



PARLIAMENT OF TASMANIA

LEGISLATIVE COUNCIL

REPORT OF DEBATES

Tuesday 1 April 2025

REVISED EDITION

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Tuesday 1 April 2025

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

TABLED PAPERS

Parliamentary Standing Committee of Public Accounts - Report

[11.05 a.m.]

Mr EDMUNDS (Pembroke) - Mr President, I have the honour to present the report of the Parliamentary Standing Committee of Public Accounts No.8 2025, University of Tasmania Financial Position.

Report received and printed.

[11.05 a.m.]

Mr EDMUNDS - Mr President, I move -

That consideration of the report and its noting be made an order of the day.

Motion agreed to.

MESSAGE FROM THE GOVERNOR

Resignation of Senator Anne Urquhart

Mr PRESIDENT - Honourable members, I have received a letter from Her Excellency the Governor which reads as follows:

Dear President

I enclose a copy of a letter that I have received from the President of the Senate notifying me that, pursuant to the provisions of section 21 of the Commonwealth of Australia Constitution, a vacancy has occurred on 28 March 2025 in the representation of the State of Tasmania as a result of the resignation of senator Anne Urquhart.

I have also written to the Premier and Speaker of the House of Assembly to advise them of the vacancy.

Yours sincerely
Barbara Baker, Governor.

The letter from the President of the Senate to the Governor reads as follows:

Your Excellency

Pursuant to the provisions of section 21 of the Commonwealth of Australia Constitution, I notify Your Excellency there is a vacancy in the representation of the State of Tasmania following the resignation of Senator Anne Urquhart on 28 March 2025.

President of the Senate
Senator Sue Lines.

LEAVE OF ABSENCE

Member for Murchison - Ms Forrest

[11.07 a.m.]

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

That the member for Murchison, Ms Forrest, be granted leave of absence from the service of the Council for this week's sitting.

Motion agreed to.

RECOGNITION OF VISITORS

Mr PRESIDENT - Honourable members, I was just about to welcome to the Chamber the group of students from The Friends' School, but because we need to get through all our opening standards, we did not get a chance to welcome them before they left. We will have the chance to welcome three other groups, so we will tell them to pass the message on.

STATEMENT BY PRESIDENT

Welcome to New Staff Member

I would also like to formally welcome to the Chamber today a new staff member of the Legislative Council. I very warmly welcome Ms Melissa Hill, who is sitting in the President's Reserve. Melissa commenced in the role of electorate officer to the member for Rosevears on 11 March 2025.

Melissa has extensive experience working within the Tasmanian education system, most recently having worked as a school business manager at the East Tamar Primary School, which is, of course, within the Rosevears electorate.

Mr DUIGAN - No.

Mr PRESIDENT - Oh, I will check my advice on that. I believe it may be in the Windermere electorate. Anyway, it is in Tasmania, at one of our fine schools.

This background has provided Melissa with a keen interest in assisting those in the electorate. Melissa's experience, combined with her clear respect and care for the people of Rosevears, will make her an asset for the member for Rosevears, as well as the broader Legislative Council.

Melissa will be observing the proceedings today as part of her orientation and she will be back for that ever-popular Question Time a little later on.

RECOGNITION OF VISITORS

Mr PRESIDENT - Continuing with welcomes, because it is that sort of a day, we have some guests joining us for the special interest contribution, and the honourable member for Nelson has, in the President's Reserve, members of the Blackmans Bay Edible Garden Trail. I would like to welcome Louisa d'Arville, Chloe Bibari and Diana Taylor, and from the Edible Garden Trail hosts, Wendy Bowman and Peter Williams. I think I have covered you all there.

And the member for - here is a thing, it has in brackets: Pembroke, the member for Rumney - I picked that one up before it got away - has her Tasmanian Bike Collective guests in for her Special Interest Matter today. I welcome Anthony Edler and Kevin de Lacy to the Chamber today.

It is now time for our Special Interest Matters and the first one is from the member for Nelson.

SPECIAL INTEREST MATTERS

Blackmans Bay Edible Garden Trail

[11.10 a.m.]

Ms WEBB (Nelson) - Thank you, Mr President. It is with great delight I rise to speak about the wonderful Edible Garden Trail initiative undertaken by the vibrant Blackmans Bay Community Association. What is an edible garden trail, I hear you ask, Mr President? Well, I am told the seed of this edible garden trail was planted during the COVID pandemic - the Blackmans Bay version, this is, with the community association president, Louisa d'Arville, who is here in the Chamber today, as you mentioned, along with other association members. She had the idea to sell pea straw to a variety of local gardeners.

That was the beginning but boy, has it grown from there. The underpinning goal of an edible garden trail is to bring people together and, in this case in the Blackmans Bay community, to build community and resilience. Louisa researched the concept by being a host for the Home Harvest, which is a larger Hobart-based event. From that, Louisa had a desire to create a local edible garden trail event in Blackmans Bay where the hosts could build relationships with each other, where most of the visitors were locals themselves, where you could travel by bike or by foot to visit lots of the gardens in one day.

Louisa, Justy Phillips, and Margaret Woodward mapped out the first trail using seed funding from the Kingborough Council and local donors. This incorporated a community

garden party, which was an opportunity for guests and hosts to get together at the end of the trail to keep chatting about the gardens and to create further connections with each other.

Those community connections have proved as bountiful as the magnificent gardens. The third iteration of the Blackmans Bay Edible Garden Trail was held this year on Sunday 16 February, which saw, over a period of around three hours, at least 200 guests visit the nine Blackmans Bay gardens included in this year's Edible Garden Trail. What a horticultural heaven those nine gardens provided.

Following the trail, using either the digital map or the hard copy print-out versions, visitors could explore, amongst others, climate-resilient gardens, water-wise food forests or sustainable vegetable gardens. They could explore the native wallaby grass sown and slowly replacing introduced grasses, or venture into the biodiversity-rich native wildlife sanctuaries of a garden.

There were examples of wicker beds alongside rewilding efforts, soil rejuvenation tips, permaculture and the creative example of gardens spilling out onto the verge.

I had the absolute pleasure of taking the garden trail in February and taking with me some family members who are keen gardeners. We were amazed and inspired by what we saw. Often tucked away out of sight of somebody passing by, we visited gardens that had been expertly and passionately tended by their owners. Some highlights for me included a small backyard garden with more fruits veggies, and edible plants than I could have possibly imagined could be fitted into such a space, not to mention a very neat little chook run; a garden, beautifully planted, planned around a new house build which now, some years down the track, is a lovely oasis of native plants, wandering paths, special sitting spots and full of birds and wildlife.

Another one was a family - fairly recently arrived in the state - new to gardening, experimenting with what is possible in their suburban backyard and delighting in the novelty of popping out into their garden to get a snack from time to time.

Also, a real highlight was an impressive sloping garden that had been developed over a number of years to have different regions in the garden. It had come together beautifully and had a lovely outlook from a perfect spot for a morning coffee.

And finally, after a few hours of exploring, learning and just absorbing the wonderful nurturing spaces, about 90 of those who are participating in the trail then gathered at the Blackmans Bay Community Garden for a celebratory party.

What was incredibly clear to me as I took the Blackmans Bay Community Association Edible Garden Trail was the pleasure that a diligently tended garden brings, not just to the people responsible for it, but also to others in the community for whom it serves as a point of connection and engagement.

It is also worth noting, as if 200 participants visiting nine gardens on a Sunday in February was not enough, Blackmans Bay Community Association has attained another extraordinary achievement. They have weaned themselves off the monetary funding they initially received from the council and are now solely reliant on the large enthusiastic network of volunteers and prize sponsorships from local businesses to make this wonderful,

local-community-strengthening event happen. This is truly going from strength to strength in anyone's gardening book.

I take this opportunity to say a huge congratulations and thank you for the inspirational grassroots community work that is done by the members of the Blackmans Bay Community Association who are here with us in the Chamber today: president Louisa d'Arville, Chloe Bibari, and Diana Taylor. I also acknowledge and thank the Edible Garden hosts who are here today, Wendy Bowman and Peter Williams. With 20 and counting fruit trees in Wendy's garden, we were provided with a tantalising exploration of the eclectic, the edibles and the exotics. Although they could not be here today, I also wish to acknowledge the work of Hayley and Benoit Chambon, key coordinators of this year's Edible Garden Trail, along with Louisa.

To close, it was a genuine pleasure to explore the Edible Garden Trail this year. It is an honour to stand here and highlight these inspirational and quiet local achievers' contributions towards a healthy, connected and resilient community. Finally, to all members here, I urge you to keep an eye out for any edible garden trails in your communities and I am eagerly looking forward to the Blackmans Bay Community Association's 2026 Edible Garden Trail. Thank you.

Recognition of Visitors

[11.16 a.m.]

Mr PRESIDENT - I now welcome to the Chamber the second grade 6 group from The Friends' School who are joining us today. We are currently doing Special Interest Matters, which is where elected members of the Council get to talk about matters of interest in their electorate or in the broader state. We are working through that. When we have completed that, we will move on to some private members business today. We know you have been touring the parliament and all the members of the Legislative Council would hope that you have an enjoyable and educational time in the parliament today and make you most welcome.

Members - Hear, hear.

Tasmanian Bike Collective

[11.17 a.m.]

Ms LOVELL (Rumney) - Thank you, Mr President. I rise today to speak about an organisation in my electorate, the Tasmanian Bike Collective. The organisation started in 2005 as the Community Bikes Program, working with students at Geilston Bay High School. That program evolved into the Risdon Vale Bike Collective, which was established in 2014, and it continued to expand, first into Huonville in 2021, then Clarence Plains in 2022. I am sure the member for Huon is familiar with this organisation as well. The program was founded by Anthony, or Ant, Edler, who now leads a team of around five across the three sites. I would like to welcome Ant, who is here today, along with Kevin de Lacy, who heads up sales and volunteer support.

What does the bike collective do? As it says on its website, it mentors and trains young people through the medium of bicycles. As a youth worker, Ant recognised that there were young people who were disengaging from education and knew the long-term impact this would have on their lives. Ant also had a passion for mountain bike riding. He brought those two

things together to create a safe environment for young people to be supported and to develop practical skills and life skills through the hands-on process of working on second-hand bikes.

The Bike Collective works with young people from the ages of 10 to 18, alongside volunteer mentors, encouraging them to learn practical skills in repairing and maintaining bikes, as well as building their problem-solving capabilities, resilience, social skills, focus, and emotional regulation. Mentors support participants to either stay in school or to re-engage, while the program also strengthens their work readiness. Participants receive credits for each session they attend, and they can use those credits to buy the bikes that they have restored themselves. Members of the public can also buy upcycled bikes, with all profits going back into the program.

This program is absolutely kicking goals. Formally, they have been recognised with awards including the Clarence City Council 2013 Community Event of the Year, and the 2019 Tasmanian Community Achievement Award for promoting physical activity. Ant has also been recognised, deservedly so, with the Clarence City Council 2016 Citizen of the Year Award and the 2017 Tasmanian Local Hero Award as part of the Australian of the Year Awards.

I encourage members to visit the Bike Collective website, where you can read about the impact they are having with participants. I want to share a few of those insights now as well. These are quotes from participants. Seth, who was 11 at the time of his interview, said:

I never used to give things a go but now I do and learnt how to ask for help.

and that the program

Helped with my attitude towards mum and dad, gets me out of the house and gives me space.

Alex, who was 16, said:

I went to school more because of here and that helped my relationship with my parents.

and that the program and mentors

Encouraged me to not spend my sessions on smaller unnecessary things but save up for better things. This has transferred over to money management for me.

Kain, who was 16, said, and I love this one:

Even if there is conflict there is space to sort it out.

Kain also shares that the program helped him get a job maintaining and hiring out bicycles on Maria Island.

Mason, who was 14 at the time of his interview, said he:

Learnt about resilience when it comes to dealing with people who might come and mouth off or have a bad attitude.

And it

Helped me help other kids if they need a hand on their bikes.

There are many more to read online, Mr President, and I really encourage members to take the time to have a look at those. They are thoughtful and insightful.

I have also shared with members here in the Chamber a copy of the Bike Collective 2024 Impact Report, which outlines in more detail the incredible outcomes the collective is achieving. I encourage members to read that as well.

I am speaking about the Tasmanian Bike Collective today because this weekend coming up is a very exciting time for the Bike Collective, with its second annual Tasmanian Bike Collective Cycle Challenge, which I am thrilled to be an ambassador for. The Cycle Challenge is a fundraising event with all money raised going towards the launch of a mobile workshop, which will enable the Bike Collective to engage with even more young people in more locations.

The Bike Collective, like so many community organisations doing great things in our electorates, receives very limited funding. They do what they can to invest back into their programs. This fundraiser is a critical part of that. It is an all-ages event. Thankfully my team is being bolstered with the addition of my 10-year-old Tommy, who has a lot more energy than I do. I am sure he will be carrying our team. Teams and individuals will be riding laps of Baskerville Raceway between 10 a.m. and 1 p.m. on Saturday. Entries have more than doubled this year, with 160 participants taking part, 60 of them being junior riders. I will share with members the link for donations to the event and encourage generous donations if people are in a position to do so.

I thank Ant and Kevin for joining us here today, and for the work they do with young people through the Bike Collective. We all recognise that disengagement from education is a problem. Not many people have invested as much time, thought and energy into practical solutions. You are making a real difference in the lives of young people and we thank you for that.

Members - Hear, hear.

Recognition of Visitors

Mr PRESIDENT - Because it is the member for Hobart's birthday today, happy birthday. It is your turn now to give your special interest contribution.

I also welcome the former member for Hobart, Rob Valentine, who is joining us in the Chamber today. It is always welcoming to see you back here.

Members - Hear, hear.

A member - Happy birthday.

Streets People Love Hobart

[11.24 a.m.]

Ms O'CONNOR - Thank you. Thank you for your kind birthday wishes, Mr President, from probably the only April Fool in the room. I also want to acknowledge the presence in the Chamber of my predecessor as the member for Hobart, one of the great Tasmanians, Rob Valentine. It is always really lovely to see you here.

Today the Special Interest Matters subjects have had a connective theme - it has been about sustainability and how we modernise the way we live. Whether it is a community garden trail or the wonderful Bike Collective, it has been about how we can create stronger, more connected, healthier, happier and safer communities.

Today I want to talk about the streets people love in Hobart. We all have a favourite street, I think, in Nipaluna/Hobart. I love the old homes on Goulburn Street. I think there is nowhere on Earth as beautiful and charming and heritage-rich as Salamanca Place, but we know Hobart residents see that these streets were designed for another time. Our streets have become enormously congested. I live in West Hobart and some mornings it takes me 20 or more minutes to get to work from West Hobart to Parliament House. The congestion in our city is a huge issue. It is impacting on wellbeing, it is impacting on productivity. As a result of that, the Hobart City Council, over a number of years now, has been working to improve liveability through active and bike transport options in the city.

Last Tuesday night at City Hall there was an extraordinary meeting hosted by the Hobart City Council on the subject of the Collins Street bike lane trial. Hobart City Council made a lawful decision to undertake this trial, primarily because the roads in the city of Nipaluna/Hobart are dangerous for bike riders. Bike lanes are not a matter of public opinion, they are a road safety issue, as was pointed out by Alison Hetherington from the Bicycle Network Tasmania at City Hall.

We basically had two questions before us at City Hall last Tuesday night and there were democratic votes on these questions. The first one was that the meeting support no installation of bike lanes on Collins Street. Now, just so members understand what is being proposed by the council, they are talking about running a bike lane trial from the rivulet near the beautiful Hamlet Cafe to the CBD. It would involve hardening barriers, so there is real safety for cyclists; improving pedestrian access; lowering the speed limit to 30 kilometres an hour, and planning for more outdoors dining. Now, what is not to like about that? Overwhelmingly, the people who came along to City Hall - and we packed the hall, all of us, collectively - in a democratic way supported Hobart City Council undertaking this bike lane trial.

The first motion, that the meeting support no installation of bike lanes on Collins Street, was put forward by the anti-bike-lane group and was lost by a very significant majority. Then, the second motion, that the meeting support the Collins Street trial as endorsed by the City of Hobart on the 16 December 2024, was put forward and won by an overwhelming majority of those present in that beautiful City Hall. That motion was a strong endorsement for Hobart City Council to keep undertaking this work to make our city safer and more liveable.

There are, however, two unfortunate facts that I would like to point out here. One is that the state government, for ideological reasons, I believe, removed \$170,000 of state government funding towards this bike lane trial. Hobart City Council, to its credit, has decided it will

proceed regardless. The other unfortunate aspect of the meeting at City Hall was the demonisation of cyclists, of people who live in South Hobart and commute to work on their bicycles. We should be able to have these debates without demonising people who choose different modes of transport.

In closing, I would like to acknowledge the outstanding work of a relatively newly established group, Streets People Love Hobart. Many of the members are South Hobart residents. It is a community-led initiative organised by a passionate group of local advocates. We had a beautiful barbeque towards the end of last year, where about 100 people came along to talk about how we can make our streets happier, safer and more liveable. The mission of Streets People Love Hobart is simple: 'To design streets that prioritise people, safety, and sustainability,' because they believe 'Hobart deserves vibrant, welcoming spaces where everyone can connect, move, and thrive.' They also have a mascot, Percy the Platypus, who connects us to the rivulet.

Streets People Love Hobart invites the whole community to join this initiative, to come together to have meaningful discussions and take action. To create the kind of city that Nipaluna, the local residents here, deserve. To modernise our city and make it a welcoming and safe place for all. I am very thankful to the people from Streets People Love Hobart for their ongoing work. I want to let them know that the Greens are part of a wide community of support for their work to modernise this beautiful city we love.

MOTION

Tasmanian Ports Corporation Pty Ltd Annual Report 2023-24 - Consideration and Noting

[11.31 a.m.]

Ms ARMITAGE (Launceston) - Before starting, I would like to point out to TasPorts it would be really great if they could put together an annual report that we could actually read, that the print was large enough. Even printing it up with my glasses on, I need the light on in my seat to try to read it. I am not sure whether there is a reason behind that, but it makes it very hard to read.

Mr PRESIDENT - It is all in the small print.

Ms O'Connor - The devil is in the detail.

Ms ARMITAGE - It is very hard to see the detail because the print is so small. I would hope that, perhaps, in their next annual report, they might make it so that we can actually read it - and I am hoping to find better news, particularly with regard to our *Spirits*. Anyway, this is about the annual report and certainly not about the *Spirits*.

I rise today to note the 2023-24 annual report of the Tasmanian Ports Corporation. It would be remiss to not acknowledge the significant issues which have been raised along the operations, management and governance of TasPorts, along with the TT-Line and the purchase of the new *Spirit of Tasmania* vessels. To this end, I think it is really important to have a good look at what this annual report tells us about the state of the company, its financial position, and its outlook.

In the report, the chairman's note starts with:

TasPorts has continued its strong financial performance with a consolidated net profit of \$18.1 million, delivering another record dividend to its shareholders, the Tasmanian Government, up from \$14.2 million the previous year.

Ms Rattray - You would not sell that cash cow, would you?

Ms ARMITAGE - Well, you would not think so. I would like to think that, rather than try to make as much money as they possibly can, they might have looked at perhaps some infrastructure that was desperately needed, to save us money on a different issue which is not part of my contribution today.

Enhanced revenue of \$180 million against \$168 million (FY2023) allows TasPorts to continue to modernise and de-risk its port infrastructure, as well as invest in intergenerational port upgrades, increasing technology and capacity to better facilitate trade across Tasmania.

I will leave that part there for the moment, but I think these comments are worth reflecting on. I will return to it a little later.

I will turn now to the company snapshot. In a few brief statistics, we can get a real sense of the performance of TasPorts during the 2023-24 financial year: 14.2 million tonnes were transited, with 633,177 20-foot equivalent units, or TEUs, transited - up by 3.5 per cent; 312,991 TEUs were exported and 320,186 TEUs were imported. The top three commodities were 2.78 million tonnes of woodchips.

A member - Shame.

Ms ARMITAGE - There were 2.09 million tonnes of general cargo and 1.12 million tonnes of cement. There were 2630 vessel visits, 144 cruise visits - up 14.2 per cent; 225,000 cruise passengers - up by 32.3 per cent; and 97,000 cruise crew. There were 8.86 million tonnes exported, 5.33 million tonnes imported, 3758 commercial flights and 121,880 commercial passengers.

TasPorts operates ports across the state. The report notes that the key ports of Bell Bay, Burnie and Devonport continue to host the majority of all commodities transited, with a combined total of 12.4 million tonnes, which comprised 87 per cent of total tonnes for the financial year.

The Port of Devonport managed 50 per cent of total TEU during the financial year and the Port of Burnie managed 43 per cent of the total TEU. The remaining 7 per cent was managed between all other ports throughout the network. It is clear TasPorts needs to focus on allocating resources and providing upgrades and maintenance for TasPorts to effectively contribute to Tasmania's economy by way of good operations of our ports. Considering how significantly the north-west factors in the operations of TasPorts, I find it really interesting that out of the five current board members of TasPorts, one comes from the south, one from the north, three from interstate and zero are based in the north-west. Perhaps in light of the Premier's recent policy announcement that 50 per cent of board members at a minimum be

from Tasmania, this would affect the TasPorts board significantly on these current numbers, and I think it is especially urgent that at least one or two board members from the state's north-west should be sourced as soon as practicable.

Forest products, mining, industrial materials and manufacturing items and fuels comprise huge elements of trade which occurs through ports managed by TasPorts. These are implements which keep our economy robust and contribute to our state's position as a good trading partner with other states and internationally. They are vital components for keeping people in Tasmania employed and are a key part of the chain which keeps our economy ticking along. In addition to freight, cruises and the tourism sector, we rely on the vital assets which are owned, operated and maintained by TasPorts.

As I mentioned earlier, during the financial year cruise ship visits, excluding expedition cruise, experienced growth of 14 per cent with 144 visits to ports around Tasmania's multi-port system against 126 visits in the previous financial year. The report states that the increased volume of cruise bookings during the financial year was largely attributable to the introduction of two new cruise lines, Virgin Voyages and Disney Cruise, into the Australian market, both of which featured a significant Tasmanian deployment in their inaugural season in that region. Additionally, the Port of Hobart recorded the highest activity with 83 visits. The Port of Burnie followed with 33 visits, and Port Arthur as a regional destination experienced 19 visits.

It is clear that the tourism and cruise sector is a growing one, and that Tasmania ought to be in a position to continue receiving the benefits of more visitors through our ports and have the infrastructure in place to support that. Again, these are important statistics and are worthy of reflection when we think about how Tasmania should be able to take advantage of these benefits where the proper assets and infrastructure are in place. Asset management is stated by the report to be something which TasPorts significantly invests in, with investment through a 30-year strategic asset management program alongside a commitment to the delivery of new infrastructure.

The report goes on to state that, since 2019, TasPorts' operational and capital expenditure program has seen investment of more than \$265 million across our ports, including more than \$63 million invested into wharf assets around the state. It continues:

The clear maturity in the organisation's management of assets is the result of this realigned strategy [the 30-year strategic asset management program], focused on growing the organisation's level of investment, improving asset condition and maintaining a strong financial position to allow the prudent and responsible management of Tasmania's multi-port system. In doing so, TasPorts is unlocking potential for our customers, communities and the Tasmanian economy.

At the risk of becoming repetitive, I think comments like these in the TasPorts annual report are seriously worth reflecting on.

