle, we have you to the table-

CHAIR - Maybe Danielle can tell me about the engagement with the Aboriginal community, particularly as there is significant Aboriginal heritage in this area.

Ms POIRIER - Take that 12 months ago we did the first round of initial consultation with Aboriginal community organisations as well as the local community and the public. We engaged-

CHAIR - Local community being Circular Head Aboriginal Centre.

Ms POIRIER - Yep, so that was part of the organisations that we relayed communications to them, inviting them to how they would like to engage on the project, provide initial feedback. If we were requested to present to meetings and otherwise, we did that.

The general public, we also did a community walk and talk on the site. We had the consultants and Parks present to understand and show the community around the existing site

and some of the constraints and the facilities and gauge some ideas about how the site could be improved.

Having taken that feedback on board and also our engineering design works, the consultant works and initial Aboriginal heritage assessment surveys and natural value surveys. We've now compiled that into the draft concept design as the Minister outlined. At this stage, we're in that second round of consultation, which is on the overall design.

Again, we've provided correspondence to the Aboriginal organisations and individuals who have also already contacted us who are interested in the project. That's the second round of consultation. We will use that feedback to then inform the design and refine that even further.

CHAIR - We do have to do Crown lands too.

Ms O'CONNOR - I will ask one more question about biosecurity threats to the TWWHA. Obviously, there's been a long-standing concern about Phytophthora, there's the threat of introduced pathogens in the TWWHA as in New Zealand not long ago you can see rock snot or didymo all through the rivers and it would be pretty easy for someone to bring that over on their shoes despite our bio security precautions. Do we have an update on current biosecurity risk in the TWWHA?

Mr DUIGAN - I will seek to engage the experts here if there's somebody with good information there.

Ms MULLER - We have a small TWWHA biosecurity team who do amazing work. They have been in place for a couple of years, and they are delivering on the TWWHA biosecurity plan. That includes undertaking high priority weed control at a number of locations in the TWWHA including the upper Mersey Valley, Lake Mackenzie, Mount Field and the Southwest National Park.

This work includes developing weed treatment plans, building capacity within the broader parks operations to effectively manage biosecurity risks. Importantly, the team is both developing projects and delivering them but also working across operations to build capacity as well to undertake a range of work in weed management.

But also, in addition to that, that team has been involved in contributing to the eradication efforts in the central plateau conservation area in terms of deer management and the program of work that's been delivered over the last three years in that area.

The team also will continue to have a focus on invasive species such as priority weeds, feral cats and deer with the assistance of a \$400,000 Australian Heritage Grant for protecting the TWWHA through management of invasive species. That a project over two years.

In addition, the team has got a strong focus on working collaboratively with stakeholders, and adjacent property owners to the TWWHA to sort of partner, build capacity and work collaboratively on projects.

Ms O'CONNOR - It's probably patchy and variable in terms of its success, but in New Zealand, for example, before you go into certain areas. The infrastructure there for hygiene in

parks is pretty good. The horse is bolted in some ways, but here are you satisfied, minister, that we have that kind of protective infrastructure in place?

Mr DUIGAN - Not being an expert in the space, I would need to perhaps defer to my department to see whether they had a level of comfort or thought there were improvements that could be made.

Ms MULLER - The team has a combination of still delivering projects, but also delivering really practical guidance to teams on the management of things like boot hygiene. In terms of whether we have the infrastructure in place, we certainly do in some places, but we are always keen to hear about other jurisdictions that are doing things well and open to learning from others.

Output Group 4 - Parks

4.2 Crown Land Services

Ms O'CONNOR - A quick question on Crown Land Services. We ask this every year. What is the current crown land estate in Tasmania and what was it at this time last year? The question relates to whether or not government has been selling any areas of crown land just on the QT.

Mr DUIGAN - Do we have -

Ms O'CONNOR - You should - we come at you on this one regularly.

Ms MULLER - We don't have that data with us. I don't know I've ever actually seen that data specifically. There's a sales team within Crown Land Services that deals with both applications, which is really small parcels of land around easements and so on, and then there is the public sales program. But I have never seen any data that sort of specifically tracks an aggregate over that, and any variation would be really minor.

Ms O'CONNOR - Okay. Well, I have seen data before on the crown land estate at different time points. If we put it on notice and you can't find it, whatever. But I wouldn't mind putting it on notice because I am pretty sure there would be something there in Crown Land Services.

Mr DUIGAN - I don't think I've seen it, but I'm happy to take it.

Ms O'CONNOR - What areas is the sales program targeting for crown land sales? As we understand it, because the government is trying to find savings and some revenue, it might have been an accelerated program of crown land sales.

Mr DUIGAN - No, I wouldn't say that. There are the normal run of events - crown land transactions that happen - but there is not an accelerated position of the government looking to dispose of crown land assets.

Ms THOMAS - Thank you. I did want to ask about Wilkinsons Point, but I think you're going to tell me that it's the minister, Mr Vincent, that I will need to ask about that.

Mr DUIGAN - The minister, Mr Ellis.

PUBLIC

Ms THOMAS - Mr Ellis, now. With Wilkinsons Point currently as a parcel of Crown land declared surplus, do you know if it's been declared surplus as minister for crown lands?

Mr DUIGAN - I imagine I could find that out.

CHAIR - That would be helpful.

Mr DUIGAN - Do we know if it's been declared surplus, anybody?