The financial year for TasPorts also saw a number of growth projects progress. These include the Port of Bell Bay, where TasPorts continued discussions with numerous interested parties to support energy-generating projects such as wind farms and solar farms, transitional industries and projects, hydrogen and alternative fuels, and associated export opportunities for that region of the state.

In January 2024, TasPorts became a partner in the Tasmanian government's Green Hydrogen Hub project, where TasPorts will be planning for the infrastructure necessary for operations to commence unlocking the potential for large-scale hydrogen export. This is a hugely exciting venture for the region, and I do have sincere hopes that it all progresses to provide opportunities for our state and, in particular, for that region and the employment opportunities that it could unlock there.

The Burnie Gateway project of the Port of Burnie is another growth project worthy of discussion. This gateway project was developed to support significant trade and economic benefits for the state, enabling capacity for larger vessels to berth and ensuring fit-for-purpose infrastructure. The report states that TasPorts has progressed planning for its Burnie Gateway vision, which incorporates the development of a staged program of works to support sustainable and optimised growth for the Port of Burnie.

TasPorts states that it has continued to refine the scope and planned delivery of this vision, which was supported by further customer engagement, commercial and financial assessments, and reviews of site conditions and existing infrastructure. This is planned to be a continued project by TasPorts, with completion estimated for the 2025 financial year.

The Port of Hobart Macquarie Wharf Redevelopment project is another growth project discussed in the annual report. TasPorts states that it is committed to its vision to position Tasmania's capital city as an international gateway to the Southern Ocean while enabling growth in well-established key trade areas over a 30-year horizon.

This redevelopment is slated to deliver bespoke infrastructure to the Australian Antarctic Program's icebreaker, RSV *Nuyina*, at Wharf 6.

The program will also deliver upgrades at Wharf 4 and Wharf 5 to enable the growth of Tasmania's key cruise tourism sector, support international research programs and defence operations, and facilitate improved port solutions for other established industries.

It looks like they are doing so well. It is just a shame that one berth seems to have been overlooked.

It is clear that TasPorts sees and understands the needs of our state to leverage our position, both geographical and financial, to make the most of the opportunities that are uniquely afforded to us. To this end, it is wise to ensure that upgrading these assets, progressing visions for future use and the maintenance of TasPorts infrastructure be prioritized, and that significant contributions to Tasmania's economy remain front and centre. We are an island state after all, and we rely on our ports significantly.

I think it is also worth taking a look at the other aspects of TasPorts' operations, including its workforce and international operations.

I note that in the Investing in Our Future part of the annual report, the organisation takes a focus on its people, infrastructure and technology, environmental stewardship, energy and climate, and community.

Given the nature of port operations, a focus on work health and safety is vital. I am pleased to see a fatality risk management strategy has been devised to provide a robust and

consistent approach, helping ensure the necessary critical controls are in place to prevent fatalities and serious injury.

Moreover, a commitment to psychosocial safety is outlined as a priority for TasPorts, which included a collaboration between TasPorts and the Menzies Institute to develop a case study called Preventing Harm to Employee Mental Health through Psychosocial Risk Assessment and Control. Healthy employees are productive employees and health includes a focus on mental health, so it is good to see this is a priority for TasPorts.

I do note further some interesting statistics of 311 total employees full-time, part-time and casual, 246 are men and 65 are women. This is across marine operations professional and support staff. Only four operations staff are women compared to 78 men, and five marine staff are women alongside 97 who are men. I do not necessarily have any commentary on the statistics, but I do find them very interesting.

Given the reliance that any industry has on technology, it is, of course, good to see that TasPorts continues investment in digital strategies and cybersecurity. The Digital Strategy and Roadmap is stated by TasPorts to help sustain and grow operations and has been developed with broad consultation and input across the organisation.

Ongoing commitment to cybersecurity really speaks for itself. Any and all threats to cybersecurity need to be mitigated and our organisations need to plan and resource to fight these threats accordingly.

Environmental stewardship relates to the organisation's work towards remediation work, habitat restoration and future carbon offsets. One example of this during the reporting year was that TasPorts commenced a three-year environmental plantings pilot project to remediate areas within the Port of Bell Bay, the Port of Burnie, Port of Devonport, Devonport Airport, Port of Stanley and the Tamar Cut and Garden Island in the Tamar catchment in partnership with the Tamar NRM; certainly a good initiative to see.

With regards to energy and the climate, TasPorts continues to work towards net zero, accounting for carbon emissions, and resilience planning and adaptation. These include taking climate risk assessments with modern, up-to-date standards and intelligence, and it requires ongoing commitment for robustly implementing best standards with regard to TasPorts' infrastructure and assets.

TasPorts has looked at its relationships with the community. These include partnerships with local organisations like Surf Life Saving Tasmania, Seafood Industry Tasmania, the Maritime Museum of Tasmania, participating in the Derwent Estuary Program and Tamar Estuary and Esk Rivers Program. Additionally, sponsorship of almost \$100,000 as well as in kind support to 27 organisations during the financial year occurred.

TasPorts took on a new graduate program in collaboration with the University of Tasmania and partnered in some significant state events including the Rolex Sydney Hobart Yacht Race, Taste of Summer and Dark Mofo. I am only referring, obviously, to the annual report. I have decided not to stray into areas not included in the annual report. What I would say is, while they have made a very good profit and from all accounts, from reading the report, done an excellent job, I find it quite regrettable that some areas, obviously, have been overlooked, which, as we have stated previously and is well-known, will cost our state a

considerable amount. While we have made over \$18 million, unfortunately, the management of some areas has been overlooked and I find it regrettable, but I do note the report.

[11.46 a.m.]

Ms RATTRAY (McIntyre) - Mr President, I thank the member for Launceston for bringing this noting of the TasPort's annual report to the attention of members. I want to endorse the initial comment the member made in regard to whether they actually want somebody to read this report. I nearly needed to get the magnifying glass out on top of my glasses. It is not well put together.

Ms Armitage - It is not an easy read.

Ms RATTRAY - It is not an easy read. It should be an easy read, because as the member has already indicated, and she has read out some really good numbers, there are a lot of good news stories. The fact there is such a significant amount of return to the state in the way of a dividend is also very handy for the state. It goes well for the state of the business. Let us make it easy to read, first comment.

I also had a look at the initial contribution from the chair of the board, Stephen Bradford. TasPorts' largest port upgrade in a generation continues at Devonport. Under the Port Master Plan, we are investing \$240 million over Project QuayLink to deliver this game-changing infrastructure, an investment that reflects the commitment to providing contemporary infrastructure with enhanced outcomes for the customers and our state. Well, if they can do that, why were they not helping TT-Line? Why were they not right there, side by side?

That is a pretty big statement and if that is what you are achieving as a business, well done, but you also have to look out for your fellow Tasmanians. It is disappointing again, that within this situation, the port infrastructure is not ready to welcome home the new vessels. It goes on to say:

This is a significant project occurring over a number of work packages, some of which are being delivered by TasPorts, while others are being delivered by exclusive port customers.

They have cited TT-Line and SeaRoad.

Importantly, this approach to port development is consistent nationally and internationally, where base infrastructure is delivered by the port, with bespoke terminal infrastructure designed and delivered by the dedicated tenant and operator.

I think that means not our problem, we are not in charge of that.

What a cop-out. It is in the interests of Tasmania to get this infrastructure right, not just about TasPorts. I will leave it there or I will get my blood pressure up. I am coming back. I am just getting a drink. You know I do get fired up occasionally in this place and this is one time. Like most members, we are sick to death of trying to explain why the state is in the position it is in. It is not necessarily our role, but I feel a responsibility, when people ask me what on earth happened, to make some sort of explanation about how two very significant companies did not get their act together, did not work together and here we are. As the member for Launceston

said, it is going to cost a lot of extra money on top of what it is already costing to get that infrastructure up and running and fit for purpose, to do the job we knew was needed six years ago.

Ms Armitage - You said it is not all about making profit, not all about the \$18 million profit, it is about working together.

Ms RATTRAY - Yes, exactly. That profit will be out the door in no time trying to address this. Anyway, moving on.

When you look at the CEO's contribution in the annual report and it talks about a solid performance with a total of 14.2 million tonnes of freight transiting our ports, then obviously also the net profit. A lot of that information has been already touched on by the member for Launceston so I will not repeat that.

I want to make some comment on the role that TasPorts has, particularly servicing the islands. This is a really important aspect of the work of TasPorts, because as we well know, TasPorts and its operations are vital to the viability and sustainability of both King and Flinders island.

I know the member for Murchison, who is a great advocate for her King Island community, would no less want me to talk about the integral operations of TasPorts and the support that it needs to continue to provide. On its asset management it does talk about the investment in King Island for the Currie fisherman's wharf fender upgrades and the fuel facility alarm, lightning and earthing upgrades. All very important, but we also need to understand that the reliability of those services, and at a price point that continues to deliver the best outcome for our Tasmanians who live on those islands, is absolutely important.

While making money is not always the most important thing to do, it is about that service delivery and at a price point our island community can manage. I note when I go across and look at what is happening at Flinders Island at the port of Lady Barron, we do not have a fully functional port at Whitemark. We use Lady Barron because, as the member for Windermere well knows, it is a deepwater port and it is a beauty.

It is a beauty and it has had some significant upgrades over the past years because that is where the heartbeat of the island is, that is where freight comes in, that is where freight goes out. The asset management listed in the annual report for Flinders Island is fuel facility alarm, lightning and earthing upgrades. They must have got a pretty good deal there, Mr President, they have done both islands, perhaps on the one contract which absolutely makes sense. If they can get it right on one island, then let us transfer it over to the other.

I recently received a comment from somebody on the island. I will not name the person, but I am happy to talk to TasPorts at a later time. In relation to the fuel supply and, as I have said, it is so integral to the operations and the functioning of the islands, is about hiring the whole boat for fuel supply every two weeks for two containers of fuel. Then they run for two days, \$10,000 a day, so it is not an inexpensive exercise. The question is, they head back empty. Is there any opportunity to be able to do the old backload? I am not sure whether there is an issue because it is a fuel supply, or what that might look like.

However, it is an interesting question that has been asked. Is there any way that there can be an opportunity to use - every two weeks that trip happens, that they go back empty, those ships. Perhaps that is something for somebody more astute than I to be able to address their mind to, regarding being able to support the islands and even have some cost-effective backload. I know in some industries they make it quite clear there is no such thing as a backload. However, in this particular instance there could well be, if there is a suitable product or products that have no issue about perhaps sitting on a vessel that has carried fuel. Again, I am really interested to have some understanding about that, and so is the person who made contact with my office. They said they had made contact with another member, another island representative, and they may well be following that up as well.

As I have already mentioned, fuel supply and fuel security is integral to my island and certainly the King Island facility as well. We know that it is an expensive way to live, but the island life is something that is very much one of those lifestyles that, once you become an islander, apparently it is something that gets in your blood and is very hard to step away from. I see it on Flinders when I head back over there. People have a young family member back on the island and often they come with a partner and some children. They have come back to the island. They have gone off to school and then perhaps made their life and started to - I mean, Claire Bowman is an exact example of that comeback and she is now part of the Bowman's Store, which is part of the history of Flinders Island, her and her family. I know Lois is very happy to have her back and working around the store.

I might have gone off track a little bit from the report, but all important information for my colleagues to be aware of. As you go over to page 16, it again talks about Terminal 3, and the tenant works there, and it is TasPorts making it very clear that it is not their responsibility. I say that yes, there is some responsibility to be taken there.

It is interesting, regarding the sponsorship that TT-Line offers, it mentions the community grant program. TasPorts has awarded almost \$100,000 in financial and in-kind support to 27 organisations. I believe it would be useful to name those organisations, particularly when it is a company of this nature, and it is not like it is a \$10,000 distribution over a number of entities; \$100,000 is significant, and I see no reason why, if they have merit in what they have asked for, in an annual report you would not name them and talk about what they achieve with the support, whether it be financial or in-kind. I do not know how much of that \$100,000 is in-kind and how much is actual cash, because it does not say, or that I can see. It is something that I would be interested in reading, and I am sure that other members would be interested in having an understanding of it as well.

Another area that I believe is worth making a note of is that the Flinders community is looking to establish a much bigger and better maritime museum than we currently have on the island. We have a small one down at Lady Barron, but it is not exactly what we were hoping to achieve in the way of maritime history.

In the annual report, TasPorts talk about its partnerships and its continued support for the preservation of maritime history by:

... providing in-kind berthing fees at Constitution Dock within the Port of Hobart. Historic vessels berthed include the Maritime Museum of Tasmania's *Westward* vessel, the City of Hobart's *Matilda* and the May Queen Trust's

May Queen. In addition, within Kings Pier Marina, TasPorts host two vessels for [a] local non-profit organisation, Salability.

I expect that has something to do with people who have some sort of disability and perhaps use sailing as a key part of their opportunity to be on a vessel. Again, there is not a lot of detail around - and they are probably really good programs.

Mr Vincent - Great programs.

Ms RATTRAY - Great programs. There is an opportunity to support the Flinders community and to further enhance the marine history - and it is significant. The marine history on Flinders Island is significant. I would respectfully request - and I have not done it in writing - but I know there have been quite a lot of exchanges between various organisations, various members of parliament, around progressing that on the island. I would respectfully ask that that be considered by TasPorts, given that they have a strong partnership arrangement with other entities around the state.

On the Bass Island Line - the shipping service between the ports of Devonport and Grassy on King Island, it says Bass Island Line:

... further reduced its operating losses from previous reporting periods, delivering an underlying net loss of \$0.57 million (FY2023 net loss \$1.4 million). The improvement was due to an increase in cargo volume and the pass through of costs previously absorbed such as fuel surcharges and cargo transfer fees associated with the transshipment services provided via SeaRoad.

In response to severe drought conditions on King Island during parts of FY2024 -

I mean, this is never going to be a significant money-making exercise, because this is the highway. This is the highway between the mainland Tasmania to our island community. Again, it needs to continue to have the focus of TasPorts and those that look after and care about the islands.

I was interested as well in the fact that an organisation like this does only have five board members. It is interesting when we have - just thinking, the Waste and Recovery Board, from memory, has seven, and they have a very small budget. To be perfectly frank - we talked about this last time - most of the funds it receives go to running the board and other administration costs at this point in time. We know that that is going to change in the future, but at this point in time, having five board members to run or oversee TasPorts' work and operations is, I think - frugal is probably not the right word, but I am well impressed that it is not overloaded with board members - acknowledging, however, that no-one from the north-west of the state sits on that board. Given how significant the operations of TasPorts are to the north-west of the state, I would expect that could be something to consider in the future when the next board replacement or turnover comes up. I will take a breath; you might like to welcome our guests, Mr President.

Recognition of Visitors

[12.06 p.m.]

Mr PRESIDENT - I welcome to the Chamber another group from grade 6 from The Friends' School, who are joining us today to watch the Legislative Council. I understand you have been touring parliament and had a look at the House of Assembly and now you are here with us.

What we are doing at the moment is noting a report. The Legislative Council reviews a lot of government business and we are looking today at an annual report from an organisation called TasPorts. The honourable member for McIntyre is making her contribution at the moment and all other members will have the same opportunity to do that. It is probably a whole lot of detail, but we hope you find it interesting and I am sure all members here will make you very welcome to the Legislative Council today.

Members - Hear, hear.

Ms RATTRAY - I want to add my welcome not only to the students, but it is also lovely, as you said, to see the former member for Hobart, who does keep in touch with me from time to time.

Mr PRESIDENT - He keeps in touch frequently because I see text messages going around the Chamber.

Ms RATTRAY - It is certainly nice to have him back in the Chamber. I appreciate his visit here today.

One thing that is worth mentioning is the investment in technology, which, as we know is a moveable feast, and certainly a part of TasPorts. They talk about new technology to optimise port operations and anyone will tell you that in the times that we live in, technology is key to efficiency and safety, and keeping all of those really important aspects of running a business front and centre. It certainly enhances security - and it talks about the improvement that that efficiency will have on the supply chain processes. It says TasPorts 'will continue to leverage technology to deliver seamless experiences, drive productivity, and unlock opportunities for Tasmania'. It would be interesting to know what some of those unlocked opportunities look like. I expect that is something that whatever House and committee looks at the TasPorts operations in the GBEs process later in the year might be able to flesh out.

I know that the member for Launceston talked about the increase in cruise ships in her contribution. I think it was cruise passengers - there is an increase of 32.3 per cent, so people are choosing to get back on those cruise boats and head to Tasmania. That is a significant increase - cruise visits up by 14.2 per cent - I do not know whether they are bigger boats, although they are obviously coming more regularly, but the numbers and the increase is significant. I am interested in where else those opportunities might be, given the investment in technology.

That is really my offering for noting TasPorts' annual report for 2023-24. Again, I acknowledge that there are some very good numbers in this report that are encouraging. My

comment by interjection is, if it is delivering a fairly reasonable return to the state, why would you sell it? Also, are there some aspects of TasPorts' operations of - I do not know, the Devonport Airport - the member for Hobart said, would there be aspects that might be worth selling off if that is not core business of TasPorts? If water and marine infrastructure are more in their sights, then perhaps that is one. We always have to -

Ms O'Connor - A good question for our colleague, the minister.

Ms RATTRAY - Yes. Whether -

Ms O'Connor - He is taking notes.

Ms RATTRAY - I probably stole the member for Hobart's question because it was a good question, not one that I had actually thought of, but I was here when we sold the Hobart Airport. Actually, I was here when they sold - I have been here a long time, simple as that. I have been here a long time. I enjoyed the opportunity, once I got my magnifying glass out to read the annual report and have a look at what TasPorts was doing. I just want to re-emphasise that as Tasmanians, we are in this together. We are not a solo approach. We are not a solo approach and I expect that there was someone wandering around the Devonport Wharf from TasPorts over the past three years, who thought, 'Gee, there is not much going on here to receive some TT-Line ships, I wonder what is going on.' Surely, somebody noticed and forgot to speak up. And here we are.

[12.12 p.m.]

Ms LOVELL (Rumney) - Mr President, I just want to make a brief contribution today. We have had a couple of opportunities to speak about TasPorts in this place over the last - I cannot remember how long, six to 12 months? And this is another opportunity to talk about some of the issues that seem to not be improving very much.

I was struck with the annual report, as other members have mentioned -

Ms Rattray - You do not even wear glasses.

Ms LOVELL - I wear contact lenses - yes, there you go, a little bit of information.

I do not know if that was an error, if that was a formatting error, if it was deliberate, I am not sure. I read these things online so I can zoom in a little more easily perhaps, but it does make it difficult.

It does, however, lead to the issue that I have with the TasPorts' annual report and that is not so much about what it does tell us, but what it does not tell us. That is something I have been struck by in being part of those scrutiny committees and GBE hearings each year, particularly when I was a part of the committee that scrutinised TasPorts in - it was not the last round, it must have been the round before - the 2023 hearings. That was something that we were really struck by then and I do not think it has improved in this most recent annual report.

A couple of things really stood out to me. One was the content about customer engagement. There is mention in the annual report about customer engagement. Great. That is something that should be a focus of TasPorts, but it does not tell us anything about what their customer engagement is telling them. It does not tell us anything about the level of satisfaction

or otherwise of their customers. It is not until you get into those hearings and are able to drill down and put questions to the chair and the CEO - and I have to say, and I have said this before and I will say it again, it is not just putting a question, it is having to ask the right question in the right way over and over again, before you can really get down and get that information. That was one example, customer engagement.

Staff morale was another example. Again, there is a mention of staff morale in the annual report but nothing about their findings. It tells you about some action they are taking, but it does not give us any idea of how the staff are feeling, or what the staff are saying about their level of morale within that company. It makes it very hard to take anything meaningful out of this annual report when you are not getting openness and transparency about what is being identified and what is being done about it. It is not worth a lot when we are reading these overarching statements without any context. That is something that really struck me from this annual report and has done for a number of years. The infrastructure maintenance program - again, something we had to really drill down on - had no information about it in the annual report.

It is concerning because it is not until we get into these GBE hearings - and then even beyond that, having to call them back for further hearings - that is where we start to identify some of the issues that are really present in TasPorts. The crumbling port infrastructure is one example. The issues around the new berth in Hobart for the Antarctic program is another example. It is not until we get those opportunities to really scrutinise them at that deeper level that we find out about these issues. I would hazard a guess that we would not find out about those issues if we did not have those opportunities.

The state's ports are our social and economic lifeline. We imported over five million tonnes of freight in the last financial year, including groceries, household goods, clothing, motor vehicles and important components for Tasmanian industry. We exported over eight million tonnes of Tasmanian product to Australian and overseas markets. Bass Strait already represents an enormous challenge for Tasmania's freight task and what we have to bring in and out of this state. It is something that we all know is an issue. It is an added challenge that other states do not have.

The absolute last thing that Tasmanians need is increased costs to import or export freight. I know we will get an opportunity to speak about this later today, but that is what will happen if Tasmania's ports are privatised. I take this opportunity to again put on record our strong opposition to selling off TasPorts or any part of TasPorts, because that is what it will lead to.

The other part of the annual report that I wanted to note, and other members have also noted this, is the dividends that are paid to the Tasmanian government through TasPorts. Last year, TasPorts delivered a record \$18.1 million to the Tasmanian people. That is a really important source of revenue that would also disappear if TasPorts were to be privatised. That is less money for schools and hospitals. It is revenue to the state that will be lost.

It is critical that TasPorts remains in public hands, in the hands of Tasmanians, because of the absolute importance of our ports, our infrastructure, and the organisation in terms of the challenges that we face and the importance to the Tasmanian economy. It is not only to industry, but to the tourism industry, bringing people in and out of the state. It is so important.

We need to be able to be agile with that. We need to be able to be responsive. We need to be able to do that in a way that is best for Tasmanians, not best for a commercial entity.

We also need to remember that dividends are not a dirty word. Dividends are something that this government has relied on for a long time. This is where GBEs play an important role in our economy and our budget management - in the dividends they provide. While you might get a one-off hit by selling a business like TasPorts, you lose an ongoing source of revenue.

I will leave my comments there. I will speak further about this later today. I wanted to make the point that something that I would really encourage TasPorts to look at, and perhaps the minister to encourage them to look at, is not what they include in their annual report, but what they do not include, and what they could include in the interests of being open and transparent, so that we are not in a position where we have to call them in for these hearings. I do not think anybody enjoys that process. I certainly get the impression that the CEO and the Chair would rather be anywhere else, but if we have to do it, we will do it. It would be great to see a more transparent approach from TasPorts in future annual reports. I note the report.

[12.20 p.m.]

Mr VINCENT (Prosser - Minister for Infrastructure) - I would like to thank all members for their queries, questions, comments - all well received. TasPorts is a very large corporation in amongst our GBEs and a very important part of Tasmania. It brings very high percentages, 90-something per cent of all our freight, in and out of the state. It is of major importance to us. It is a big target, though, and we are very quick to criticise without knowing all the facts sometimes. As the Minister for Infrastructure, I was very pleased to have TasPorts as one of my responsibilities - purely because I had always been fascinated by the ships, growing up in Devonport and moving around wharves with freight, supplying stuff onto some of the older boats. This included the *Abel Tasman*, and I still appreciate the gift I was given at Christmas from somebody in this room.

It has always been an important part to me. I had noted all the criticisms that had come around, largely because of what has been happening in Devonport, but as always, people in this House scrutinise very well and raise a lot of different points. You are quite right, honourable member, sometimes it is not what is in the report; it is what is not in the report. That has always been a fairly big focus of mine, to look past the fine print and look for what is there.

There has been a lot talked about with culture, staffing, morale, and customer engagement. I would like to think that TasPorts has shown a renewed interest, certainly in my time there, but it had been raised before and they have put people in place to address a lot of those things. It is my belief that this year's report, when it becomes due, will and should have a lot more detail in there, as also with the issues on the donations.

I was pleasantly surprised as minister to find that it was quite comprehensive, the amount of work they do in the community in handing out grants, assistance, advice. When I say advice, at the recent spillage down at Tullah, where we had that awful spill there for a while, TasPorts played a huge role in that because of their experience on dealing with water and oil spills and everything like that. That is not something that the papers reported. It was not something that stepped up, but that was something they invested a lot of time and effort into for the betterment of Tasmania.

Ms O'Connor - A privatised TasPorts would be unlikely to do that, Minister.

Mr VINCENT - There are a lot of issues that they do. That leads to a comment about a lot of the situations we have heard the honourable members talk about today, regarding the commercial side of TasPorts. There is a whole different side to what they do. We talk about the big ports around the state, but there are a whole lot of other ports and infrastructure, like in places like Whitemark, where it is not used for anything commercial, but it is still an important part of the community, and in various other places around the state. We heard about the passion from various members in regards to the Strahan Wharf months ago, about how important TasPorts' part is in all that. There is no commercial return on that, so that comes out of the pot of the commercial money. It is quite comprehensive. I hope in the not too distant future to be able to talk more about TasPorts and what it actually does as a whole organisation for things in and around Tasmania.

It also has a lot of commercial enterprises, what you would call very old - decades old in fact - legacy agreements. When they were signed they did not necessarily have rise and fall clauses for modern ways that things have to be built and done. It also put a noose around TasPorts' neck for some of the agreements that were very important at the time to government and other operators, for those services to be operated in Tasmania, but did not put a commercial return on it.

We are gradually seeing that pendulum change and that leads to some of the things about bespoke infrastructure. There is an enormous amount of ageing infrastructure. A lot of the wharves have been built over the top of four or five times in this state. For TasPorts or the government to fund nice, neat, beautiful-looking wharves to have all these ships pull up at, it would just not be possible for anybody to fund that, so where there is a bespoke situation where there is another party that can be worked with over a long-term lease -

Ms O'Connor - Here we go.

Mr VINCENT - to work that through for involvement in the funding, we saw the perfect situation of federal government stepping up for the Antarctic part of the wharf there. This is for \$188 million, which will be going out to tender shortly for the work to be done to that wharf. That is money that the state does not have to find. That is part of the negotiations between TasPorts and some of their major customers, TT-Line being another one of course, Strait Link and SeaRoad are a few of the others that come to mind.

When you look at that infrastructure, an enormous amount of work needs to be done on it. Part of my role as minister has been to sit down with TasPorts and ask for a much more detailed report than we have had before, on that infrastructure over the next five, 10, 15, 20 years as they see it. Most boards and most governments deal with their finances and the situations that they strike in the election period or the short time they will be in office for. Sometimes for these situations, like wharves that are there for decades and decades, we probably do not look far enough into the future on what might be needed. That is not as easy as it sounds.

I will use the cruise ships as an example. Some of the cruise ships floating around, we see them here run out at 150 to 195 metres long. Cruise ships around the world originally were quite small, at sort of around the 80- to 120-metre mark. There are cruise ships being built at the moment that are double that size, up to 395 metres long, which are quite enormous.

When you look at even the size of the *Spirits* or what SeaRoad or SeaLink is operating, those ships are two and three times, sometimes four times, larger than what we were experiencing when we were a little bit younger looking at the wharf there.

They are sizeably bigger. They now have side thrusters, they have different sorts of propulsion. We have dredged our wharfs down lower, which has put pressure on the old systems there. The size of the ships and the movement of increased amounts of freight in there have added pressure onto an ageing system.

In these reports they talk about infrastructure, and infrastructure is my favourite subject. It is something we do need to address in how we fund that infrastructure on a long-term basis. As I started to say, the report I am hoping to have very shortly and be able to talk more about at any opportunity in this House will certainly define the cost of infrastructure to this state and to TasPorts for decades to come. We will have a plan on what it takes to keep up with that - changes in technology and sizes of the ships - to do that.

The fuel issue that was raised on the islands is a very interesting one. I like wearing the hat there of Local Government and Infrastructure when I go across there. I had not had the privilege of going to the islands before I took this role on and -

Ms Rattray - You missed out on my electorate tour. Best electorate tour ever.

Mr VINCENT - I will take your word for that and enjoy being on the next one we do there jointly together then.

It is fantastic to get over and see the islands, but it is also sobering to understand the difference to what it is here in mainland Tassie, if I could say that, our little island state. We have got two little islands, or several of them actually, but the main two, Flinders and King, have unique issues and fuel is a big part of that. TasPorts takes its role very seriously. Yes, it does get criticism but it sticks to being as professional as it can.

There are many things on the islands we need to talk about in relation to how TasPorts and other private operations operate in and out of all those islands. The situation with fuel is changing quite rapidly with modern technology on how it is stored, how it is able to be used, service stations. Farmers do not have to have the underground tanks or the overhead tanks. There are much better systems available now. That is one thing I certainly would like to look into a lot more, about how that can be done much more efficiently than it probably is at the moment.

Ms Rattray - It is a fair question. If a boat is heading back empty, there may be opportunity to utilise that empty vessel heading back the other way.

Mr VINCENT - Correct. I am certainly happy to ask that question and get a bit more detail on that, because I do not have the answer at the moment.

TasPorts does have some conflicts and they have been well noted in some of the reports we have had, in regards to towage and pilotage and other services that they offer. Even the conflict that some see with Devonport Airport. Quite a few port authorities around Australia, I am told, have an involvement, or the board members have involvement with airports as well, so they do not feel it is out of what they can look after and do properly. However, it has been

highlighted that there are a few things there that are a conflict to what they are doing. We do have systems and reviews underway to change that, with pilotage and the towage and a few other things like that, which we need to sort out with Marine and Safety Tasmania (MAST). That will be worked on during this year.

Ms O'Connor - Through you, Mr President, is that in connection with Devonport Airport?

Mr VINCENT - No, separate to Devonport Airport.

Ms O'Connor - Okay. Right.

Mr VINCENT - Sorry. I was throwing Devonport Airport into there as a conflict.

Ms Rattray - Devonport Airport, that is not a conflict?

Mr VINCENT - Yes. One of the things I found very interesting in taking on TasPorts was, I have to say, their passion, because when they talk about it at a board level and a senior management level, you realise how seriously they take the security of Tasmania. We talk about the big ships coming in or out. We quite often hear of different contraband being found, drug issues, transport in and out in all sorts of different ways. Besides that, you also have a lot of small craft coming in and out of ports all around the state, and their responsibility and their security systems that they have in place are state-of-the-art. Absolutely mind-blowing, some of the things that they are involved with and have to look at, and the responsibility that they take forward that they do not always have in these reports. These are the things I am slowly starting to draw out and learn a little bit more about.

The honourable member touched on investing in technology. That is something that is changing rapidly. I probably should have mentioned this in relation to the ageing infrastructure of the wharves, but it is quite fascinating that they have vibration meters now that go on the wharf in various places so they can measure the heavier weight of the containers and the bigger forklifts, and the impact it is having on the concrete aprons that are up against these ageing infrastructures.

They are also using a lot of drone technology now - air, but they also have the submarine drones that can go down and check out right underneath the ships and in against the wharf, to see if there is any siphoning out of the material behind the old wharf. That was highlighted as some of the problems with some of our ageing infrastructure.

They also have the ability now to drill into the wharf and send cameras inside the wharf to understand some of that old, ageing technology that has been encased in layers and layers of concrete.

I find all that fascinating because of my background. That is one of the things that we are doing a lot of work on, between my office and TasPorts, to understand what that is telling us, and what it is going to mean for the future. It means that when we do have to stand up to spend hundreds of millions of dollars on all these wharves, we do it in a way that is going to present and build something that is going to be there for as long as it possibly can, without collapsing underneath from old technology and everything like that.

Ms Rattray - Some of the old technology served us well, minister. I can point to a few roads that would be 40 years old holding up better than some of the new ones.

Mr VINCENT - I am talking more than 40 years old with some of these. It is quite interesting, I did state before in this House that at the end of the Strait Link wharf, there are some fantastic, great big concrete blocks that are amazing to look at, how they are built to interlock. I was staggered to find out they were put there in 1860, I think it was. Now, amazing technology back then when they did not have the ability to handle those things like we have with cranes and technology now. It is quite fascinating. Not everything that is old is crumbling around us.

Ms Rattray - That is my point.

Mr VINCENT - Some of us who are getting older, I hope, will prove that case over the next few years.

In relation to the board make-up, I was also surprised to see five. Because of the pressures on this infrastructure focus and the cultural changes that are going on as well, I felt, and argued, and was supported, in taking the board from five to seven. Part of that replacement, or rejuvenation, of the board has already been happening over the last four months. We are presently finalising interviews to appoint another three people, including a new chair. We have had an interim chair in place who has done a fantastic job. I believe one person sits until the end of this year, November. After November, we will have had, in the last 12 months, a full reinvigoration of the entire board and taken it from five to seven.

Now, I am not sure whether seven are needed continuously into the future, but we will make that decision at the appropriate time. I do feel that with the issues and the large infrastructure program right around the state, whether it is community or commercial, and the negotiations of a lot of these legacy agreements, we need to bring them into the real world. To do that we need to make sure that boards, regardless of what area of Tasmania or the mainland the board members apply and come from, are the very best people to put a balanced board in place to take that GBE forward and be as strong as it can for Tasmania. I am very much into looking at skills the matrix on the boards and making sure the right people are there to cover everything that we might need into the future.

Ms Rattray - Can I ask the minister, do you feel, then, that the fact that there were only five board members is a reason why the TT-Line upgrade infrastructure was not picked up by the TasPorts board?

Mr VINCENT - In answering that, I say no, definitely not. The people who were there on the board had been picked for their skills at that present time and were doing a fantastic job. Whether it was five or seven does not necessarily mean you get everything right under control. You work through all those issues. I ask members who have doubts on that to go back to the TT-Line interim board - Damian Bugg and his answers under scrutiny last year, what he said and where those responsibilities for the issue did lie. I certainly will not go over details from before my time in the role, but I believe that has been well publicised already.

That covers most of the questions. There are a few more things that I would love to keep talking about, this fantastic organisation for Tasmania. I have been out on the tugboats, I have been out in the pilots' boats. I now understand a lot more about the intricate nature of it, even

how they are plastic-coating a lot of the pylons underneath the wharf, encasing them, and what a huge job it is to protect some of our community assets. I now understand, much better, even the currents that we experience in the Derwent and around Burnie, the swells that come in. I understand the difference that the currents make on how ships cannot always move easily through the Tasman Bridge or in other parts, or the complications of handling the growing number of larger ships in and out of the ports.

I will leave some of that to another day, when I have an opportunity, with a bit more information, to talk more in detail about this extremely important GBE that we have called TasPorts in Tasmania.

Ms Armitage - Before you sit down - do you think it might be possible for the TasPorts report to be more readable in the future, certainly with a larger font? Did you also notice, minister, that it was difficult to read or are your eyes better than the rest of us?

Mr VINCENT - Thank you. Having come off a lot of boards, I would say the print is the same in all boards that I have been on. I have made a note of that to check that, and talk about the content and the way the report is presented. The print will be part of that.

Ms Armitage - Thank you, minister.

Report considered and noted.

MOTION

Select Committee Inquiry into the Provisions of the *University of Tasmania Act 1992* - Report - Consideration and Noting

[12.40 a.m.]

Ms WEBB (Nelson) - Mr President, at the outset, I acknowledge my fellow committee members who have completed the inquiry with me, the members for Mersey and Rumney. It was certainly a marathon, not a sprint.

Members - Hear, hear.

Ms WEBB - I also acknowledge the previous chair of the inquiry, present with us here in the Chamber today, the former member for Hobart, Rob Valentine; also, the earlier committee membership of the member for Windermere who resigned from the committee when he joined the Cabinet in October 2023; and, finally, the brief initial membership of the committee by the then member for Pembroke, Jo Siejka, prior to her resignation from parliament.

This inquiry report was tabled on 23 December 2024 and I am pleased that we have the opportunity now to speak to it in this place. I look forward to any contributions from others and their reflections on it. I am particularly interested to hear the government's contribution, as we have not yet had a formal government response to the report and its recommendations. I hope the government sees presented in this report and recommendations the opportunity to benefit our much-valued University of Tasmania and to go some way to restoring the deficit of

trust, so clearly expressed and documented here in the report, in the current university governance's management, decision-making and strategic direction.

For many years now, the lack of confidence in the governance and management of this essential public institution has been persistently raised by academics, staff and students within the university, and externally by alumni and many in the broader Tasmanian community. The extent of this deficit of trust is, I think, unprecedented and maybe catastrophically damaging for the future of our university. None of us wants to see that be the case.

A loss of trust and confidence of this magnitude cannot be papered over with platitudes or faux listening exercises and ersatz consultation processes. It cannot be placated by plans for possible future infrastructure that ring hollow in their dearth of detail. It certainly cannot be suppressed, blocked, silenced or threatened out of existence. It is too firmly rooted in a deep and abiding love of the University of Tasmania and aspiration for what this institution could and should be for our state.

Substantial evidence presented to this inquiry was nothing short of a sharp rebuke of the UTAS council and executive management, but also of the Tasmanian government and this parliament. This is a rebuke that we must not seek to avoid or defend against. It is one that I believe we must accept and welcome as an opportunity to play our part in helping this cherished public institution on a genuinely more positive future path.

I will note here the circumstances in which the inquiry was established. In late 2021 and early 2022, the former member for Hobart, Rob Valentine, and I began to be flooded with emails and other messages relating to the University of Tasmania. This was around the time people were becoming more aware of the plans announced by the university to entirely shift from the Sandy Bay campus into the Hobart CBD. There was significant community concern and distress at that proposal. However, it was far from the only concern relating to the university being raised with us. Other matters that were being raised with us included, but were not limited to: executive management practices, workplace culture, strategic decision-making, facilities management and infrastructure development, funding priorities, loss of key staff, and diminishing quality of student experience at the university.

Mr Valentine and I discussed the correspondence and communications we were receiving. We acknowledged that it was not within the purview of parliament to reach into or seek to direct operational management within the university, nor was it appropriate for us, as members of parliament, to try to adjudicate disputes or complaints that people and groups had with the university management. However, given the university is established under a statute of this parliament, many of the matters being raised could appropriately be explored as they related to the provisions of the *University of Tasmania Act 1992*. This most certainly is in the purview of this parliament.

With the support of this Chamber, a select committee of inquiry was established on 24 May 2022. The terms of reference were to inquire into and report upon the provisions of the *University of Tasmania Act 1992*, with particular reference to:

- (1) The constitution, functions and powers of the university;
- (2) The constitution, role, powers and obligations of the Council and Academic Senate;

- (3) The appropriateness of the Act to ensure accountable executive, fiscal and academic decision-making;
- (4) The appropriateness of the Act to protect and promote academic freedom, independence and autonomy; and
- (5) Any other matters incidental thereto.

Initially, the membership of the select committee included then member for Hobart, the honourable Rob Valentine, as Chair, the honourable Nick Duigan MLC, the honourable Mike Gaffney MLC, the honourable Jo Siejka MLC, and me as Deputy Chair. Before the committee could begin, it was interrupted by a prorogation of parliament in July and August 2022 and had its first change of membership with the resignation of Jo Siejka from parliament. The honourable Sarah Lovell replaced Jo on the committee at that point, and the work of the committee began in earnest.

The response from the community to the call for submissions to this inquiry was substantial, to say the least, with 151 submissions being made. If I may say, some of those submissions were extensive and substantial in their own right. I would like to take this opportunity to express my deep thanks to all those who made submissions. The quality of so many of these submissions was exceptional. I regret that within the confines of an inquiry process and with all the best intention in the world, we were not able to do justice to the entirety of the evidence presented. I think that would not have been possible. To say that I learned a lot from the evidence presented to this inquiry in submissions and hearings would be an understatement.

I would also like to particularly acknowledge and thank the University of Tasmania Council and Executive for the considerable evidence provided to the inquiry by the university. Not only did the university provide an extensive submission in multiple parts, but the Chancellor, Vice-Chancellor and other executive team members made themselves available for many days of hearings with the committee. Of the 12 days of hearings overall, I believe at least three or four were with the university management and council. That was an incredibly generous provision of their time and we appreciated the opportunity to explore things in detail. I also appreciated the willingness not just of presenting there at hearings, but of the Chancellor, the Vice-Chancellor and the executive team to then provide follow-up with us to numerous questions on notice that arose from those hearings, adding to our evidence base.

I would also like to take a moment now to recognise that during the course of the inquiry, three people who had provided valuable evidence passed away. They were each highly respected and demonstrated a deep commitment to the success of the University of Tasmania. Vale Associate Professor Peter Chapman, Distinguished Professor Jamie Kirkpatrick, and Mr Peter Bicevskis.

Members - Hear, hear.

Ms WEBB - It is my view that the process of a parliamentary inquiry provides value at every stage, not just in the delivery of a final report and recommendations. For example, the collection of evidence is an important opportunity that allows information to be shared and discussed in the public domain. In itself, it is a mechanism for transparency and accountability. I believe it is very positive that during this inquiry, while presenting at hearings, the university

was able to point to a range of areas in which it was already making what appeared to be constructive changes to policy, practice and approach in response to matters that were being raised in evidence. That in itself is a positive outcome for the inquiry.

With an inquiry of this size, it is not surprising for the deliberations of the committee to take some time. While all members wish to complete any inquiry and provide a final report as quickly as possible, when working with a very large and complex evidence base, it does tend to take some time. I know this was a point of frustration for many people in the community who were following the process closely and were waiting for the conclusion of the work. I apologise to those people for the frustration. However, all I can say is that inquiries take as long as they take. I know that my fellow committee members and I are very pleased to have been able to finalise the report in December last year and now to have the opportunity to speak about it today.

The final report of the inquiry makes 88 findings and 19 recommendations. I will speak about some of those in some detail under each of the terms of reference. First, whilst speaking generally about the conduct of the inquiry, I would like to give particular thanks for invaluable support and contributions made by parliamentary staff. I express my sincere thanks to Dr Catriona Ross from the Parliamentary Research Service for providing substantial research and briefings for the committee. This work included material that was used in the report, in particular the chapter titled 'Background: Understanding the *University of Tasmania Act*'.

This chapter of the inquiry report provides background information about the *University of Tasmania Act*. It contains a highly interesting short overview of how Australian public universities are established under acts of state and territory parliaments. It explains key points of the legal framework that the University of Tasmania sits within as a public institution. This background chapter also sets out a short legislative history of the act and charts the changing size and composition of the University Council.

Further, the background chapter explains how federal government policy has influenced the provision of state and territory university acts, which prescribe the size and composition of things such as university councils. Finally, the background chapter provides information about the federal government's Australian Universities Accord and its plan for federal, state and territory education ministers to work together to improve university governance - highly relevant to the matters discussed in this inquiry.

In addition, I commend to members Appendix C of the report, which is a chronology of significant events. This is an extensive overview of key events relating to our University of Tasmania, including legislative changes, royal commissions, location and expansion developments, funding and policy setting changes, organisational changes, key strategies and planning documents, and much more. It is a highly informative reference document.

As always, the Parliamentary Research Service was much valued for the professional service provided to the committee as a source of support and information. Similarly and especially, I would like to extend sincere thanks to the secretariat staff who provided the vital foundational support to this committee. In particular, these thanks go to Ms Jenny Mannering, inquiry secretary, and Ms Allison Scott, committee secretariat. We certainly appreciated the patience, good grace and professionalism at all times of the secretariat staff.

On to content of the report. Under the first term of reference, the committee considered the constitution, function and powers of the university in the act. This included discussion that I found highly interesting about the nature of a university and the centrality of its purpose to create, preserve and transmit knowledge. There is something unique and precious in that time-honoured purpose and a clear tension that has arisen from the comparatively recent adoption of a corporate managerial approach to governance and management of universities broadly. This was a topic that popped up continually throughout the inquiry and in other aspects of the terms of reference.

In discussion about the nature of the university and its core purpose, something that came up unexpectedly in discussions during the inquiry with people who provided evidence to us was the potential value of including in the act and overarching preamble an explicitly stated shared understanding of the mission, and the purpose of the university, from which all other matters addressed in the legislation could be understood to be derived or connected.

The Vice-Chancellor of the university, Professor Rufus Black, brought to the committee's attention the fact that the original *University of Tasmania Act* in 1889 contained a preamble, which was removed subsequently in 1951. From the evidence there appeared to be, I think, broad support for reinstating a preamble in the current act. You will see in the report that the committee made a recommendation to do so.

Another opportunity for explicit inclusion in the act would be the stipulation that the university exists for the benefit of the Tasmanian community; to assert the fact the Tasmanian people are the moral owner of the university; and to require in the act that in conduct and decision-making the university should always act in a way which is consistent with the best interests of Tasmanians.

Currently, that is not something that is explicitly stated in the act, and for some it might be an obvious statement to make, but for others the absence of it in the act does then mean we are lacking, perhaps, a way in which to hold decision-making accountable.

In the course of this inquiry, there was much discussion on the prioritisation of commercial interests rather than community interests in giving effect to the core functions of the university. Questions were put on how the university balances the potentially competing priorities of being a higher education provider or a sustainable business. I share here two quotes that address this issue from different perspectives which I think are informative in terms of the different perspectives that are there. The first quote is from the Tasmanian University Student Association, TUSA, and they said this:

... students are concerned about the increasingly privatised characteristics of the University of Tasmania. Students have a strong sense that the University is merely a vehicle for profit, fuelling property purchases and executive salaries. Private and community interests do not always align, and there is a real concern in the community that the University is pursuing commercial interests rather than achieving its core function of promoting the social, cultural, and economic welfare of the community (s6(g)), research (s6(b)), and providing opportunities to apply knowledge (s6(e)).

To address this, we believe there needs to be an amendment that requires the University to document its regard to the interests of its students and the

broader community when exercising its powers. There needs to be a strong, independent governance mechanism that will provide impartial oversight to ensure the University's financial decisions are for the purpose of advancing its core functions, the most important of which are research, learning and teaching, and the community.

That was one perspective captured there. Another one, which I think is equally interesting to contemplate, we heard from Dr Damian Bugg, who was chancellor of the university from 2006 to 2012, and I will quote some of his remarks on this topic. He said:

Tasmania has to educate, at a tertiary level, as many of the students and the population as it possibly can. They are not going to be the high achievers who go to Oxford and Cambridge. So your business model, or your operating model, if people want me to keep away from the word 'business', if you want to do your duty to the state and the people in it, then you have to have accessibility. Accessibility creates an expense. So, is the money there? The tensions should be resolved in an orderly way through forceful debate from academic senate, in my view.

So, it was clear that funding models from the federal and state governments are a crucial aspect of this tension between core function and a sustainable financial operation. The question certainly arises about the predicament in which the universities find themselves when, as government-funded public institutions delivering a public good, they are starved of government funding and forced to generate it themselves, pushing them into a business model which risks being at odds with their unique nature as a university.