Ms THOMAS - The Auditor-General's report did find significant process issues with the proposed sale of crown land, so I don't know if there even is a process for declaring land surplus to need. If it has been declared surplus and there is a process for that, I'd appreciate knowing that.

CHAIR - We will take that on notice? Whether or not that parcel of land has been declared surplus - the crown land at Wilkinsons Point.

Mr DUIGAN - Okay.

Ms THOMAS - If that is a process, is that part of your role as minister for crown land?

Mr DUIGAN - My understanding largely is that my role is toward the very end of any proposed disposal of Crown lands, as it tends to typically be, that I would be the person who ultimately signs off on the transaction. Say, for example, it's a road acquisition or something like that, then there's been work happen elsewhere that has informed this work and it's gone on, and the consultations happened there, then it gets ultimately progressed to me as Minister for Parks or for Crown lands or whatever it is to sign off on the transaction. I would task my department with ensuring that all the consultation has occurred and that I was in a comfortable position to make that determination.

Ms THOMAS - If it rests with Minister Ellis, under what portfolio is that?

Mr DUIGAN - Business and Industry portfolio, apparently.

Ms THOMAS - Proposed sale of land fits under the Business and Industry portfolio?

CHAIR - Crown Land.

Mr DUIGAN - It seems somewhat curious.

CHAIR - Indeed it is.

Ms THOMAS - I'm glad you think so, too.

CHAIR - This is why it's such a mess.

Mr DUIGAN - In terms of that declaration of whether something is surplus, apparently that would happen. For example, if there was a police house that the Minister for Police and Emergency Services deemed was surplus, that he could make that determination. Again, I guess

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in Parks, if there was a piece of land that Parks had advised me was surplus or a house or something, I could declare it surplus.

CHAIR - Have you declared it surplus?

Mr DUIGAN - Wilkinsons Point?

CHAIR - Yes, the Crown land around at at Wilkinsons Point.

Mr DUIGAN - To the very best of my knowledge, no.

Ms O'CONNOR - You would remember that?

Mr DUIGAN - I think I would remember.

Ms THOMAS - I hope so.

Ms LOVELL - Does that sit with you to declare as surplus or does it sit -

Mr DUIGAN - No.

Ms LOVELL - Right? So, somebody else may -

Mr DUIGAN - It is the Business and Industry portfolio.

Ms LOVELL - What's the criteria for it to sit in that portfolio?

CHAIR - Hang on.

Ms LOVELL - Why? Was my question. What criteria is used to decide which portfolio land that's not being used by a department like a police house, sits?

Mr DUIGAN - I suspect the answer to that question lies in the current determination, or the use of that land potentially or if it is zoned. Perhaps its zoned commercial or something. I don't have a clear picture of that other than to say it is via portfolio.

Ms LOVELL - Is that something you could take notice of and find out for us? I appreciate that's not perhaps a question directly related to your portfolio.

Ms THOMAS - Well, it is.

Ms LOVELL - Whose portfolio is that related to? Which minister would we ask what are the criteria to determine, if not you as the minister responsible for Crown land? Now that I have said that I think I've convinced myself that it does fit within your portfolio. I appreciate you might not know right here, but is that something you'd be willing to take on notice and find out more about?

Mr DUIGAN - We're getting the nod.

Ms THOMAS - How is the decision made to declare land surplus and who by?

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Ms LOVELL - You could nod. You're the minister. It's just finding out information.

CHAIR - It seems like another minister has the power to declare land surplus that's under your purview.

Mr DUIGAN - I suspect it would then go through that process whereby I would be the final signature on the transaction.

CHAIR - So then the other minister might suggest that that be declared surplus because it's under your purview, it will come to you, and you could say no?

Ms LOVELL - I would also expect that as minister responsible for Crown land that you might like to know who's responsible and why for each parcel of land.

Ms THOMAS - And for a significant parcel of land like Wilkinsons Point, if there was another minister responsible for having negotiations around the proposed disposal of that, I would like to think that there would be discussions with the minister for Crown land around that, but have you had any discussions with minister Ellis?

Mr DUIGAN - As you would appreciate and to take Wilkinsons Point in isolation because it is a parcel of land of interest, but there are lots of dealings across lots of portfolios where there would be interest in acquiring or disposing of land - and that would be reasonable - the case we've used is foreign emergency, but that's certainly not limited to that. Primary industries have land and various things. It is the Minister for Parks who is the final signature on any transaction. I choose not to, but there would more typically be a conversation about why it was appropriate too.

Ms THOMAS - Well, if you're talking to the Premier, I wrote him a letter seven weeks ago with a series of questions on Wilkinsons Point. Could you ask him if you could please respond?

Mr DUIGAN - Wilkinsons Point - I will provide this for the record if anyone is interested. Wilkinsons Point has not reached surplus land declaration.

CHAIR - That's because you haven't signed off on it.

Mr DUIGAN - No, the responsible minister hasn't progressed it through to that declaration.

CHAIR - Watch this space.

We've got a very short break. I know the botanical gardens people came.

Ms O'CONNOR - I think it's okay. I know these things happen.

CHAIR - I'm sorry about that. I did want to pass on the message that we didn't expect them to attend.

Mr DUIGAN - Very positive things happening in the gardens.

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CHAIR - My apologies who have sat through all of that, you rabbiting on and everything.

Thank you, minister, for your time today. You are now free to go. We're not. We will be back.

The committee suspended from 4.47 p.m. to 4.52 p.m.