The late Peter Bicevskis provided a view on the balance between being a public institution and generating funds. He said this:

UTAS must acknowledge that it is a government-funded public institution serving the people of Tasmania and not a private corporation whose main aim is to make a profit. This changing paradigm is not just restricted to UTAS, but it is common to all universities around Australia, but no other university is proposing to sell off its entire campus and prioritise its business side over its academic role.

Pat McConville, who was a former university employee and former secretary of the NTEU, Tasmanian division, considered the focus on corporatisation undermines the university's core role and identity, and I am just going to do one more quote from Pat. He said this:

I strongly believe in a publicly funded and impartial university system. Some of those challenges are beyond the scope of this inquiry, but the point is that the university is founded on principles and enjoys privileges based on its distinctive, non-business status in our community and not on private entity status. An excessive focus on corporatisation undermines the university's core role and identity. I think that resource constraints are not an excuse for compromising the principles on which the university was founded.

I found the discussion and the contemplation of this tension to be quite a fascinating area of consideration for this inquiry. I note here one finding that we had from this area of the report, which was finding 4:

With increased corporatisation, it is important universities achieve an appropriate balance between being a public institution and generating funds. There is a need for greater independent scrutiny, transparency and accountability to ensure this balance is being achieved.

Moving along, section 5 of the act is the constitution of the university, which, to be clear, is a list of who the university consists of. The act says that the university consists of the members of the council, the members of the academic staff, the members of the professional staff, the graduates and the students. The committee noted in finding 7 that section 3 of the act does not include casual staff in the definition of academic and professional staff and, therefore, in section 5 of the act, casual staff are not included in the constitution of the university. This is an omission that is recommended to be addressed through amendment to the act.

When it comes to functions of the university, the functions of the university, laid out in section 6 of the act, are listed from (a) to (g), and they are an interesting -

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

QUESTIONS

Cuckoo Falls Track - Access

Ms RATTRAY question to MINISTER for PARKS, Mr DUIGAN

[2.31 p.m.]

This is one that I asked the last time we were here and it is to the Minister for Parks. Minister, in my lead-up to the question I talked about your government's commitment to upgrading and improving access to our parks and reserves. My question was: following the closure of the very popular Cuckoo Falls Track 11 years ago in 2014, will the government work with the Parks and Wildlife Service to undertake necessary road repairs to have the track reopened for general access which will enhance the region's appeal to tourists and provide locals with a much-needed space to enjoy nature and maintain their physical wellbeing - for many others, perhaps not I.

ANSWER

Mr President, I thank the member for the question.

I know she left out the reference to the 2030 Strong Plan for Tasmania's Future in the question. Thank you for the question regarding Cuckoo Falls, the access road and the potential for it to be reopened to the public.

As you have noted, Cuckoo Falls was closed to the public in 2014. The asset was transferred to the Parks and Wildlife Service from the then Forestry Tasmania and had been in a state of disrepair for some time.

The PWS closure of the site followed a number of engineering inspections and site visits to determine the extent of damage, the risk it posed to visitors and the likely repairs to re-establish the track. Following lengthy discussions with the Dorset Council, it was agreed in 2015 that Cuckoo Falls was not a priority to reopen, noting the significant landslips required rerouting of the entire track to avoid landslips. Public safety in providing access to these types of attractions is paramount and any risks must be appropriately managed. Given this, it was agreed the focus for improving visitor experiences in the region would be on Ralphs Falls, along with the pre-existing visitor sites managed by the PWS at Bridport and the Waterhouse Conservation Area.

The 7.5 kilometres of road which lead from the Tasman Highway to the closed Cuckoo Falls site are owned and managed by the council (Cuckoo Road) and Sustainable Timber Tasmania (Falls Road) which sits within active permanent timber production zone land.

I am pleased to advise that Ralphs Falls continues to be an important visitor access to the region, along with the various reserves around Bridport and through to Waterhouse Conservation Area and beyond. Each of these sites continues to be managed by PWS and, through the government's commitment to parks and reserves across Tasmania, has already seen road maintenance at Waterhouse and Petal Point conservation areas, and at Wukalina/Mount William National Park.

You may also be aware of recently completed works to restore the Eddystone Point boat ramps - some really good works there and a trailer parking area, significant improvement over what was there and I have had really good feedback on that one.

PWS is currently planning for further improvements to the Waterhouse Conservation Area with upgrades to the camping sites at South Croppies Point and the installation of a toilet. It is expected these works will be completed prior to December 2025, subject to the necessary approvals being obtained.

Supplementary Question

Ms RATTRAY - A supplementary question, Mr President?

Mr PRESIDENT - The honourable member for McIntyre, a supplementary question.

Ms RATTRAY - Am I to take away from that very extensive answer that the answer is no?

Mr DUIGAN - Yes.

Ms RATTRAY - I will not thank you for that, but I also just want to draw to the minister's attention that Ralphs Falls, which was referred to a couple of times, is at the back of Ringarooma, between Ringarooma and Mathinna - quite a way from Cuckoo Falls. I will be back, Mr President.

TasPorts - Proposal for Privatisation

Ms O'CONNOR question to MINISTER for INFRASTRUCTURE, Mr VINCENT

[2.35 p.m.]

The government of which you are a part has announced its intention to sell the family silver, that is our public assets, government businesses, state-owned companies with the exception possibly of parts of the Hydro in order to pay off debt. As the minister responsible for TasPorts - and I noted your contribution earlier when you talked about asking TasPorts for a much more detailed infrastructure report - can you confirm that there are considerations and discussions underway with which TasPorts assets may be made available for sale?

ANSWER

Mr President, I thank the member for the question. There are appropriate committees in place looking at the various parts of GBE reform. I, as minister for TasRail and TasPorts, am operating and working with them on an extremely normal basis of continual business - as they are until those transfer - the different levels come back to both us as a Cabinet and as a government. It is business as normal at this stage and that is all of my involvement as at this point in time.

TasPorts - Devonport Airport - Proposal for Privatisation

Ms O'CONNOR question to MINISTER for INFRASTRUCTURE, Mr VINCENT

[2.37 p.m.]

Minister, can we take that as confirmation that there is a process in train to examine which TasPorts ports or airport or other infrastructure that comes under TasPorts may be made available for sale? Can you confirm that the sale of Devonport airport is on the table?

ANSWER

I will seek some advice on that, Mr President. I just wanted to check that I was right. I can confirm that I have had no conversations since I have been minister on that individually. The government has been very open and honest that all things will be looked at. Certainly, with TasPorts, as I touched on before, there are parts of TasPorts operations that are normally looked at but, at this point in time, I am not aware of any conversations about breaking any parts of that away.

TasPorts - Potential for Sale to Foreign-Owned Companies

Ms O'CONNOR question to MINISTER for INFRASTRUCTURE, Mr VINCENT

[2.38 p.m.]

In your contribution earlier today on the honourable member for Launceston's motion, you said that you talked about how seriously TasPorts takes the security of Tasmania. Can you, as minister, rule out a possible Port of Darwin fiasco where, under the previous Turnbull government, the Northern Territory government basically handed over control of the Port of

Darwin to the Chinese Communist Party? Can you rule out the sale of any TasPorts assets to foreign state-owned companies?

ANSWER

Mr President, I can confirm that I have had no discussions with the Chinese Communist Party in any shape or form, and, as I have said, going through a process with the appropriate people and committees looking at that, I am not aware of any point that I can discuss on that at this point in time.

Ms O'Connor - With respect, that is not the question, minister. To rule out the sale of some of our critical port infrastructure to a foreign state-owned company is the question.

Mr VINCENT - As I said, I am the Minister for Infrastructure, that includes TasPorts and those discussions are not before me at the moment.

**Kingston High-Performance Centre -
Development Application Timeline**

Mr EDMUNDS question to MINISTER for SPORT and EVENTS, Mr DUIGAN

[2.39 p.m.]

When will the development application be lodged for the high-performance centre in Kingston?

ANSWER

Mr President, I will just quickly seek some advice.

Thank you to the member for the question. A really important piece of work that we are doing in consultation with the AFL and the Devils Football Club will be the delivery of the high-performance centre. It will be an important piece for player attraction and retention and, of course, the home base for our club.

The centre is on track to be ready for the Devils' entry into the competition for the '28 AFL season. We are working towards achieving practical completion of the facility by 31 October 2027, as required under the AFL agreement. The functional design brief and the master plan for the Kingston site was endorsed by the project steering committee on 4 February 2025. Design work on the project has reached 50 per cent and, subject to all relevant approvals, goes to tender in November 2025.

The government, as I have mentioned, is working closely with the AFL and the club to deliver the project, consistent with the AFL agreement. The program endorsed by the club, AFL and government sees the construction commence and the project aligned with the agreed timelines in the AFL agreement.

North West Support School - Student Transport

**Ms LOVELL question to MINISTER for EDUCATION and DISABILITY SERVICES,
Ms PALMER**

[2.42 p.m.]

The families of students attending the North West Support School are finding it more difficult to access adequate or safe student transport to and from school outside of using their own vehicle, which is an option that is not available to everyone. Concerns have been raised about an ageing fleet becoming unsuitable and unsafe and a lack of support staff able to administer medication safely. Families who have raised this issue have been told they can apply for funding for transport through the NDIS. However, the NDIS does not fund student transport.

Will you commit to working with the families of students attending the North West Support School to ensure adequate, safe transport is available for all students?

ANSWER

Mr President, I thank the honourable member for the question. Look, there is resourcing that is available to all Tasmanian government schools to support them in meeting the needs of all learners, as well as direct resourcing for students with disabilities. Now, targeted resources are available and that includes specialist programs such as the Transport Assistance Program, which is commonly known as the TAP. At the commencement of the 2025 school year, issues were identified regarding transport arrangements for students with disability supported through the TAP. It was a situation where there were new bus contracts commencing and new students entering and others exiting the TAP. Updated arrangements and bus routes were required to be established by the bus operators and the Department of State Growth.

I am advised that in the majority of cases where families raised concerns, these were resolved, but I am aware that there were some families for whom this was not resolved. Upon those families getting in touch and school association members getting in touch, I initiated and conducted a meeting with support school principals, support school association chairs and we also had our acting secretary, Ginna Webster, attend that meeting, where it was an opportunity in a very safe environment for parents and the principals to be able to share what was happening at their end, and an opportunity for us to listen, so that we are then in a position to look at the issues and the concerns that were raised.

It was a great meeting and the concerns were certainly heard and noted, in particular by our acting secretary. I have since been in discussion with Mr Abetz's office, who is also committing to resolve any of these outstanding issues. It crosses over - I am Minister for Education and for Disability Services, but Transport sits within State Growth as well.

We have certainly been continuing to engage through this. It is an absolute priority for me and it is also a priority for my secretary. I can tell you that later this month there will be another meeting that will be between myself and Mr Abetz, the Minister for Transport. Both our agencies will be coming together, DECYP and State Growth, to hear about what we can put in place in the short term, but also what the long-term plan is so that we are not in the situation that our families found themselves in again.

**Deloitte Access Economics Review into the Proposed Poker Machine
Mandatory Pre-Commitment Card**

Ms WEBB question to LEADER of the GOVERNMENT, Mrs HISCUTT

[2.46 p.m.]

I seem to have an answer from late last year, by the look of it, to a question put in 2024. In relation to the government-commissioned Deloitte Access Economics review into the proposed pokies mandatory pre-commitment card, can you on behalf of the government:

- (1) Confirm the Deloitte Access Review report is complete, and if so, whether the government has now received it?
- (2) Further, if you can confirm the government is in receipt of the report, please detail when it was received, when it will be publicly released and what its total cost was.

I am surprised I did not have these answers last month, Mr President.

ANSWER

Yes, Mr President, and I do apologise to the member for that, I have no reason for that. This answer is dated 28 March, so it is only recent. I apologise for any inconvenience there. The answer is for the first one.

Ms Webb - I would have expected to get it over the summer, perhaps.

Mrs HISCUTT -

- (1) I am advised that the Deloitte Access Economics report is not yet complete.
- (2) Further to the response to question (1), the government remains committed to providing the report publicly once it is finalised. The fixed fee for the report is already publicly available at a cost of \$330,000 excluding GST.

On-Road Traveller Information System - Cost

Ms THOMAS question to MINISTER for INFRASTRUCTURE, Mr VINCENT

[2.48 p.m.]

The government has spent \$22 million on its intelligent transport solution project, also known as the On-Road Traveller Information System (OTIS) - or as I call it, big electronic signs on the highway. In our current economic climate, \$22 million is a significant investment. Many Tasmanians have rightfully raised their eyebrows over the government spending such a large amount of money on a project of dubious priority. It provides the same information that Google Maps already offers to Tasmanians for free.

The project is now completed and commissioned, so there is little point crying over spilt milk. My solution-focused questions are as follows:

- (1) How can the Tasmanian people be assured their government will take heed from public feedback and implement a process which will prevent such blasé spending of taxpayers' money on infrastructure in the future?
- (2) Will the government explore opportunities to recoup some of the \$22 million spent by selling advertising space on the signs to raise revenue?

ANSWER

Mr President, I will start with a few facts on the costings, which are fairly important. The cost for the overhead travel information signs - or the 'big signs on the highway' - is \$12.7 million from the overall budget of \$22 million to deliver a broader intelligent transport solutions program across Greater Hobart. These projects are funded 50/50 between the Australian and Tasmanian governments, meaning the Tasmanian government's share of the costs of the big overhead signs is \$6.35 million. To be clear: the cost to the Tasmanian government on the installation of 11 new electronic signs on our major Hobart roads is not \$22 million but \$6.35 million.

The information system provides variable messages to advise road users in real time on changing traffic conditions such as weather, crashes and unplanned accidents across the city and its approaches. They provide live information to road users, who are already on the road, of current travel times, and give alternative routes or advice on delays in the event of an accident. It is all about road safety and information provision, giving simple, easy-to-read information to road users. Suffice to say, suggestions of using them as advertising billboards is contrary to their purpose and is not being considered. Probably election time for the federal election might be good quick dollars.

Ms Webb - Revenue raiser.

Mr VINCENT - They provide live information and will continue to do so. The installation of the signs has been completed and we are currently in the testing and commissioning phase. The locations of the message signs include three on the Brooker Highway from near Berriedale Road through to the Domain Interchange, three on the Tasman Highway in the vicinity of Mornington interchange, two on the Huon Highway east and west of the Southern Outlet, and one on each of the South Arm Highway east of Shoreline Drive, East Derwent Highway north of Gordons Hill Road, and on the Southern Outlet.

The project has also included two CCTV installations on the Southern Outlet, near Groningen Road and Summerleas Road. These new signs and CCTV installations will complement the existing signs on the Tasman Highway to the west of Hobart Airport Interchange, and other CCTV coverage across the Greater Hobart network. I think you will remember me speaking long and hard about the CCTV network earlier on in my career in the upper House.

Not long after becoming minister, I did visit the state road network and the control centre, as I just mentioned, and this will all become part of that network shortly, as soon as that testing

has been approved. It enables them to monitor traffic, adjust flows and respond to incidents in real time. Now they will also be able to advise motorists in real time of the incidents ahead. In recent weeks, I went on ABC Radio to discuss these signs, and immediately before I went on air, the presenter, coincidentally, read out their regular update on current travel times around Hobart. It was a poetic introduction to my interview, and highlighted just how valuable this information is to motorists.

I would also like to put to bed the claim it can all be done on Google Maps while you are driving. The member is clearly lucky enough to have a car with all that technology, but many Tasmanians are not.

Ms O'Connor - They are on your phone.

Mr VINCENT - Even if they were, the difference in safety for motorists being able to glance at a clear-to-read sign above the road compared to studying the details on Google Maps on their car dash phone is obvious. If we are to accept that comment, we may as well remove street signs of any kind as well. Thank you.

Ms O'Connor - Oh, rubbish. Who wrote that garbage for you, minister?

AFL High-Performance Centre - Estimated Cost

Mr EDMUNDS question to MINISTER for SPORT and EVENTS, Mr DUIGAN

[2.53 p.m.]

I have another question for the Minister for Sport and Events about the AFL/AFLW High-Performance Centre. Has the estimated cost changed, and if so, what is it?

ANSWER

Mr President, I appreciate the member's interest in the project which, of course, is of interest to everybody who is keen to see us progress with our AFL team and AFLW team. In terms of cost and budget issues around the high-performance centre, the state government has committed, as you would probably be aware, \$60 million for the Tasmania Devils' high-performance centre, with the AFL committing a further \$10 million, to give us a funding envelope of \$70 million.

There are several steps that now need to be finalised before our final cost is known. As I touched on in my response to the previous question, finalising a functional design brief to meet the requirements, which are set out under Schedule 9 of the AFL agreement, which is, as you would be aware, fairly prescriptive in what it sets out, finalising a concept design and then going to market with that concept design.

Once all of those steps are completed, the Tasmanian government will be in a position to consider a final budget for the project. The community will be kept informed once this work is completed.

Accessible Vehicle Availability - Review

Ms LOVELL question to MINISTER for DISABILITY SERVICES, Ms PALMER

[2.55 p.m.]

On 6 February this year you announced, with the Minister for Transport, an industry examination of accessible vehicle availability across Tasmania as part of the Sustainable Transport Solution. Can you please advise who will be consulted as part of this review and whether student transport to and from support schools statewide will be included?

ANSWER

Thank you, Mr President. I will just seek some advice.

Recognition of Visitors

[2.56 p.m.]

Mr PRESIDENT - While the minister is seeking some advice, I would like to welcome to the Chamber grade 6 students from Campbell Town District High School, which is in the electorate of Prosser. Your member is the honourable Minister for Infrastructure.

We are currently in Question Time, where honourable members of the Legislative Council get to ask questions of the government on a varied range. The Education minister is just about to answer a question that was put by the member for Rumney.

I hope you enjoy your time in the Legislative Council and learn a lot from your visit to the parliament today. I am sure all members here will make you very welcome.

Members - Hear, hear.

Mr PRESIDENT - I will add that bit to the end of Question Time.

Mr Edmunds - I actually went to Campbell Town District High School, until grade -

Ms Rattray - It was formerly part of my electorate, Mr President.

Mr PRESIDENT - There we go. I will add 10 minutes to the end of question time.

Ms Palmer - I can say that I visited there just the other month.

Mr PRESIDENT - You are the minister.

Ms Palmer - I had a lovely time at your beautiful school looking at some of your new facilities around your VET program. It was fantastic.

Ms PALMER - I thank the member for the question. We certainly know that there are barriers and challenges for people living with disabilities just to do some of the things in life that some of us do not even think about - just getting in a car and going to appointments or to visit people.

After numerous contacts with my office a number of years ago, we began a body of work working with our taxis to see if we could get better outcomes for people with disabilities for wheelchair-accessible taxis. Whilst we saw an increase and some good outcomes initially, unfortunately, it did not see the reform that we needed in this space.

I then began working with the Minister for Transport, Mr Abetz, on more of a sustainable transport solution that would see the lives of people with disabilities vastly improved. The program is seeking to build a bit of a road map to have a look at the need and the capacity that might be available within a private fleet. We have a number of accessible vehicles across the state that may not necessarily be accessible taxi vehicles, but where are they? What are they doing? Whereabouts in the state are they? As we know, in some parts of the north-west coast, in particular Burnie, there simply are not accessible taxis available.

We have also been looking at the development of an online booking system and how, once we have done an audit of those vehicles, they could actually be used to better the lives of people with disabilities.

A roundtable was held last year. That was with disability advocates, with service providers and other key stakeholders. The roundtable really had a focus on unmet transport demand. It is the first stage of a larger consultation program with the Tasmanian disability community, with our service providers and with our key stakeholders.

We have recently engaged the National Disability Services (NDS) to undertake an industry examination of accessible vehicle availability across the state. I am anticipating that the final report from that body of work and recommendations should be coming to me this year.

I can tell you that through Lizzie Castles, who is with the NDS, there has been engagement with a range of stakeholders, through interviews and consultation sessions, as part of the audit. I can inform the House that there are two consultation sessions that will be taking place on 14 and 15 April, and anyone can register online through the NDS website. If they are not sure how to access it that way, they can reach out to my office and we can help them with that.

While I am on my feet, the member for Rumney - I made a commitment to her at the last Question Time session that I would table the 2025 Capital Priority Rankings. So, I seek leave to table this and have it incorporated into *Hansard*.

Leave granted.

Document tabled and incorporated (see Appendix 1, page 106).

On-Road Traveller Information System - Cost

Ms THOMAS question to MINISTER for INFRASTRUCTURE, Mr VINCENT

[3.01 p.m.]

I thank the Minister for Infrastructure for clarifying that the cost of the On-Road Traveller Information System (OTIS) to the Tasmanian taxpayer is \$6.35 million out of an overall project budget of \$22 million for a broader intelligent transport solution project. In follow-up, I have

some additional questions - \$6.35 million is still a lot of money. It would fix a lot of potholes, would it not, member for McIntyre?

The capital cost is not the only cost to the taxpayer for the big electronic road signs, however; there are also ongoing operational and maintenance costs. My question is, can the minister tell us what the ongoing operational and maintenance costs of these big electronic signboards are?

ANSWER

Mr President, I do not have a cost on dead-set maintenance of them each year. That is unknown to me at this point, but the cost of integrating it into our system at North Hobart is \$1400 and then the ongoing maintenance within the system is virtually power and monitoring, which we are there doing anyway, which is taken care of in the control centre's normal budget, I would have to seek more information regarding the actual costs of any maintenance that may be on the individual signs out on the highway. Thank you.

MOTION

Select Committee Inquiry into the Provisions of the *University of Tasmania Act 1992* - Final Report - Consideration and Noting

Resumed from above (page 32).

[3.03 p.m.]

Ms WEBB (Nelson) - I had just begun talking about the functions of the university laid out in section 6 of the act and listed as (a) to (g) in that section. I mentioned that they are an interesting list and there was much consideration of them during our inquiry process.

For clarity and to contextualise the discussion that I will share here in my contribution, I am going to read through the functions as they are listed in the act and they are these:

- (a) to advance, transmit and preserve knowledge and learning;
- (b) to encourage and undertake research;
- (c) to promote and sustain teaching and research to international standards of excellence;
- (d) to encourage and provide opportunities for students and staff to develop and apply their knowledge and skills;
- (e) to provide educational and research facilities appropriate to its other functions;
- (f) to promote access to higher education having regard to principles of merit and equity;
- (fa) to foster or promote the commercialisation of any intellectual property;

(g) to engage in activities which promote the social, cultural and economic welfare of the community and to make available for those purposes the resources of the University.

There was a discussion in much evidence to the inquiry of what should be the core functions of universities and whether the list in the current act was, in fact, appropriate and fit for purpose.

For example, the Vice-Chancellor, Professor Rufus Black, noted this during the hearings, and I quote:

Commercial activity is not a function. It is not a purpose of the University. It may be that elements of it are necessary but that is dealt with in the powers of the act which does make an elegant way in which it says, University, be clear this is your task, but in order to do that there are some enabling things. The powers set out, they are quite clear and explicit, a range of capacities to do commercial things in order to fulfil its functions

Further, there were a range of suggestions for additions to the list of functions in the act. An example that I wish to point to here is from the late Distinguished Professor Jamie Kirkpatrick AM, who suggested the following could be added to section 6 of the act after subsection (g). I will quote the things he suggested could be added. They were:

(h) to engage in activities that promote the ecological sustainability of the University and the broader community;

(i) to promote participatory democracy in the University and wider community.

Then, Professor Kirkpatrick went on to provide a rationale for those, saying:

I have added two important functions. The first of these reflects the outstanding achievement of the University in the sustainability area, which is so important to the State and World. The second exhorts the University to be an exemplar in participatory democracy, to move away from top-down control by a small group of employees.

I appreciated the suggestions that were made by a number of submitters as to matters that could be considered as changes or additions to the list of functions. I did also note that an interesting area of concern that was raised in evidence was a discrepancy observed between who constitutes the university, who makes up the university, and the functions of the university and the governance structures within it.

Accountability was a consistent theme and the relationship between those different elements in the act were also seen as either providing or lacking in the provision of accountability. Accountability was explored here in relation to how it is to be assessed and reported on that the university is delivering on the functions in the act. I note the late Peter Bicevskis made the following suggestion to improve accountability of the university in this respect. He said:

There should be a mechanism under the Act for regular independent review of the functioning of the University and adherence to its legislated functions.

I believe this ties into discussion later in the report under term of reference 3 about the annual report of the university, which is tabled in parliament. I will mention it again and pick up that discussion further in that section of my contribution.

The committee made two recommendations here, in this space, relating to functions of the act. One was recommendation 3, which was that section 6 of the act be reviewed and amended to ensure contemporary and appropriate functions are included. The other was recommendation 4, which was to consider a mechanism to assess the performance of the university against the functions in section 6 of the act. Both of those elements seem important for ensuring the act is fit for purpose and for building accountability into the act wherever we can.

This is a good time to mention the committee made an overarching recommendation in this report, which was:

As a priority, the Government conduct a comprehensive review of the *University of Tasmania Act 1992*, including matters specified in recommendations in this report, and promptly legislate the results of that review.

A comprehensive review of the act, as per that overarching recommendation made by the committee, would be an appropriate opportunity to consult more broadly, and to give effect to the recommendations that we have articulated in this report through an appropriate legislative developmental process. We did not presume to specifically draft amendments to the act or make particular prognostications about what they should be. Rather, we pointed to the areas that did require amendment and why, then look to a comprehensive review from the government to give effect to that through a proper development process for reform legislation.

Moving on to the powers of the university, which are also prescribed in the act. I note that Emeritus Professor Peter Dawkins AO observed the following in relation to the constitution, functions, and powers as stated in the act.

The constitution, functions and powers of the University are very similar to the same section of the acts of the University of Melbourne and Victoria University.

Universities in Australia are large and complex organisations, with multiple objectives and diverse stakeholders. This is evident from the listed functions of the University. The powers, conferred on the University by the Act, are needed to be successful in this context.

In using its powers and carrying out its functions it needs to be recognised that the University is also subject to the oversight of the Tertiary Education Quality and Standards Agency, the national higher education regulator, whose job is to ensure that the University meets the national Higher Education Standards.

A number of witnesses in fact expressed concern regarding inconsistency between the powers and the core functions of the university. In particular, a number of witnesses expressed concern in relation to the university's powers under the act, which give it the ability to pursue for-profit enterprise activities with little relevance to the pursuit of knowledge. As an example of those concerns expressed, I note the quote included in the report from Judy Tierney OAM, that the power to conduct business activities is becoming the main focus at the expense of the core roles of the university. She said:

The 1992 Act introduced a new Section 7 with subsection 1 effectively giv[ing] Utas the power and scope to conduct a range of business activities including share trading, property sale and development, joint ventures and partnerships in pursuit of its ambitions. This is patently becoming the main game for Utas with the neglect of its core roles viz academic and research.

The power of the university to sell land gifted to it is a matter of considerable interest dealt with in this report and of current relevance for this place. The following extract from the Parliamentary Research Service chronology in the report provides relevant context for this and I am going to quote an extract from that. It says this:

... the *University of Tasmania Act 1992* did not include the provision that the Sandy Bay site had to be used for the purposes of the university. Furthermore, Section 26 of the new 1992 Act stated that:

26. Certain land to remain vested in University

Notwithstanding the repeal by this Act of the Amalgamation Act, the land specified in Schedule 3 remains vested in the University but free from any restrictions as to the power of the University to sell, mortgage or otherwise dispose of that land that may, but for this clause, restrict the power of the University in respect of that land.

Accordingly, the *University of Tasmania Act 1992* does not place limits on what the University may do with the Sandy Bay site.

A briefing paper was prepared for us by the Parliamentary Research Service providing a short overview of the power to sell and lease land provisions in public university acts in each Australian state and territory. That is in appendix E of the report. It is very interesting actually to see how that is dealt with across the different jurisdictions and different universities.

The university, in its evidence to us, outlined its discretion and autonomy to manage its assets to support its core activities. I will quote from their submission on that matter. It is important to see how the university regards that. Here is the quote:

Another critical opportunity to overcome structural margin pressure is utilising our existing physical assets to support our access and research agenda, that we know the federal funding model cannot fully support.

The Act enables the University to manage investments and associated income in a way that supports core university activities. Like many other universities,

we have an investment portfolio that provides a source of income generation to sustain financial viability, and a funding source for generating new infrastructure that ongoing funding does not provide.

Optimising our existing and soon-to-be surplus assets represents one of the most effective ways that we can achieve financial stability in the longer term. If we can do this innovatively and at the right scale, we can insulate the University against these very present and longstanding challenges, to benefit current and future generations of Tasmanians. To achieve this, the University has formed a small specialist team and established UTAS Properties Pty Ltd, a separate wholly owned subsidiary to manage these efforts.

By optimising and effectively managing our property assets, we can complete our Campus Transformation in the North and the South, providing Tasmanians with contemporary best-practice facilities and, importantly, preserving the ability for the University to maintain, adapt and replace this infrastructure into the future, enabling us to focus on our mission of being a university for and from Tasmania.

What we also heard though from a significant number of submissions made to the inquiry were comments on this subject of the disposal of land that had been gifted to the university. Overwhelmingly, these comments did not agree that the University Council should have the unconstrained power to sell or dispose of public land gifted to the university for educational purposes. Some suggested that the removal of the previous legislative restraint on the sale of gifted land in the 1992 act would never have contemplated the wholesale disposal of Sandy Bay campus, for example.

Hansard from that debate does not mention such a potential scenario as a possible future consequence of the removal of that previous requirement for ministerial approval.

Other evidence reflected on land management strictures in the acts of other universities and suggested changes to the act here in Tasmania to better align with the approach taken elsewhere. As an example of that, a quite neat, succinct list is provided by Robert Hogan in his evidence to the inquiry, and I will quote from his evidence:

Because it is common for universities to operate on land gifted by the community it is common for the statutes which create universities to contain a requirement that the alienation of land be approved by the responsible Minister. Examples include:

- Under the University of South Australia Act 1990 (s6), the University cannot alienate or lease land for more than 21 years except with the approval of the Governor.
- Under the University of Melbourne Act 2009 (s37), the University cannot alienate or lease land for longer than 21 years without the approval of the Minister

- Under the University of Sydney Act 1989 (s18(2A)), the University cannot alienate land acquired from the State at nominal or less than market value without approval of the Minister

So, there are many examples in other jurisdictions of this being a common approach, that ministerial or government approval is required for significant alienation of land gifted to universities. I personally feel strongly about the need to amend the act to re-establish a requirement for some parliamentary approval for the university to sell or dispose gifted public land and note, the committee, in its deliberations, has specifically recommended that the act be amended to provide a constraint or prohibition on the university having the power to sell land gifted to it by the state.

As we will likely debate a bill related to this matter in the near future, I will not go into further discussion at this point but because it was such a feature of our deliberations and in many of our submissions and evidence, I did want to put it on the record here in my contribution.

I am going to move on to term of reference 2 and the consideration by the committee of that aspect of the terms of reference. It relates to the constitution, role, powers and obligations of the council and Academic Senate.

There have been a number of legislative changes to the governance structures of the University of Tasmania since it was established in 1889. The Parliamentary Research Service provided a briefing paper outlining significant events, which I have mentioned earlier and can be found in Appendix C of the report. In summary, though, the size of the council of the university has been reduced a number of times, particularly in the last 30 years since the 1992 act came into effect.

In the membership of the council, the proportion of elected academic staff and student representation has been reduced, while the proportion of appointed council members from outside the university has increased. These changes were legislated in a series of amendments following advice from the council to various state government education ministers. In the 1980s the council had 30 members, including six academic staff, one member of general staff, two elected students and the president of the Tasmanian University Union, and four members elected from the alumni.

There was also a professorial board at that time, which represented academic staff and was responsible for the allocation of resources for academic matters. Following the implementation of the Dawkins reforms, the passage of the *University of Tasmania Act 1992* and the amending acts in 2001, 2004 and 2012, the council has been reduced to its current size and composition, in which it is to operate with a minimum operating level of 10 members and a maximum of 14. The professorial board has been replaced by an Academic Senate, which is limited to an advisory role, not one that can allocate funding.

A number of submitters to our inquiry commented on the shared managerial academic dual governance model employed by universities and the need for balance in its implementation, and this was another very common tension which is experienced not just by the University of Tasmania but I think commonly across many universities. As an example of this, Adjunct Associate Professor John Kenny made the following observations on managerialism versus academic decision-making:

In the more corporate university, the values of managerialism - of efficiency, effectiveness, quick decision-making, lines of authority - tend to work against the values that drive academic decision-making. So, the two are naturally not going to fit together very well.

It is a governance tension that is not unique to UTAS, as I said. It is acknowledged as existing in all universities in Australia, and in many international jurisdictions. We seem to have erred on the side of leaning into the managerialism and configuring our university council in that way, rather than accepting that tension that exists, and continuing to work with it in its complexity.

The University Council is the supreme governing body of the university. It is clear that changes over time to that key governance structure within the university have had consequences in relation to who is making decisions and the accountability of decision-making back to those who comprise the university and the Tasmanian community.

In particular, over time there were a series of amendments to the act which resulted in the reduction in both numbers and representation on the University Council. At the time the amendments were made to the act in 2012; the reason provided was the federal government reforms that were occurring.

Some witnesses expressed the view that changes to the composition of the council, while in line with national reform initiatives, have resulted in a range of negative impacts. These include a decreased focus on education as the core function of the university and an increased focus on business management; a diminished role of academic and student representatives in governance of the university; and the potential for the council to self-replicate, leading to groupthink, without offsetting such a risk with increased accountability requirements elsewhere.

I also note that there were a small number of submitters who commented favourably on the changes to council membership and the positive outcomes they regarded it to have in terms of decision-making. This includes people who had been members of the University Council and so could be trusted to be well informed on such matters.

It was identified by university regulatory and governance expert Michael Wells that UTAS was at the lower end of the range in terms of the number of people on the governing body compared to other Australian universities. He suggested that it would certainly be open to consider making additional appointments to the University Council - perhaps two to four positions would be appropriate - and that that would still be in a very average range in terms of numbers on a governing body.

I note also that, as is mentioned in the report, Chancellor Watkins from UTAS also indicated that she would not be concerned about the addition of some more members to the council. She cited an additional two as no concern, but as many as six perhaps presenting concerns about fragmentation once the numbers had grown to that extent.

However, as is discussed in the report, it is not only about raw numbers; it is about the characteristics of the council members, the method of their appointment, and the degree of representation from groups that constitute the university. The loss of academic, student and

alumni representation on the University Council was linked to a loss of voice and influence in decision-making by university academics, especially on academic matters.

There is an interesting table from Pat McConville's submission, included on page 67 of the report, which shows the changes at each amendment to the total council numbers and the number of staff representatives on the council. That number is a percentage of total council. I found that an interesting table to demonstrate that not just a loss of raw numbers, but a loss of what could be seen as representation, has occurred over the years with those amendments.

In evidence, there are many who have argued for the addition of more members to the University Council, specifying that those should be elected from the academic and professional staff and the student body. This would be a more direct link back to those who constitute the university, as prescribed in the act.

In the report you will see the committee made recommendations relating to membership of the council. Those recommendations were as follows:

6. The Act be amended to provide for the constitution of the University Council to include a minimum of two student members, with at least one elected from the student body.
7. The Act be amended to provide for the constitution of the University Council to include a minimum of two members of the academic staff elected by the academic staff.
8. The Act be amended to provide for the constitution of the University Council to include a minimum of two members of the professional staff elected by the professional staff.
9. The Act be amended to ensure there is more balance between the number of appointed and elected members on the University Council.

The effect of those amendments would be very interesting to see. It effectively doubles the elected representation from both the academic and professional staff that is currently there in the council. It adds another student member who would need to be elected. At the moment, that is only one appointed role. It points towards a need to make sure that the majority of members on the council are not appointed in a potentially self-replicating way by the council itself.

The make-up of the council is closely shaped by various methods by which the members are appointed. Division 2, section 8 of the act provides detail on the process of making an appointment to the council. In the university's submission, the process of recruitment was detailed with specific reference to council academic, professional and student member vacancies. Chancellor Watkins provided the following detail on the process of appointments:

It is incumbent on us as a council to make sure we are using transparent processes to appoint council members. The composition where we have a mix of elected and appointed members is a good thing in that it gives us the flexibility to make sure we can cover all of the skills and experiences needed to make good decisions in a complex organisation. The important thing is

that we do use a rigorous process, particularly concerning those council-appointed decisions.

However, concerns were raised in evidence that the relative proportions of university council members, appointed by the council versus elected or independently appointed, presents a risk of consolidating power in a small number who are aligned in their thinking, and less challenging debate in relation to decision-making - the risk that some spoke about as 'groupthink' that may become an entrenched feature of the council. John Lawrence, economist and accountant, set out the legislative basis of council appointments and its lack of a feedback mechanism. He spoke of this:

How members of council are appointed is set out in section 8 of the act. The effect is that council itself largely determines who sits on council. A fifth column takeover by managers is not the unsurprising result of section 8. Without a feedback mechanism from members, say, as may occur under Corporations Law, what's to stop council from alienating staff, students, and the community, as has happened?

The relationship between the state government, the parliament and the University Council is an interesting one. Previously, there had been a requirement that a member from each Chamber of the Tasmanian parliament be appointed to the University Council, but that was dispensed with in the 2001 amendments. Protocols attached to Commonwealth funding, under the Howard federal government, precluded state or Commonwealth MPs from membership of university governing bodies. However, this is not to say that there is not good reason to consider the relationship between the university, as a public institution established under statute, and the Tasmanian parliament.

Dr Richard Herr, in his evidence to the committee, encouraged the re-establishment of a meaningful role for parliament, possibly through the University Council. The committee does not make a recommendation in this report to do so, although there are recommendations relating to accountability to parliament and regular scrutiny of the university. These are addressed in term of reference 3, which I will come to shortly.

It is noted that while the act specifies two government-appointed members of the University Council, there is currently no meaningful way in which this differs from those members really appointed by the council itself. The selection process is conducted by the university. The convention here and in any other jurisdictions, similarly, is that government appointments to university councils are basically made on the recommendation of the university councils themselves. In hearings, Mr Jaensch drew attention to the function of government-appointed members to the council, being to represent the public interest, which he described like this:

To ensure, as far as the governance structure allows and the decisions that are to be made, that there are people on the University Council who the government has confidence would be working for the best interests of Tasmania as a whole as part of the University Council.

He went on to say:

The merit of having positions appointed by the minister who is part of the government is that the minister can then apply judgment as to how those appointments can best serve the interests of the people of Tasmania.

However, having made those comments, when questioned, the minister was not able to identify the mechanism or criteria in the selection process that provides for the ministerial selections to be able to fulfil that consideration of the best interests of Tasmania. I asked the minister in a hearing the following:

Distinct from the board of a private company, there is no accountability of the University Council back to a broad membership or stakeholder group, which is something we have discussed in this inquiry quite a bit. The function of ministerial appointments into the council as representative and as bringing the public interest into that decision-making space helps, to some extent, to offset the fact that there isn't a group of stakeholders to which the council is accountable; unlike a corporate board. How do you satisfy yourself that role is being undertaken by those ministerial appointments?

The minister's far-from-satisfactory reply was:

Ms Webb, the opportunity is there for the government to ensure, for the positions that it has the ability to appoint, that there are good people in those roles, whose motives for being there and qualifications and life experience help to ensure that the council can work in the best interests of the university and Tasmania.

It is hardly any kind of firm guarantee that those roles are actually purposefully chosen and then, in an accountable way, undertaking a function of bringing the best interests of Tasmania into decision-making within the University Council.

I note here that the committee has made a recommendation on recommendation 10 that the act be amended to clarify the purpose and the function of ministerial appointments to the University Council. It would be better if this were clarified further in the act, Madam Acting President.

I am mindful that this will be a long contribution, and I will wrap up my comments on term of reference 2 by briefly mentioning it contains interesting reflections on the appointment of the chancellor of the university as a key role of the council. The powers and the obligations of the council are covered, and the lack of review, scrutiny and accountability of the University Council.

On that final aspect, I will note that in a range of evidence, it was raised that university governance, planning, deliberations and decision-making appears to lack visibility and accountability to the students, the staff, the parliament and the general Tasmanian community. For example, comments from Professor Brian Yates, who suggested a more open approach should be adopted for council operations were:

Essentially, I would like to see more reporting to staff and students of the university, reporting to the community ... and indeed, reporting to

government in some way. That probably is the way that University Council can demonstrate their accountability in these ways.

To the external community, I guess this is where - and I am not sure what it was like in the past, 10 or 12 years ago - but possibly making available summaries of University Council meetings or a regular update of what is going on at the University Council. There might even be, these days opportunities to have open University Council sessions or meetings where they are broadcast, or something like that, for part of the time; trying to, as much as possible, open up the representation and the governing body to the community.

I thought those were solid suggestions. My understanding is, in fact, there is a little bit more openness and transparency in the fact that the minutes of council meetings, in very recent years, have largely been brought to light through RTI requests from Mr Robert Hogan, and it may now be more common practice for the University Council to make public its minutes. This is certainly a step in the right direction. It does not go to all those suggestions made by Professor Yates, but I think there is plenty of room to improve further.

The issue of corporatisation of the university, without similar corporate accountability, has come up time and time again in the inquiry. It certainly did in relation to activities around University Council.

The reason there is so much time spent contemplating the University Council in this report, and in my contribution, is that really, it is the foundational and supreme governance body as specified in the act. A lot of the matters relating to decision-making, accountability, outcomes and transparency flow from the way in which the University Council is configured and the way in which it operates. This issue of corporatisation, alongside accountability, is a key one, because it is at the heart of what has changed in recent decades.

I did note Ian Howard, who is apparently an engineering graduate of the university, in his submission, said he believed the management structure of the university is subject to very little scrutiny. I appreciated the summary he provided to make his point. He said:

The management structure of UTAS is similar to that of many public and private organizations. There is a Chancellor (Chairman of the board) Vice Chancellor (Managing Director) and Council (Board directors executive and non-executive). Unlike these other organizations the performance of the UTAS management is subject at present to little scrutiny:

- There are no public performance targets to be assessed against.
- There are no annual meetings where stakeholders and customers can question the board.
- There is no shareholder approval of executive salaries.
- There is no shareholder re-election of board members
- UTAS Management selects council members (with the exception of two state government nominees) who are often its own graduates so a perception of groupthink and agreement to the VC's initiatives pervades.

- There are no board papers minutes available to scrutinize the UTAS activities.
- In reality UTAS's only obligations are to conform to the 1992 Act the subject of this enquiry [sic] and hence its importance.
- Other than the need to seek State [sic] Government approval to borrow funds it's almost a law unto itself. Interestingly this latter provision has been recently bypassed since 2017 by having the Spark Living Consortium finance capital building works in exchange for the future student rental income. This allows UTAS not to borrow the capital, nor have the assets on its balance sheet and hence bypass normal State Government approval.
- The only other permissions required are that of the Hobart City Council building approvals on an ad hoc basis where the HCC secretly agreed to "collaborate" with UTAS on its move to the city

I believe these points are well made in relation to a disparity between accountability that would be expected in a corporate world that is just simply not there when it comes to the governance of UTAS or, in fact, many other universities.

In a publicly listed corporate company, there would be much greater transparency and accountability around the governing body. Shareholders would be in an empowered position to take action if there was a catastrophic failure of governance or management in the company. There is no such mechanism in relation to the university. Those who constitute the university, who make up the university, have no recourse to exercise accountability on the University Council, the chancellor or vice-chancellor.

Term of reference 2 also covered aspects of the act relating to the Academic Senate, which I am not going to go into in great detail, other than to say that our examination included the membership of the Academic Senate, the functions and the role, and the review or evaluation of the senate. Familiar themes emerged on those matters. In a range of evidence presented, the viewers expressed that the Academic Senate was dominated by upper-level management, lacked a majority of elected members, and further, that the senate had a predominance of more junior academic members rather than senior staff actively engaged in significant teaching and research.

The university provided considerable evidence in relation to the membership and functioning of the Academic Senate. It also indicated that this was an area in which the university was making some changes in response to some of the matters raised in this inquiry. That was pleasing to hear.

Many submissions expressed concern about the diminishing authority of the Academic Senate and the fact that the constitution, functions, powers and proceedings of the Academic Senate are prescribed by University Council ordinances, rather than being prescribed in the act. They called for changes to be made to the act to improve accountability and transparency, those familiar themes applying also here to the Academic Senate.

Certainly, of note, I will point to page 103 of the report. You will find there the National Tertiary Education Union (NTEU) provided to us a selection of reflections from its members showing their opinions on the operations of the Academic Senate. They are fairly stark reading, to be honest, and hopefully do provide a really good reason to consider further reforms in that

space, particularly in terms of transparency and the effectiveness of academic staff being able to have a say.

The committee makes some recommendations relating to the Academic Senate. Those are recommendation 12, which says that the act be amended to prescribe peer requirements for the constitution and method of appointment of the Academic Senate, to ensure a higher proportion of academic representatives rather than managerial appointments and fewer ex-officio appointments.

Recommendation 13 was the act to be amended to prescribe the functions of the Academic Senate to include a determinative role on core academic matters, which would take it beyond its current advisory role.

Moving on to term of reference 3, a central matter for consideration in the inquiry was the adequacy of the act to ensure accountable academic, executive and financial decision-making. Evidence indicated the act did not provide nor require appropriate accountability in relation to decision-making by the University Council or senior executive of the university.

I note here a quote from Adjunct Associate Professor Terese Henning, when she reflected on this matter of executive decision-making and accountability:

The Act does not impose adequate requirements of transparency and accountability on decisions of Council or the University Senior Executive, including the Vice Chancellor, the provost and pro Vice Chancellors. Section 8(3) provides that members of Council are responsible and accountable only to Council rather than to a constituent body even where they have been appointed or elected by a constituent body.

Additionally, there is no requirement in the act for their decisions to be communicated or justified to the University and broader community. This problem is not ameliorated by the provisions in Schedule 1 of the Act. In fact, those provisions further entrench the non-transparency and non-accountability of Council, see in particular Schedule 1, cl 5 (Council to determine its own meeting procedures, cl 6 (validity of Council acts and proceeding despite defects), and cl 7 (presumption eliminating the necessity for evidence of matters pertaining to Council).

I also note the late Peter Bicevskis, architect and urban designer, claimed the act was inadequate for ensuring appropriate and accountable decision-making by the university. He said this, and you will see that there are familiar themes emerging:

The Act has proven to be totally inappropriate with regard to the University's decision making. For example, there have been:

- Poor financial decisions over many years e.g. building purchases.
- Examples of waste and extravagance and overspending on property.
- Expenditure on public relations, marketing, and external consultants for non-academic related activities.

- Lack of input by academic staff about academic decisions.
- Lack of accountability to the community and the government when making decisions. In addition, there is no mechanism to ensure accountable executive, fiscal and academic decision making.

There are no checking/review procedures, no penalties for poor performance or providing misleading information, and there is no obligation for transparency.

There is discussion in the report about the fact that, while the university rightly points to the complex regulatory environment in which it operates, a system of regulation is not the same as a system of accountability. In fact, as emeritus Professor Jeff Malpas is quoted as saying in the report:

... even were one to allow that a degree of accountability is embodied in the existing state and federal frameworks, there is an important question as to the specific respects in which accountability is exercised in this way and where such accountability is directed.

The distinction between regulatory frameworks and genuine systems of direct institutional accountability is very clear within the corporate world (the same world, of course, that Australian university managers have increasingly invoked to justify their own mode of operation). Public companies also have to operate within regulatory frameworks of various kinds, but their Boards (unlike the University Council) are directly accountable to shareholders. There is no such mechanism that ensures a similar level of accountability of university managers or of the University's governing Council...

The issue, when it came to decision-making around consultation and the lack thereof with staff and students, was raised in evidence presented at the inquiry. Reflections were made on the need for more consultation with staff and students when making important decisions, the benefit of more genuine participation of academic staff in making decisions and the need for more transparency and an open approach to decision-making. There is no obligation under the act to consult with anyone in making decisions and, certainly, I think, over the last few years, when we have seen the university engage in quite public ways in what they describe as consultation, there is a real question mark that hangs over how genuine those processes are and where we draw the line between information sessions and genuine consultation. I think, personally, that you really have to accept that genuine consultation must provide an avenue by which a decision can be influenced and the outcome of a decision can be influenced by those participating in consultation.

If a decision is already made, if it is predetermined, and in fact all that is happening is informing people of that decision, listening to things they have to say with no actual intention or avenue for that to then feed back to influence the result, then that is mislabelled consultation.

Financial decision-making by the university was a much-discussed topic in evidence. Detailed submissions were made to this inquiry commenting on and raising concerns about the financial position of the university, with additional information and analysis continuing to be sent as correspondence to us across the inquiry period between 2022 and 2024.

While it is clearly of significant public interest and the subject of concern for some stakeholders and community members, it is not in the terms of reference of this inquiry to make detailed analysis and assessment of the financial position of the university.

The committee did note, however, in the report mentioned, the Joint Standing Committee of Public Accounts had established an inquiry into this area on 13 August 2024, and I do note that just today in this Chamber that report has been tabled.

Evidence that we discussed in this area in this report is focused on matters raised relating to accountability of financial decision-making as established in the act, rather than making assessments about the financial situation of the university. Chancellor Watkins outlined the governance and financial management responsibilities of the council and provided a great deal of information about how those mechanisms operate. We then, though, heard others express in evidence that the reshaping of the university operations under new business models is having a detrimental impact.

With the fact that elements of market rationality have been brought in, people are seeing universities more as storefronts for making money. Legislative changes by governments at state and federal levels have been pushing universities to reconfigure their governance structures and this has led to such outcomes we have seen in this sector on reducing faculty and shifting to contract labour - casualisation, effectively - of staff and the positioning of students primarily as customers in this space - which also has significance in terms of decisions made about the delivery of that learning environment.

An area of financial operations that attracted a lot of attention in evidence was that of the university's borrowings. On pages 116 and 117 of the report, you will find an interesting exchange from a hearing, where the member for Rumney asked Vice-Chancellor Black about the shortfall between funding from government and the cost of operating the university. Professor Black provides an overview of why that is a particular challenge for the University of Tasmania. He mentions the university's investment portfolio, property investments, fossil-fuel-free investment strategy, small sources of income such as rents and intellectual property. He comments as follows and I quote briefly:

Universities worldwide tend to be sophisticated financial investors, often setting trends. Because we are there for the long run, not there for the short run, we are able to do things that are much more values aligned and over the long run. Some of the most important entities are those where these values govern what we are doing, and all of that has been possible through the current construct of the act.

The size of the university's property investments and range of borrowing activities attracted particular comment in evidence. I will be certainly interested to see how the Public Accounts Committee has assessed those areas of the university's financial situation. Certainly, we were provided with a lot of complex, potentially concerning information and correspondence from those who are critical of the way the university is engaging in its borrowing activity, but we also had the university provide us with information about its perspective of how that operates.

It was not something that we, as a committee, were in a position to delve into with any expert approach. We were more looking at how the act is configured in terms of what is

allowable and what is not under the act, and what accountability there is in giving effect to the act. Evidence was presented which noted and raised questions over the shift in the proportion of university expenditure which is allocated to core academic activities of teaching and research compared to expenditure on administration, including executive management. Criticism was made of a shift over time, which saw the balance move away from those core activities of teaching and research to more investment into expenditure and administration, including executive management. In a similar vein, concerns were raised in a number of submissions relating to what people determined to be or deemed to be inappropriately high salaries for the executive management roles at the university.

It was emphasised that executive management remuneration is high, relative to academic salaries at the university and relative to international standards. Attention was drawn to the increase in executive remuneration occurring at the same time as academic jobs were being cut at the university. Certainly not a good look. The National Tertiary Education Union pointed to this discrepancy quite starkly. They said this:

In 2021, the salary of the Vice-Chancellor ranked 13th of 37 V-C salaries across the country ... While the Vice-Chancellor is remunerated at a level that is above the national median, the same can not be said about the staff of the University. ... at mid-2022, salaries of UTAS academic staff ranked 34th of 37 universities, while professional staff ranked 35th of 37 universities.

That does seem to be a problematic discrepancy. If the Vice-Chancellor ranks 13th of 37 VCs but the rest of the staff at the university are way down the bottom at 34th and 35th, it is not a good look, especially in light of the significant casualisation to staff losses and the underpayment scandals we have seen from the university sector, including UTAS in recent years. When asked about how decisions were made in relation to the executive and the VC remuneration, Chancellor Watkins said:

I can assure you the approach to senior salaries is a rigorous one and it is a function of benchmarking for equivalent roles. There is always a strong focus on data. There can be considerations around a specific individual, for example, if we were trying to attract a specific individual to Tasmania where there may be differing salary expectations. We would have some flexibility to take that into account for a very senior role, but generally speaking, like all large organisation, there is a high degree of attention paid to these matters to make sure the relativities across relevant sectoral and size benchmarks stack up and also the internal relativities stack up

Well, that is interesting, considering how we do appear to have a discrepancy in terms of rankings across the sector between the university vice-chancellor role and that of regular staff within the university. I note UTAS is not unique in this space. The issue of executive remuneration in this sector is clearly a concern at a national level too, and it is a specific focus of a current Senate inquiry looking at this. Issues relating to a lack of transparency of information about decision-making was raised in this inquiry. Concerns were raised in evidence that the act does not establish mechanisms to ensure accountability of decision-making by the council or the executive. People reported to us they had experienced difficulties accessing information from the university through right to information requests, which also highlighted a lack of transparency and accountability.

It was noted that the university is included in the definition of public authority in our *Right to Information Act* in this state and is therefore included in the requirements of that act. There really is no excuse at all for the university to fall short on this front and it invites speculation when information by which it may be held accountable is withheld from public access.

A range of evidence presented to the inquiry identified the need for the act to deliver greater accountability via the annual report of the university, including its timely publication, level of detail and scrutiny by parliament. Many noted the significant delay in tabling and public availability of the annual report. I believe after it was discussed during the inquiry process, there was an improvement in the timeliness of tabling the 2023 annual report. However, there is an opportunity to include a timelier requirement in the act. Comment was made in evidence that the financial reporting in the annual report is insufficient to adequately scrutinise financial decision-making. It was further noted that financial records of the university presented in the annual report were more indicative of a property development business and financial institution with significant money under investment as opposed to stated university activities of learning and teaching, research, knowledge transfer, research training and community engagement.

An interesting suggestion came from Emeritus Professor James Guthrie that as a measure of accountability, in addition to the annual report, the university should be required to produce an annual budgeted statement at the beginning of each year. He said:

Another one on accountability would be rather than just having an annual report, what should be provided is by 1 January, at the beginning of the year, a budgeted statement that would specifically address the functions of the university. It would be an output-like statement where it says, 'we are putting this much money in for quality teaching in the next 12 months, and this is what we hope to achieve'. That would then be a way that people can see how they are starting to think about their functions and what they hope to do in terms of outputs and outcomes and that would be an important document for accountability of the executive.

...Something like that would help in the discourse and the discussion because other people could become involved in the allocation of resources and the sort of targets they're trying to achieve.

An acting president in the Save UTAS campaign, in their submission also commented on the opportunity for greater accountability if there were a requirement for the university to produce a corporate plan for approval or scrutiny. They talked about the value that could bring, in a similar way to GBEs like Hydro Tasmania being subject to the *Government Business Enterprise Act*, which requires them to provide to their responsible minister a corporate plan for approval, if the university were treated in that similar way. Apparently, the *University of Western Australia Act* makes that university subject to its *Financial Management Act* and, as a result, it has to submit an annual draft resource agreement to their treasurer for approval, setting out the services and the cost of services and other matters required to the treasurer for the financial year. These are all interesting suggestions that would deliver more visibility to the university's intentions - more accountability for the activities that it was undertaking, and the investments and financial decisions it was making.

The committee agreed that these suggestions had value and we did make some recommendations in this space. Recommendation 14 was to:

Amend the Act in relation to annual reporting by the University, including:

- a. more specific detail on what the Annual Report is required to contain in relation to income and expenditure;
- b. a requirement to report on the delivery of the functions of the University;
- c. a requirement to include detail on all salaries, remuneration and fringe benefits of executive management roles at the University; and
- d. a requirement for more timely tabling of the University's annual report in Parliament.

Recommendation 15 was:

In addition to the Annual Report, include a requirement in the Act for the University to produce:

- a. an annual corporate plan to be published at the beginning of the year; and
- b. an annual Environment, Society and Governance (ESG) report.

Many submitters, when we were discussing the accountability of decision-making, raised insufficiency of the act to provide accountability for the council and executive back to those who constitute the university in the broader Tasmanian community. They pointed to the need for reform of the act to require such accountability in some form. Greg Barns SC, member of the Tasmanian Bar, stated this in his submission:

It is clear that doing nothing about the current Act is not an option. It is not fit for purpose because it is inward focused and ignores the accountability of the University to the community. ... The purposes of the University and the principles governing the decision making of the University Council and management must include that regard is to be had to community views and input and that such regard will not be relegated behind the purpose of acting in the University's interests in a narrow sense.

Also, Professor Brian Yates succinctly commented on the need for greater accountability to staff, students and the community. He said:

Essentially, I would like to see more reporting to staff and students of the university, reporting to the community ... and indeed, reporting to the government in some way. That probably is the way that university council can demonstrate their accountability in these ways.

Vice-Chancellor Black commented on the emergence of the civic university movement and the potential for Tasmania's university to create a state-based civic compact. This is a really interesting idea and it was pleasing that Vice Chancellor Black brought it up. He said this about this movement:

Universities around the world have recognised these challenges and in response have begun the Civic Universities Movement, where universities explicitly work in partnership with their communities to meet the local manifestations of those challenges. Our strategy is very much in line with this movement.

However, we haven't as yet, as many universities have done, formalised these strategic commitments in a civic compact of some form such as those suggested through the UK's Civic University Agreement templates.

We would be interested in the parliament's vision on whether it would be a worthwhile step to do so as part of creating transparency and accountability for the role we play.

I thought that was a really interesting suggestion and one that I hope there is further discussion about, between the university, the parliament, and the community.

The *University of Tasmania Act* does require Treasurer's approval for borrowings by the university and this is discussed in some detail in the report. There is also discussion as to whether or not the financial position of the university represents a financial risk to the state, and various views were expressed in evidence on that. It is quite mind-boggling really. There are differing views between the university and the state government. I am interested to see, when we have a chance to look at the PAC report, whether that is something that is addressed there.

In addition to the regular borrowings by the university, which do require Treasurer's approval and must be within the borrowing limit that is set by the Treasurer, it was discussed in our inquiry that in recent years the university is increasingly engaging in borrowing-like activities, such as the university's financial arrangements with Spark Living in relation to the accommodation facilities, and the university's issuance of green bonds, which both sit outside the approved borrowing limit and sit outside requiring approval from the Treasurer, I believe.

As a result of the discussion we had on that matter during the inquiry, we made the following recommendation in the report, recommendation 16, which is to:

Review Section 7(2) of the Act to retain Treasurer's approval for University borrowings and ensure it reflects contemporary borrowing and borrowing-like -

The Council suspended from 4.00 p.m. to 4.30 p.m.

MOTION

Select Committee Inquiry into the Provisions of the *University of Tasmania Act 1992* - Final Report - Consideration and Noting

Resumed from above (page 60).

[4.30 p.m]

Ms WEBB (Nelson) - I was just finishing mentioning recommendation 16, which was relating to borrowing-like arrangements of the university.

I will move on to another area which is perhaps of particular interest to this place with its establishment under the *University of Tasmania Act 1992*. The nature of the relationship between the Tasmanian parliament and the university, including any oversight mechanisms provided for by the act, was a matter raised in evidence. We are well placed to have a good hard think about it here.

Criticisms were made in the evidence of the minimal level of relationship and scrutiny between the parliament and the university. As an example of that, Patrick Naughtin, a submitter, commented on the responsibilities of the Tasmanian parliament in relation to the university. He said this:

In basic legal terms, the *University of Tasmania Act 1992* should be viewed as any parent or enabling Act that delegates power to subordinate authority. In practice, however, UTAS as a statutory authority operates in a way that is subordinate to nobody - and the Tasmanian Parliament has abrogated its responsibility and duty to scrutinise UTAS's operation.

He further went on to say:

The fact that UTAS is, in fact, answerable to the Tasmanian Parliament has seemingly long been forgotten, or has only been given lip-service to by both UTAS and the State Government, whether of Liberal or Labor persuasion. The reality as perceived by the Tasmanian community is that UTAS uses its government backing to proceed without normal scrutiny of its operations and development...

That sentiment was echoed by Greg Barns SC when he was commenting on the importance of parliamentary scrutiny of the university to ensure accountability. He said in his submission:

The University, despite being a creature of statute, rarely, if ever, is scrutinized by the Parliament. This is despite Tasmanian government funding, the various ways in which the University interacts with the community, and that it is governed by an Act of Parliament.

...It should be seen as deeply troubling that a key government funded institution which is critical to the State's economic and social wellbeing, should be so unaccountable to the body politic for its actions

It is food for thought. There is clearly an opportunity for this parliament to be more engaged in its relationship with the university. The report contains some material from evidence we had received which had novel suggestions for additional mechanisms of accountability to parliament, for example, that of a public works committee style process to be established to scrutinise and approve major infrastructure investment by the university. The late Peter Bicevskis has provided an overview of his evidence to the committee of how a state public works committee might include examination of significant university infrastructure projects. That is a pretty interesting one to contemplate at this time.

The Tasmanian University Student Association suggested there should be a minister for higher education in state cabinet to accord a particular prominence to consideration of that function here at a state level. It would also provide a clear articulation to a cabinet member who is focused at the higher education end of things.

The committee did not pick up some of those novel suggestions from evidence, but we did make recommendation 17, which said:

Consider formalising processes for regular Parliamentary scrutiny of the University, including:

- a. The Annual Report
- b. The annual corporate plan
- c. Major infrastructure projects.

Without going into detail of what that could look like, it is something for the parliament to consider in relation to its relationship with the university.

I am going to move on to the fourth term of reference, which is appropriateness of the act to protect and promote academic freedom, independence and autonomy. The university provided a considerable amount of information to us in evidence defining academic freedom, outlining why it is important for it to be protected in a university environment, and describing the policies in place for its protection at UTAS, and indicating that the university is compliant with legislation and treaties that govern freedom of speech.

The importance of promoting academic freedom was reiterated in evidence from a number of other key stakeholder groups and particularly, as you can imagine, stakeholders such as the NTEU and Public Universities Australia. I was interested to see in evidence to the inquiry a number of submitters made very direct links between concepts of academic freedom and also the protection of democracy. For example, the university, in its submission, said on the importance of academic freedom and autonomy to the development and protection of democracy:

It is impossible for a university to truly contribute new knowledge to the complex problems of the day without both academic freedom and institutional independence and autonomy.

The importance of academic freedom and institutional autonomy for universities has been identified as growing in importance as a foundation for

developing and advancing a culture of democracy, as noted by Bergan, Gallagher and Harkavy (2020).

The University of Tasmania's submission suggested that there was adequate protection for academic freedom provided in the act and in other relevant legislation, and by industry regulators. There were some who provided similar evidence in agreement with this to the inquiry, while others made a case for a more explicit inclusion of the promotion and protection of academic freedom in the act itself. For example, Dr Graham Wood from the UTAS School of Humanities suggested the inclusion of provisions for the protection of academic freedom and free speech in the act in order to provide additional protection.

It is interesting because he acknowledges the value of the protections that already exist. He said this:

I happen to think that the current University of Tasmania Academic Freedom and Free Speech Policy is reasonably good. But policies can be changed in the future more easily than Acts of Parliament. So now might be the time to add protection of academic freedom and free speech to the University of Tasmania Act. Given that the current policy is reasonably good, perhaps features of it could be used to indicate the types of protections that ought to be included in the Act.

I thought that was a very valuable idea. A range of views were presented through evidence on the current protections provided in policies, procedures, the enterprise agreements at the university et cetera. On the balance of consideration of these views, the committee made the following recommendation: Recommendation 18, that the act be amended to include a requirement to protect and promote academic freedom. We erred on the side of believing that explicitly stating that protection in the act was a good foundation for those further policies and procedures and other things to flow.

As an aligned area of consideration, the committee noted there can be other barriers to academic freedom and freedom of speech in a university setting that flowed from, say, workplace culture and management practices and the environment in which people work. A number of submissions highlighted reports of managerial bullying, poor working conditions including intensification of workloads and onerous administrative loads, staff experiencing a lack of academic freedom, independence and autonomy, and references to workplace culture issues leading to stress and burnout at the university.

Further, a number of submissions noted a reluctance among the university workforce to speak out or criticise management for fear of reprisal. Evidence pointed to a workplace culture in which staff and students felt constrained in speaking up or raising issues due to fear of repercussions and reprisals. The casualised workforce felt this vulnerability even more acutely. On page 168 of the report, you will find a compelling set of quotes provided in the NTEU submission. They are direct quotes from NTEU members reflecting on staff experience of intellectual freedom at the university. These quotes do not paint a happy picture of freedom of speech at the university.

Additionally, a number of submissions made reference to the widespread use of non-disclosure agreements (NDAs), and non-disparagement clauses (NDCs), which are also referred to as 'gagging clauses', by the university, identifying them as an affront to academic

freedom, independence and accountability, and condemning their use in curtailing the ability of staff to speak out or criticise the university. While the Vice-Chancellor and the executive members presenting at hearings addressed questions on the use of NDAs and NDCs, I personally did not observe them to adequately acknowledge the level of distress on this matter which was self-evident in the evidence submitted to the inquiry.

In a similar vein, evidence was received in a number of submissions raising the issue of inadequate internal complaints resolution processes at the university. In addition to less-than-effective internal complaints processes, it was also raised that the current external bodies providing potential oversight - the Ombudsman's Office, the Integrity Commission - may also not have been effective in their respective roles relating to UTAS.

Proposals had been put forward in evidence for the establishment of such things as an external independent body to ensure compliance with the act, as well as to hear complaints and determine disputes between members of the university. A 'university ombudsman' was the term that was used in some of these suggestions. While the committee did not go as far as to recommend such a body be established, it did recommend, under recommendation 19, that the Joint Standing Committee on Integrity consider an inquiry into the performance of the Integrity Commission and the Ombudsman in relation to complaints regarding the University of Tasmania.

That brings me to the fifth and final term of reference for the inquiry, our usual catch-all of any other matters incidental thereto. The committee chose to address the matters here that did not strictly fit into any of the other terms of reference but which the committee found compelling or important and felt were worthy of being noted within the report. I will not be speaking about these matters in my contribution today other than to note that included here in terms of reference 5 were the following topics: performance and ranking of the university, regionality of the University of Tasmania, respecting and valuing the history of the university and its cultural collections, the Alumni Advisory Committee and the University Foundation, and the loss of identity of the Conservatorium of Music and the Australian Maritime College.

In conclusion, many aspects of this inquiry report align with findings in the Australian Universities Accord's interim report. I also note the establishment in January this year of a federal Senate inquiry into the quality of governance at Australian higher education providers. That inquiry is due to report on 1 August this year. There is a great deal of crossover between that inquiry's terms of reference and the matters that have been considered in this inquiry we are discussing today.

UTAS is a fundamental and cherished public institution in this state. As the only tertiary institution in the state, it is of primary importance to the social, economic and environmental success of our state. The university does and will continue to hold a special place in shaping our state. Given that, I think it is of no surprise that there are so many Tasmanians, especially here in the south of the state where the university has the longest history, who have a sense of stewardship towards it. Many Tasmanians, as alumni, also have a personal fondness, pride and sense of care for the university.

Having said that, over time many within the institution, in the Tasmanian community and in this parliament have perhaps become complacent in thinking the university is a fixed and enduring presence in our state and invulnerable to being fundamentally changed. In recent years, however, we have all discovered that this is not necessarily the case. As we discovered

in this inquiry into the provisions of the *University of Tasmania Act 1992*, the winds of change started blowing some time ago. Incremental legislative change over the past 30 years has set the scene for where we are now.

To recap: in this inquiry we heard clearly expressed deficit of trust in the current university governance, management and decision-making due to being insufficiently consultative and lacking in transparency and accountability. We noted a considerable number of people connected with the university, including students, alumni, and current and past academics, who are highly concerned and distressed by aspects of the governance, management and strategic direction of the university.

In evidence, we saw a real grappling with the core traditional purpose of a university versus corporate managerial approaches. It was clear that changes over time to key governance structures within the university had consequences in relation to who was making decisions and the accountability of decision-making back to those who comprise the university and the Tasmanian community.

A central matter of consideration in the inquiry was the adequacy of the act to ensure accountable academic, executive and financial decision-making. Evidence indicated the act, as it currently is, does not provide nor require appropriate accountability.

I heard an overwhelming aspiration in the evidence to this inquiry for the University of Tasmania to be an exceptional institution operating with transparency and accountability and as an exemplar of good decision-making in the service of its core purpose. I strongly recommend to the government the overarching recommendation in the report, which is that the government promptly undertake comprehensive review to update the *University of Tasmania Act 1992*, including addressing the 19 further recommendations in the report. I know people may say, 'Wasn't this inquiry supposed to be that? A review of the act.' But that was not the function of this inquiry.

This inquiry was to identify issues with the act and its relationship to the governance and operations of the university. Having identified a range of issues and areas to be addressed and made recommendations on possible ways forward on those, the work of this inquiry is done.

I am hopeful we will see the government positively pick up this work and run with it. A review of the act by government, with the departmental and policy resources to undertake it, will provide for consideration of specific options for reform for each section of the act, broad consultation on those options and careful drafting of an exposure draft bill for reform and consideration.

That is what I hope we will see as the fruits of this inquiry's labour. The university is challenged with providing tertiary education statewide within federal funding models driving it to need to pursue other sources of funding beyond that insufficient amount that is provided through the federal government. It is essential for the social, cultural and economic development of the state that the university successfully delivers on its central mission of teaching and research to a level of excellence.

The aim of the final report of the committee and its recommendations is to make the University of Tasmania a better, more robust and accountable institution for our state and our people. I note the report and I commend it to the House.

[4.46 p.m.]

Ms LOVELL (Rumney) - Thank you, Mr President. I will be making a brief contribution. I do not intend to go into the content of the report or the extensive evidence we heard because the member for Nelson has done a really comprehensive job of that. I wanted to put a few comments on record as a member of the committee.

Obviously, this inquiry took place over a long period of time. We had several other members who had started out on the committee, the former member for Pembroke, Jo Siejka, the member for Windermere, Nick Duigan, and of course, the former member for Hobart, Mr Rob Valentine, who established the inquiry and was elected as the chair in its establishment.

I do want to acknowledge the enormous amount of work that Rob put in as chair on this inquiry. He was there for receiving submissions, for the public hearings and taking all of that evidence and for a large part of the report-writing. I know that he put in an enormous amount of work and it was very unfortunate he did not get to see it through to its completion. I wanted to acknowledge that. I know that was something we were all very mindful of on the committee and the three remaining members would often refer to Rob and the fact we wanted to do it justice for him.

That left us with the committee of the member for Nelson as chair, the member for Mersey and me. As members know, it can be difficult to conduct an inquiry and to complete an inquiry through to the end with only three members on the committee.

It throws up all kinds of challenges around making sure people are available, matching up people's diaries and finding the time to invest. We wanted to do it properly. We knew this was an important inquiry. We had extensive submissions, a whole trove of evidence that was presented to us, and we wanted to really do that justice and make sure we produced a report that did take into account all of that evidence. I think that is what we have been able to do.

I want to acknowledge those who put in submissions because there was a huge amount of work that went into a lot of those submissions. They were really thoughtful, well researched, well thought out and very insightful. Some of them were very personal and detailed a lot of really personal circumstances that people had been through and had found quite distressing in a lot of instances.

I would like to thank those who took the time to put in submissions and who subsequently came to present evidence to the inquiry.

I acknowledge the length of time it took to produce the report. As the member for Nelson has outlined and as is outlined in the executive summary, we had two prorogations of parliament to deal with. This obviously delayed things outside of our control but it was something we were really mindful of. I wanted to thank people for their patience because I know there were a lot of people who were watching the progress of the inquiry and keen for that report to be produced.

I also acknowledge the Parliamentary Research Service, in particular, Dr Catriona Ross for her work to support the committee. We were very fortunate to have significant support from the Parliamentary Research Service and I know that we all really appreciated it. I also especially thank the secretariat support that we had, in particular from Jenny Mannering and Allison Scott. We spent many hours with Jenny and Allie and they put up with our back-and-forth discussions

and our editing and our proofreading, and they were impeccable; the support we had from them was absolutely second to none. We are very lucky to have such excellent staff in our secretariat here in the Legislative Council, Mr President.

Something that became very obvious through the evidence we heard is how valued the University of Tasmania is as the only university in Tasmania. What was equally apparent, however, is the challenges that that presents. Making sure it can continue to be a sustainable institution, while providing access to students across the state, presents it with challenges that are quite unique and not faced by many other universities in other states of Australia. They are shared by many universities, do not get me wrong, but there are a lot of, particularly, the larger universities that do not face those same challenges. That was something that was made clear through the evidence that we heard across the board.

It is important that we have contemporary, fit-for-purpose legislation to underpin the operations of the university. I do not think there is anything that could be more important when it comes to the relationship between the parliament and the university, other than making sure that the legislation we pass through this place supports the university to provide high-quality education to Tasmanians across the state while, at the same time, holding them accountable to their obligations to the state and their responsibility as the only university in Tasmania.

The report makes 19 recommendations and the member for Nelson has spoken about those in some detail, but I want to highlight the fact that we, as a committee, decided to make an overarching recommendation, and there was some discussion around this. We had 19 recommendations largely relating to amending the *University of Tasmania Act*, mindful of the fact that an inquiry can really only make recommendations to the government of the day. It became quite clear as we worked through those recommendations that what is most needed here is a comprehensive review of the *University of Tasmania Act* and subsequent legislative change to make sure that the act we have is contemporary and fit for purpose, and that it does what we want it to do; what the people of Tasmania want it to do, and what the university needs it to do. I hope that the government has read the report, seen the work that has gone into it, and noted the way that we have structured those recommendations. More than anything, I hope that they listen to the recommendations and that they take some action.

The University of Tasmania is critical to the educational opportunities that we provide for Tasmanians. We need to ensure that we are providing people with the highest quality options that we can, to ensure that Tasmanian students are able to study and are supported to move forward in the careers that they choose without needing to leave the state wherever possible.

One final acknowledgement to the member for Nelson for her contribution today, but also for taking on the role as chair when Rob Valentine retired. It is not easy to come in partway through a report being written and take it on, and the member for Nelson put in a huge amount of work to help guide us through producing this report in its final stages. I acknowledge the member for Nelson and thank her for the work that she put in.

I note the report.

[4.54 p.m.]

Mr GAFFNEY (Mersey) - Thank you, Mr President, and as the third member of the group, I only have a few comments to make. First of all, I would like to thank the member for

Nelson, a courageous job and well done and you can see the thoroughness of the report back to the Parliament, how invested she was in it. Thanks to the ex-member or prior member for Hobart for just leaving us in the lurch, not doing his job properly, just left us -

Ms O'Connor - He's in the Chamber now, for Hansard.

Mr GAFFNEY - No, thank you very much. Rob was really great when he was the chair, and we all appreciate the amount of work and effort he put into it. It was wonderful. It was sad to see him go.

Also, I thank the member for Rumney for her work. We got on really well and we just got the job done, but it would not have been possible without the help from the parliamentary staff, including Jenny and Allie and the Parliamentary Research Service.

I will put on the record: I would like to thank the community and those interested from the mainland as well who provided submissions. Many people who had been through the University of Tasmania who have left our state were still really interested in what was going on and wanted to provide comment.

I acknowledge the people from the staff and those at the university who may have different views on how it should operate and what their role is. I believe that made for a fuller report. It was a significant document, and it fairly reflects the evidence that we received.

There is a different perception in the north and the north-west of the state of the role of the university. I think that what has been happening recently down here with the university and the relocation of different parts is that it has a different feel down here to what it does in the north-west and the north of the state.

In closing, I was really pleased that I was on that committee. There are some committees and inquiries where you do not get as much out of it, but with this one I really did. I enjoyed it. I hope the government takes on board the recommendations and the findings and acts upon those, because the act is 30 years old. We need to do something to make it contemporary, to ensure that the university continues to flourish and grow in a way that we want it to.

They do need some help. The funding model from the federal government is not fair for our university because it has a different tenor to it. It has a different tone. The limitations that the current funding model has on our university, divided over three campuses and being the only university in the state, are not fair.

I was listening to Rufus Black and the Premier on Friday at a function saying that the university provides classes for six or seven students, where if it were a university on the mainland, it would be 300 or 400 students listening to that same - so there is an issue there. They try to spread themselves thinly, but the funding model has not kept up with that.

We want and we need the university to be on the north-west coast. It is starting to provide benefits back to the community there, especially in the medical area, with people working and staying in the university wanting to do their degrees there, and being able to do that, because they could not afford it before. A lot of my friends from when I was there would not go to university because they did not have the funds and means to do it. It is something that has not

been taken for granted, and I do not mean that from people in the south, but it has been easier for people in the south to be able to do that, and even in the north.

Now that we have a campus on the north-west coast - even at the meeting on Friday, the Devonport mayor stood up and said, 'We want a university in Devonport.' It was just one of those things. Whilst I understand that is not possible, I think the sentiment was, it is so important.

We have transport issues getting our students from Devonport to Burnie if they have to have a face-to-face meeting or a face-to-face class. We do not have that public transport. If you think about it, it is alright if you own a car. It is alright if you have those means, but if you do not have the transport to be able to get there, and you do not have the computers, et cetera, at home - a lot of our students who would strive to be university-trained still cannot do it from the north-west coast. That is the reality of where we live.

You just have to think when you go down the west coast - I picked up a 22-year-old hitchhiker the other day, which you do not see very often. He had never been to Hobart. He lived in Rosebery and he was 22. He had never been to Hobart. It was his first time going to Hobart and the only way to get there was to hitchhike. To our own thinking, that is quite incredulous, but we have people in our community who do not have the capacity to access education.

In saying that, I think it is really important that we do what we can to ensure the university is there for another 30 or 40 years and flourishes, for the good of our state.

I note the report. Thank you once again, member for Nelson, for all of your hard work and guidance. I know that Sarah would say the same. Well done to the member for Hobart for his really sterling efforts in the early part, thank you.

[5.00 p.m.]

Ms PALMER (Rosevears - Minister for Education) - Mr President, I too, like other members, would like to start by acknowledging the work of the select committee for this inquiry: the Chair, member for Nelson, Meg Webb; the member for Mersey and Deputy Chair, Mike Gaffney; the member for Rumney, Sarah Lovell, from August 2022; Nick Duigan, member for Windermere, until his resignation from the committee in October of 2023; and the former member for Pembroke, the honourable Jo Siejka, until her resignation from the Legislative Council in August 2022. How lovely to have the former member for Hobart here in the Chamber so we can acknowledge, in person, the contribution that he made as the chair of this committee, until his retirement in May 2024.

This inquiry has certainly been a huge undertaking. As well as acknowledging the work of the committee, I also would like to acknowledge all of those who engaged throughout the process, whether it be through one of the 151 submissions which were made and/or appearing over the 12 days of hearings across 2022 and 2023.

I appreciate having the opportunity to offer my reflections on this body of work as the Education minister. As the only university in our state, the University of Tasmania has such an important role to play in the economic, social and cultural development of Tasmania. Our university delivers a vital pipeline for workers across critical sectors and industries, including, health, education, science and technology, to name a few.

The Tasmanian Liberal government is committed to ensuring our university delivers positive outcomes for students, staff and the broader Tasmanian community. As the Minister for Education, it is so important to me that we have strong higher education offerings for our learners to aspire to. In November, last year, I had the privilege of attending one of the 2024 Children's University Tasmania graduation ceremonies, where we saw over 60 children aged between eight and 14 years, from across five of northern Tasmania's primary schools - Invermay Primary School, East Tamar Primary School, Northern Suburbs Community Centre, Waverley Primary School and Our Lady of Mercy Catholic Primary School - recognised for their learning achievements.

The beaming smiles on the children's faces were well and truly matched in the pride emanating from their families as they watched them graduate. I will certainly always treasure that memory. I hope that experience has set many of those children up with a pathway to further education. This initiative was launched in 2015 through the Peter Underwood Centre, which is itself a partnership with the university and the Tasmanian government in association with the Office of the Governor of Tasmania. It is such a good example of what we can achieve when we join forces and we work together.

As many of you will know, as part of our response to the recommendations from the Independent Review of Education in Tasmania, I announced we would be developing an agreement with the university on how we can better work together to train, equip and support our teaching workforce with better educational outcomes for our children at the centre of this agreement. Planning for the agreement is currently underway and I am happy to report our government, the university and the heads of our government and non-government education sectors, are already excited about the opportunities this agreement will present for our education workforce and learners in general.

As the inquiry report outlines, the *University of Tasmania Act 1992* is the governing act of the university. As Minister for Education, my responsibilities under the act are to appoint two members to the University Council and to table a copy of the UTAS Annual Report in each House. Current ministerial appointees to the University Council are Ms Sheree Vertigan AM and Ms Tara Howell, with both their current terms set to expire in April 2027.

I note the university is subject to a broader regulatory framework than the act. It is also governed by the various standards that affect corporations, such as the accounting, audit, work health and safety, and human resources regulations and Commonwealth legislation.

The inquiry report also referred to the Australian Universities Accord, an Australian government review of the national higher education system which was initiated in late 2022. I note the final report of the Australian Universities Accord was released in February 2024 and it includes 47 recommendations, including that university governance be improved through engagement between the Australian Government and states and territories working through National Cabinet. A tertiary reform working group has been established for further consultation and engagement with the sector and, in April 2024, ministers agreed to establish an Expert Governance Council to develop new university governance principles and recommendations that respond to 10 priority areas for action against which the universities will be required to report compliance.

This work is expected to improve transparency, accountability, engagement and representation on university governing bodies and will ensure rigorous and transparent process

for developing remuneration policies and settings for senior university staff. In December 2024, as part of its 2024-25 mid-year economic and fiscal outlook, the Australian Government noted that the Expert Governance Council will provide recommendations to education ministers in mid-2025 and that the Tertiary Education Quality and Standards Agency will issue new guidance and reporting requirements to ensure providers have governance and management processes in place to meet enterprise agreements and industrial obligations.

Our government values the importance of improving higher education for all Tasmanians and we will continue to work with the Australian Government on the recommendations coming from the Australian Universities Accord. We will certainly be considering the recommendations from this inquiry seriously and alongside the recommendations from the Australian Government's expert Governance Council once handed down, and the recommendations from the inquiry into the quality of governance at Australian higher education providers when that particular body of work is also handed down.

It is important to wait for these federal recommendations prior to determining the next steps for our state-based legislation. What we do not want to see happen is that we fall out of step with what is happening nationally. I note the final report of the Select Committee Inquiry into the Provisions of the *University of Tasmania Act 1992* and thank the committee for their work.

Report considered and noted.

MOTION

Government Business Enterprises - Proposal for Privatisation

[5.08 p.m.]

Ms O'CONNOR (Hobart) - Mr President, I move -

That the Council:

- (1) Notes the stated intention of the Rockliff minority government to privatise government business enterprises (GBEs) and state-owned companies (SOCs), with only Hydro Tasmania excluded from possible sale.
- (2) Recognises this means the potential sale of TasNetworks Pty Ltd, Aurora Energy Pty Ltd, Tasmanian Irrigation Pty Ltd, Metro Tasmania Pty Ltd, TasPorts Pty Ltd, Tasmanian Railway Pty Ltd, Tasracing Pty Ltd, TT-Line Company Pty Ltd, Forestry Tasmania Pty Ltd, the Motor Accidents Insurance Board, Port Arthur Historic Site Management Authority, Tasmanian Public Finance Corporation, and the Public Trustee.
- (3) Agrees these GBEs and SOC's have been built up by generations of Tasmanians and are owned by the people of Tasmania.

- (4) Further notes this massive privatisation agenda was not taken to the 2024 state election, nor included in the Tasmanian Liberals' 2030 Strong Plan.
- (5) Agrees the Rockliff minority government has no mandate for its privatisation agenda.

I move this motion today following Premier Jeremy Rockliff's first address to the parliament on its return this year, his first address to the people of Tasmania, his state of the state speech, in which he said that he was leading a re-elected government with a fresh mandate, a refreshed team, which, as I pointed out to honourable members last week, is embodied in only the person of Rob Fairs, the new Liberal member for Bass, and new ideas. What were the new ideas that we got in the state of the state address? Did I make a mistake there? Oh, yes, well, sorry, I was talking about the House of Assembly, but I apologise.

We do have in here the very honourable minister and former mayor of Sorell, Mr Vincent, and I apologise, you do refresh the team, but it is you and Rob Fairs.

So, it raises the threshold question which I think the Council should be given the opportunity to explore. We believe it is a false claim for the Premier to state that he has a fresh mandate. The only new ideas that were put forward in the state of the state address came under two principal umbrellas. One was to put up for sale our GBEs and state-owned companies with the exception of Hydro Tasmania, and even that exception does not, for example, protect Momentum from sale. The second part of these new ideas was to take the hatchet to the public service. Both of these ideas have been put forward because the state's finances are dire. Now, the Liberal's fiscal strategy that they took to the last state election says that:

A re-elected majority Liberal government will continue to ensure the prosperity and resilience of the state by supporting sustainable public services, fostering economic growth and promoting a business-friendly investment environment. This includes carefully assessing the impact of major government infrastructure initiatives, strengthening the links to the Fiscal Principles embedded in the *Charter of Budget Responsibility Act 2007*, and providing responsible financial management.

The Tasmanian Liberals' Fiscal Strategy aims to provide flexibility over time, allowing for a dynamic response to changing economic and fiscal considerations, thereby ensuring a well-adapted and sustainable fiscal framework for the state's growth and stability.

Well, what a load of waffle. Ultimately, it meant nothing. It meant nothing. There is nothing in the fiscal strategy where there was honesty from the Liberals at the last state election about how they might approach the state's financial situation. It is reasonable here to acknowledge that the finances of the state are not the sole fault of the government of the day in the times that we are in. The decisions that it makes about how to deal with the finances, however, are the responsibility of the government of the day and the level of honesty that they have with the people of Tasmania - that is an issue. It is no wonder that right around the country and here, people are losing trust in politicians, but particularly in major party politicians.

I am sure all members here have heard ad nauseam about the Liberals' 100-day plan and their 2030 Strong Plan for Tasmania. Did I say that the right way, Leader?

Mrs Hiscutt - Not quite the right way.

Ms O'CONNOR - Our 2030 Strong Plan for Tasmania's Future, that is it? Thanks.

What you will not find in here is any hint at all that if re-elected, a Rockliff government would sell the family silver.

The question we have to ask ourselves is, what is a mandate? Now, the Oxford Dictionary definition of a mandate is, 'To give someone authority to act in a certain way.' if you use it in a sentence, 'The rightful king was mandated and sanctioned by God.' In political terms, what we understand to be a mandate is a vote of the people that is strong, that is an endorsement of the policies of whichever political party or group of individuals ends up forming government.

It is very hard to claim you have a mandate when you have come back into a new 35-seat parliament with 14 members. There were also three JLN members, three independents, five Greens, and 10 Labor members elected.

Now, under no logical interpretation of the word 'mandate' could this government claim to have a mandate to sell TasNetworks, Aurora Energy, Tasmanian Irrigation, Metro Tasmania, TasPorts, TasRail, Tasracing Proprietary Limited, TT-Line, Forestry Tasmania, the MAIB, Port Arthur Historic Site Management Authority, Tasmanian Public Finance Corporation, and the Public Trustee.

This government has no mandate to sell government businesses and state-owned companies that have provided wealth for generations of Tasmanians, off the back of the work of generations of Tasmania; that have provided dividends back to the state that enable us to fund essential services, health, education, housing, and other community services, perhaps even invest in looking after the environment.

So, the question in my motion on behalf of the Greens, Mr President, is not your policy position on the government selling public assets to mitigate its financial circumstances. The question before us today is whether the government has a mandate to do that. A mandate, Mr President, is a sacred trust that is given to elected representatives who are elected in their own right and to the government of the day. We regard this move as something akin to theft because the voters of Tasmania were not told what the government would announce within a year of being re-elected. Tasmanians cast their votes in the dark about what a re-elected Rockliff government would seek to do. They must have known that some radical corrective surgery was required on the budget. Perhaps there was a space during the months after the state election for there to be a collective response to the state's finances. Ultimately, I think that is what Tasmanians would like us to be doing. I think they expect us to work together more than we do. There may have been a space there for an honest and open discussion about the state of the books, but we have not had that. In fact, we have had mistruth after fudging, after alternative facts, on top of spin.

The one thing that received no mention at all in the Premier's state of the state address was the Macquarie Point stadium. Now, it is hard, if you are the speechwriter for the Premier, who is talking about flogging the family jewels, to put in there that you would also like to build

a billion-dollar stadium. For my honourable colleagues, I am sure at some point everyone will have a look at the Planning Commission's draft integrated assessment report for the Macquarie Point Multipurpose Stadium Project of State Significance. I thoroughly recommend that all my colleagues read this report so they understand, with real clarity, what we are dealing with here. We are dealing with a project that would quite literally, on the evidence of the Tasmanian Planning Commission, ruin the state financially.

The first thing we need to do is have a look at the panel. These are very distinguished Tasmanians, Mr President, chosen to undertake this integrated assessment. The panel consists of the former solicitor-general, Paul Turner SC, who is the chair; Gary Prattley is on the panel; Lynn Mason AM, the former mayor of Flinders, former chair of the Tasmanian Community Fund, and a highly regarded Tasmanian, also on the Tasmanian Honour Roll of Women; Shelley Penn, Order of Australia Medal; and Martin Wallace, the former Treasury secretary. We are not talking about a panel of radicals, or progressives, or anything other than an expert, and from their report, dedicated, straight-laced panel.

I refer colleagues to page 17, which is the economic effects - just little bits out of this report in case people do not get a chance to read it for a little while. The first point they make is that:

The Panel finds that the costs of the Project are approximately double its estimated benefits.

It says:

As the results of all three cost-benefit analyses -

I will pause here - the first one was undertaken by the Macquarie Point Development Corporation. Then Dr Nicholas Gruen undertook a cost-benefit analysis. Then I think the Macquarie Point Development Corporation put forward one, and also the Planning Commission has put forward a cost-benefit analysis. It says:

... there would, by implication, be a reduction in Tasmania's economic welfare from implementing the Project.

The Panel notes the Proponent's Project of State Significance (PoSS) CBA confines itself to an estimate of the direct cost of building the stadium. It excludes the capital expenditure in the surrounding precinct needed for the stadium to be used, safely and effectively, for the purposes for which it is intended. As a result, the Panel finds that the cost of developing the stadium and the supporting infrastructure and services (the Project) are understated in the Proponent's report. The Panel also concludes that the estimated benefits from the Project are overvalued in the Proponents report.

Indeed, the panel finds:

If all costs and benefits were able to be better quantified, the Panel believes the excess of costs over benefits would be greater.

The panel also finds that:

... under its central scenario, construction of the Project would require the State to borrow – or otherwise finance at the same or greater cost - approximately \$992 million.

I put that number out there for colleagues to consider in the context of the motion before us. We have the government announcing plans to sell GBEs and state-owned companies - and other parts of government agencies, in fact, like the Land Titles Office - that are owned by the people of Tasmania in order to pay down debt, and yet is committing itself to a stadium which the Planning Commission itself says would require the state to borrow approximately \$992 million.

Wait, Madam Acting President, there is more. At the end of 10 years of operation, the additional debt directly associated with the project's construction and operation would be approximately \$1.86 billion. The state's debt servicing costs are estimated to be \$76 million higher per annum over the first 10 years of operation than would be the case if the project is not constructed.

Page 19 is very telling. It is a table that examines cost-benefit outcomes. You can see that the proponent - and while the proponent is technically the Macquarie Point Development Corporation, let us be frank, the proponent here is in fact the Rockliff government. The net present value, the total costs according to the proponent, would be \$754 million. Dr Gruen found that the total costs would be double that, \$1.4 billion. The panel affirmed Dr Gruen's findings: \$1.414 billion total cost for the project.

It is a thread through this report where you see there has been quite a concerted and deliberate effort on the part of the proponent to overstate benefits, understate costs, and not provide critical and necessary information, which clearly has frustrated the panel.

We go now to net benefit, economic impact. The panel considers the construction and operation of the project would not generate a net economic benefit for Tasmania, compared to an alternative public investment of the same financial magnitude. It is very similar to what Dr Nicholas Gruen found.

If we go to the Cenotaph - that beautiful sacred monument placed where it is, after very thoughtful consideration, obviously, by our forebears - overall, the panel finds the project would have significant negative effects on the values of places, buildings and activities of historic cultural significance and community significance. The panel considers the scale of the stadium would dwarf historic heritage elements and diminish their presence and the story they tell of Hobart's historic development and their prominence as physical landmarks in the landscape. The panel considers that the built form of the stadium would have a significant detrimental effect on the visual amenity of the Cenotaph and the way it is understood and experienced. The panel considers that both the proposed built form and the use of the stadium building would have a significant detrimental effect on the historic cultural heritage and community values of the Cenotaph. The panel considers the dominating physical presence of the proposed building, along with associated elements of its use such as noise, lighting and patron activity to and from and within the site, would conflict with and diminish the Cenotaph's values. The panel does not consider that these effects on the Cenotaph arising from the scale, height, form, bulk, use and proximity of the stadium building could be resolved by design details applied to the proposed stadium building or by the rescheduling of stadium events to avoid specific ceremonial activities at the Cenotaph.

A government that had a deep, abiding, sustained and sincere commitment to honouring our veterans would read that paragraph and walk away, you would think. What it says is that no matter what the proponent proposes in terms of mitigating the impact of that monolith on the sacred ground of the Cenotaph, it cannot be mitigated.

When we have a look at historic cultural heritage, obviously, they are talking about putting a massive roofed stadium in a place of extraordinary heritage. The panel considers that the built form of the stadium has significant negative effects on the setting of the buildings on Hunter Street, specifically the Henry Jones IXL building and the engineers building. The panel considers that the built form of the stadium has significant negative effects on the setting and appreciation of the Royal Engineers Building.

The panel considers that the proposed design details are not sufficient to ameliorate the effects of the stadium's built form on the historic cultural heritage significance of surrounding places. The panel considers that due to the size, height and bulk of the building which are required to facilitate its intended use, these effects cannot be satisfactorily resolved.

Madam ACTING PRESIDENT - Member, could I ask you to refine your comments back to the motion that is before the Council, because they do not align with what I have in front of me.

Ms O'CONNOR - Thank you for your guidance, Madam Acting President. I respectfully disagree and I have listened to any number of debates in this place where there is a motion before us and related matters, and the stadium is deeply integrated with the government's plan to sell government businesses or state-owned companies.

Mrs Hiscutt - It is not a GBE.

Ms O'CONNOR - I know, Leader of Government Business, you do not want, necessarily, for me to read the draft integrated assessment report parts out.

Madam ACTING PRESIDENT - Order. I have the five dot points in front of me and they relate to the privatisation of government business enterprises and state-owned companies. Then, it goes on to talk about recognising the potential sale. Then, agrees that the GBEs and state-owned companies have been built up by generations. Further notes the massive this privatisation and then it goes on, agrees the Rockliff minority government has not made a mandate for privatisation agenda. I am just asking you, member, to bring back your contribution to the motion that we have before us.

Ms O'CONNOR - Thank you for your counsel, Madam Acting President. It is not possible to talk about selling government businesses and state-owned companies in order to relieve the state's debt burden without also talking about the giant roofed elephant in the room, which is the stadium, which would leave the state \$1.8 billion in debt within a decade. With respect, I take note of your advice, but there are a number of elements of this report which are absolutely germane to this motion, and I ask that they be put on the record.

Madam ACTING PRESIDENT - The report is not referenced in this motion.

Ms O'CONNOR - I am a little perplexed that I am being challenged in this way. As you know, members have some latitude when they put forward a motion to talk about related

matters, and I am seeking to do that because you cannot separate the government's policy to sell the family silver from its policy to build a stadium on the waterfront. You cannot.

Madam ACTING PRESIDENT - I will allow a very small amount of latitude here, but I would like you to refer to some of those points on your notice of motion.

Ms O'CONNOR - I certainly will. I am coming back to them.

Madam ACTING PRESIDENT - Thank you.

Ms O'CONNOR - Thanks, Madam Acting President. These are important bits of information. This report came out at 4 o'clock last night. Most Tasmanians are now aware of it. They are also very aware that the Premier has announced, without a mandate, a policy to sell state-owned assets. Most Tasmanians will not have had an opportunity to read through the draft integrated assessment report. That is why, as a representative of the people of Hobart, I sat up last night reading it, because I knew this motion was coming on today. The findings in this report are deeply germane to the government's policy to sell our state-owned companies, our 'family silver'.

Speaking of Tasmanian treasures, the draft integrated assessment report makes it really clear that the Tasmanian Symphony Orchestra would be massively, detrimentally impacted by the construction of the stadium, as well as by its ongoing operation. There would be sound impacts for the life of the construction, but also there would be different kinds of sounds that would be impacting on how and when the TSO is able to put on performances. This beautiful little building we have down there on the waterfront, which would be right next to the stadium, its whole purpose, ultimately (again, paid for by the people of Tasmania) would be compromised if there is a stadium built right next door.

The panel also finds that Evans Street and Hunter Street would have to be closed, that there would be massive congestion and pedestrian issues. There will be very significant impacts on the hotels and apartments closest to the construction site, particularly during the construction phase and during events. Massive, problematic pedestrian movement issues have been identified for event patrons and the broader community, and these issues relate as well to safety.

The panel notes that there is a whole lot of infrastructure associated with this project which is not in the proponent's reports to the Tasmanian Planning Commission. That is why the costs have been so massively understated by the proponent, that is, the Rockliff government. Also unfunded and the evidence base around it is very weak. The plan, apparently, to put on 80 extra buses - if we did not have a government that was so keen to flog off Metro Tasmania, perhaps there would be an integrated public transport solution. Certainly, that is not identified in here.

Madam Acting President, I cannot let the opportunity go past without mentioning the environmental impacts of the state. Let's remember, this is built on Timtumili Minanya, the Derwent - a river that, as a result of historical pollution, particularly from Boyer and Nyrstar, has acid sulphate soils in it. The panel finds that there are significant problems with contamination from the site and huge amounts of unknowns. It notes that there has been no site suitability statement prepared for the stadium development, and on and on and on it goes.

Honestly, I could go on and on, on the basis of that draft integrated assessment report, but it is emblematic of how we got here: pigheadedness, arrogance, secrecy and craven capitulation to the AFL. We are being told that the government is going to sell off the wealth of Tasmanians, and at the same time, send the state into an extra nearly \$2 billion of debt over the next decade. It is disgraceful. I lost sleep last night. After reading that report, I was so furious and worried. How can a responsible government have these two policy objectives sitting side by side?

Do you know what we heard today in Question Time downstairs in the other place? We put it to the government that they might 'do a Paul Lennon', who in 2007 pulled the pulp mill out of the Resource Planning and Development Commission and brought to parliament the *Pulp Mill Assessment Act 2007*. That allowed for a consultant appointed by the minister to do an assessment, make the recommendation to the minister, and then there would be a disallowable instrument process in the parliament. We asked that question this morning of the government, and it has not been ruled out. If you want a clue to where we are likely to be heading, I refer honourable members to the statement made by the Minister for Business, Industry and Resources (who is responsible and a shareholder minister for a number of these GBEs and state-owned companies) not long after 4 p.m.

The draft integrated assessment report come out three minutes to 4 o'clock, I think it was, yesterday afternoon. Within less than an hour - not enough time to read the draft report - we had a statement from the minister, who says, 'We are committed to the Macquarie Point Stadium.' Dismissing the evidence of experts, pretending everything is going to be peachy, and pretending the state can do this with the debt that we already have, being asked to sell away our 'family treasures' and then go into another nearly \$2 billion of hock. We had this statement from the minister, who does have responsibility for a number of the GBEs that are on the chopping block. He is certainly responsible for Forestry Tasmania, and who would buy that?

He says: 'The report has ... raised broad issues and taken a wide scope of the project, and we are concerned about the potential of any delays to an already tight timeline. We have been clear, that if we are to meet the existing timeframes set out in the agreement, we cannot afford any delays,' he reiterates. Then, the bone that we are thrown - like the bone that was thrown in the other place this morning in Question Time: 'Ultimately, the decision on whether the project will proceed will be made by Parliament.' We are not stupid. We can see what is being set up here. The draft integrated assessment report undertaken by the independent Tasmanian Planning Commission has made it very clear, through a proper assessment process, there will be no Macquarie Point stadium.

Madam ACTING PRESIDENT - If we can bring that back to the selling -

Ms O'CONNOR - Madam Acting President, I do not catch you pulling up other members like this.

Madam ACTING PRESIDENT - Order. Order. My view is that other members may not have read the report and had an opportunity to talk about the report that you are referring to in the best part of your contribution. That is my concern.

Ms O'CONNOR - I am trying to help them.

Madam ACTING PRESIDENT - Talk about the report that you are referring to, the best part of your contribution. That is my concern. So, are you intending to continue to refer to the report that is not referred to in this motion?

Ms O'CONNOR - Well, Madam Acting President, I worry that I am being censored here in a way that other members are not. I continually refer back to the subject of the motion on the back of your previous ruling.

Madam ACTING PRESIDENT - So, I want to make sure that you completely understand that you have to have that connection without continuing to refer to that report, that not everyone has possibly read or seen or intended that that would be debated today.

Ms O'CONNOR - Madam Acting President, I am concerned to ensure there is only one set of rules in here and I am concerned to ensure that I am not censored.

Madam ACTING PRESIDENT - You are not being censored. I would have made the same call on any member and I would expect it to be on me, as well, if it was me speaking.

Ms O'CONNOR - Well, thank you again for your guidance. I think, on a logical assessment of the subject matters that I have been discussing today, they are integrated, connected deeply, and you cannot talk about one without talking about the other, Madam Acting President, and because of this Council -

Madam ACTING PRESIDENT - Well, my ruling differs to your view around that and, so, I will just remind you to come back to the motion before the House.

Ms O'CONNOR - Madam Acting President, we can all agree that the GBEs and state-owned companies have been built by generations of Tasmanians and are owned by the people of Tasmania. We can all agree that the site down there at Macquarie Point is owned by the people of Tasmania. The Macquarie Point Development Corporation, owned by the people of Tasmania, Stadiums Tasmania, owned by the people of Tasmania. Like all these GBEs that this government, which has no mandate to do so, has put out there on the table for potential sale and, Madam Acting President, I understand that honourable members - most - will not have had an opportunity to read that report, but there will be matters that come before us, this Council, in the weeks and months ahead where the connection between these two issues is very clear. We may well be faced with a Macquarie Point stadium assessment bill of 2025 as well as being faced with a whole lot of amendment bills or GBE removal bills, and it is all connected because it is all about the future of the state.

Ms ARMITAGE - Through you, Madam Acting President, could I make a suggestion?

Madam ACTING PRESIDENT - Yes.

Ms ARMITAGE - Could I suggest that perhaps the member for Hobart actually list this report? Perhaps you could move a motion -

Ms O'CONNOR - What a great idea.

Ms ARMITAGE - tomorrow or the next day and have the report so it can actually be discussed perhaps next week as an item of its own, so that people will have had the chance to read it and can then comment. Just a thought.

Ms O'CONNOR - No, it is a very good thought. Thank you, member for Launceston, I will do that.

Madam ACTING PRESIDENT - I should have suggested it myself. Apologies for not doing so earlier.

Ms O'CONNOR - I will do that, but in this Chamber, we do not have matter of public importance debates. There is not really an opportunity to bring on urgent matters unless we can secure three other members.

Madam ACTING PRESIDENT - That is not true, anyone can bring an MPI.

Ms O'CONNOR - No, I understand that, but when I had a look at the history of the MPIs, it has been a very, very, very long time since there has been one in this place and this is an urgent matter, as is the sale of our GBEs and state-owned companies.

Madam ACTING PRESIDENT - Well, had that piece been listed as an MPI, it may well have seen favour of the House, and so it was not.

Ms O'CONNOR - Thank you, Madam Acting President - I want to have that discussion with my colleagues in the future because there are matters where I think we should be prepared to break with the proceedings for the day and have an informed debate on a matter of public importance - and there are not any subjects that are as important to the people we serve as the future of Tasmania, Madam Acting President. At the last state election, it is blatantly obvious to anyone who understands even basic maths that this government did not receive a mandate. They came back into parliament on its knees with the support of the then Jacqui Lambie Network members and the member for Franklin, Mr O'Byrne.

On the threshold question, the question before us today, I would argue that the only way to see this is as a statement of fact - to agree that this Rockliff minority government has no mandate for its privatisation agenda. Privatisation, as every one of us here knows, is an issue that people feel very strongly about. That sense of ownership we all used to have of, for example, Qantas, the Commonwealth Bank - great institutions; Telstra was another one, for which governments invariably did not take those plans to privatise those entities to the people before they decided to do that. As much as I admired the former Labor prime minister Paul Keating, he was one of them. Where you have governments go to an election with one narrative and come out the other side with what former prime minister John Howard used to call core and non-core promises.

This privatisation agenda should alarm us all. Having listened to debate in the other place and having spoken with some of my colleagues across both Houses and all parties, I do have some faith that parliament will save this government from itself and will save Tasmania from reckless government decision-making. Pardon my cynicism on the history, but I have been quietly surprised and pleased to see Labor take a really strong position on selling off our GBEs and state-owned companies. It may be the case that those bills do not reach this place. It

depends on what some of those independents do, but every one of us who is elected in here is elected with an individual mandate to represent our communities.

I know, having doorknocked last March for the state election, right across Clark and in some other electorates, and then doorknocked in Hobart leading up to the Legislative Council election, the issue of the stadium is a huge concern for people. But there is a metanarrative here of trust and people who grieve the loss of integrity in politics. In my community, overwhelmingly, people do not want this stadium. I know that, in Hobart, for people to know that a government would sell off the Port Arthur Historic Site Management Authority would just have Hobart locals shaking their heads overwhelmingly in disbelief.

Large parts of the electorate of Hobart are reliant on public transport. Who would buy Metro Tasmania? It is a loss-making venture, a fantastic public service. A loss-making venture. If you sell Metro Tasmania, as a government, what are you doing? You will restrict access to affordable transport and you will make sure bus fares go up.

Ms Webb -Yes, worse services; higher prices.

Ms O'CONNOR - As the member for Nelson says, worse services; higher prices. I know I veered slightly off topic, but I would argue that it was on topic enough in the context of what we are talking about. We have a responsibility in here to make sure the truth is told and to act, speak and vote accordingly. The truth of it is, no government that goes to an election 13 months early and then returns with three seats less than a majority - oh sorry, my maths is terrible - four seats less than a majority is not a government that can argue a mandate and we need to remind the Liberals in government that these are not their treasures to sell. There was no permission asked of the owners before announcing that these GBEs and state-owned companies would be up for sale.

So, for Jeremy Rockliff to come in on his state of the state address and falsely claim that this is a government with a fresh mandate should be exposed for the fraud that it is. And I ask honourable members, again, I will say this: it does not matter what your policy position is on the sale of public assets. That is not the question before us. The question is whether or not the people of Tasmania gave the Premier and his colleagues in government a mandate, that is the right to even discuss selling the family jewels, and the answer, unarguably, is that no, they did not. In their wisdom, they did not. So, I commend the motion to the House.

[5.51 p.m.]

Mr GAFFNEY (Mersey) - The expansive, radical and somewhat provocative privatisation agenda regarding the sale of government business enterprises and state-owned companies that was recently floated by the Tasmanian Liberal government could have major implications for Tasmanians.

The agenda may not necessarily be positive for the long-term interests of Tasmanians, nor does it come with a political mandate. I thank the honourable member for Hobart for this notice of motion and I could understand where she was coming from implying that, if the stadium build at Macquarie Point is going to be \$1.86 billion over the next 10 years, how do we pay for that? Maybe we need to get rid of some of our GBEs and SOCs.

So, there is a correlation between that conundrum and I think that is something that needs to be fairly put out there to the community, and I think you have done that very well.

In short, privatisation for me, in my mind, is a risk equation and one that is particularly risky for Tasmanians. In its privatisation agenda, the Tasmanian Liberal Party could leave behind vulnerable rural and regional Tasmanians as well as damaging Tasmania's economic and social long-term interests. I cannot imagine the amount of debt on interest that we would have to pay every year to be able to cover such a spend.

I am speaking today to highlight the needs of Tasmanians who could stand to lose the most from major changes to public services. Moreover, I would like to speak to the role of privatisation itself in Tasmania, the risks that come with that pathway and the potential benefits it might bring.

Each of these factors informs the risk equation and business case that the government must undertake when proposing to privatise government-owned enterprises and businesses. I also contend that thorough or even adequate business cases are not a strong point of this government.

Finally, I put to you that the current government does not have a political mandate to undertake such sweeping and radical economic long-term reform.

I would first like to speak to the needs of Tasmanians as they relate to privatisation. Tasmania is economically vulnerable and dependent on an effective and available public service. Commercialising the public service risks reducing quality and availability of service whilst also minimising the voices and needs of Tasmanians identified as having lower socioeconomic status, as well as those who live in rural and regional Tasmania.

Corporations have little reason to listen to those who do not provide commercial value, while public ownership underpinned by political representation allows Tasmanian voices to be heard.

Consequently, privatisation of GBEs and SOCs risks leaving behind Tasmanians who are most in need of those services currently under public ownership.

The economic vulnerability of Tasmania is a principal factor to consider when any dramatic changes to the public service are being considered. Well-known and highly regarded economist Saul Eslake, whom the Premier announced as advising on the sale of state-owned enterprises, found in his independent review of the Tasmanian economy that Tasmania, by 2035, is heading for the worst level of debt in Australian states and territories, and that is before the Mac Point paper was completed last night by the Planning Commission.

It is obvious that budgetary measures will need to be implemented to improve our state debt. However, this statistic cannot be viewed in isolation, as has been, to inform and support the privatisation agenda.

According to the 2021 Census, Tasmanian household income is nearly 20 per cent below the national income. Tasmania also has the highest proportion of people living in disadvantaged areas in Australia and has higher than average socioeconomic disadvantage, according to the State Growth Tasmania Socio-Economic Indexes for Areas.

These statistics highlight the vulnerable areas across Tasmania. Lower-SES Tasmanians, and those living in rural and regional Tasmania, along with older Tasmanians and those

struggling with disabilities, all rely on the public service to provide them with what they need at a reasonable cost and quality. By extension, services currently under public ownership, such as energy provision and the Metro transport system, provide essential benefits to those Tasmanians.

Public services offer an economic equaliser to these Tasmanians. They offer a means for people to access energy without risk of disconnection, provide readily available transport at low cost, promote lower costs of living, and the services are specifically targeted to those who need and use them - and we are thinking of selling them.

Removing these services from public ownership risks removing the political representation that vulnerable Tasmanians rely on to ensure they continue to receive these benefits.

In short, corporations concerned with efficiency will have less incentive to engage with consumers and provide services across the uniquely rural Tasmanian landscape as well as to lower-SES Tasmanians.

Publicly owned services also support and supplement effective delivery of policy goals. For instance, environmental aims, city and state planning, and industrial development in Tasmania are each supplemented by public ownership of the public transport industry, industrial energy, water and rail companies.

The long-term goals of the government can be effectively delivered through state-owned companies and government enterprises if they are managed and supported appropriately. Many individuals and groups suggest that improvements are needed in the public service and the budget. However, primarily, the needs of disadvantaged Tasmanians must be a priority.

This is not to say that we should throw out privatisation suggestions entirely, but they should be considered with great care and with authentic consultation to ensure the needs of the Tasmanian people, especially those who rely on these services, are not negatively impacted.

This takes me to my next key concern. Privatisation itself comes with a risk. That is not to say that privatisation does not have its place in benefiting Tasmanians. However, considering the vulnerability of Tasmanians, if there is a failure in services, wholesale privatisation is a risky and substantial shift in the Tasmanian economic landscape.

By extension, without a well-thought-out and strongly researched business case for each privatisation suggestion, the government is gambling with the welfare of Tasmanians. It has been suggested that the government is cherry-picking the privatisation agenda.

The rationale for privatisation that it promotes efficient provision of services and can promote more efficient and effective delivery of current services does have an appeal to some people. However, privatisation may directly benefit the budget and improve the bottom line for a fleeting period of time, while also directly improving Tasmanian services by perhaps making them more efficient, more dependable and more available.

Additionally though, Tasmania stands well positioned to implement effective privatisation using lessons learned in other jurisdictions. However, any changes and their impact should be well thought out and certain services controlled by the government are

unlikely to be improved by private ownership, particularly privatisation risks degrading services, removing oversight and reducing the ability of government to steer and guide industry to the benefit of Tasmanians. Selling items such as Metro Tasmania to private enterprise risks allowing monopolies and unfair practice in circumstances where government ownership is the only means to avoid that monopoly. In practice, certain services need a public service obligation to provide a suitable level of quality, price and availability. For example, Metro Tasmania, the Tasmanian city bus lines, inherently rely on a natural monopoly to provide a cohesive service. Carelessly removing oversight and control of industry practice risks reducing the quality of bus services. While there are remedies and ways to avoid such issues, the cost of poorly implementing private bus services, especially in low socioeconomic and rural areas, could be disastrous.

We can be selective on those businesses when we choose to privatise. While we can learn lessons from other jurisdictions; we have already done so. Ineffectively, in selecting implementing privatisation, the government stands to benefit to both Tasmania's and the budget bottom line. That is what the government is saying.

Finally, having discussed the needs of Tasmanians in relation to the public sector as well as the risk benefit equation that is privatisation, I would now like to address the two issues raised by the member in her notice of motion.

For a number of years, we have heard, in this Chamber, second reading speeches which often maintain the government had a mandate to do this and this and this. However, the Liberal minority government does not have a political mandate for the substantial and risky proposed changes in privatising GBEs and state-owned companies. These businesses and enterprises are operated by and for Tasmanians and should stay in the hands of Tasmanians.

I would like to recognise that, as the member states, these government business enterprises and state-owned corporations have been built by generations of Tasmanians and are owned by the people. Importantly, this informs the role which government-owned enterprises and businesses play in Tasmania. Commercialising government-owned enterprises and businesses removes their Tasmanian character. People come to and stay in Tasmania for a less commercial, more community-oriented environment. Inviting corporatisation and commercial enterprise for the sake of economic efficiency and bettering the budget bottom line is not in the interest of keeping Tasmania a place for Tasmanians.

The purpose of government-owned industrial and utility organisations, such as Aurora Energy, TasNetworks and Forestry Tasmania are to provide low-cost and effective services and goods to and for Tasmanians. Privatising elements of these organisations risk diluting them, removing the Tasmanian element and straying from providing the benefits which many Tasmanians expect and rely on. Moreover, losing control over elements of public services risks reducing governmental input to address legitimate issues in the services.

I would finally like to turn to the most pertinent issue of all. While we have ascertained that the Liberal minority government of the day does not have a political mandate for this privatisation agenda, given the scale of changes proposed to the Tasmanian economy as well as the possible undermining of fundamental expectations in Tasmanian life, this privatisation agenda should have been an election issue. Privatisation was not mentioned during the election period, nor does it feature in the government's 2030 economic strategy. Frankly, the minority

Liberal government does not have the political prerogative, nor the political capital, to implement risky and controversial economic plans.

In recent times, we have witnessed very poor decision-making and lack of thoroughness in its management and coordination of major projects. The TT-Line fiasco and the divisive stadium build at Macquarie Point are two which spring to mind. In short, the minority Liberal government does not have a majority government and did not win the state election based on confidence in privatisation and substantial economic reform. It has been suggested to me that it is a kneejerk response to some disastrous financial realities. To some, it appears to be an afterthought to thwart media attention away from the very uncomfortable and untenable situation between TasPorts and the TT-Line.

Suggestions which will fundamentally change the frontline delivery of public services should be subject to public input. Any suggestion otherwise strays from the principles of responsible and representative government. Given the risk inherent to privatisation and the inherent vulnerability of Tasmanians, I would suggest a bulletproof business case first be made for each organisation that is suggested. Good governance, in my mind, means that whoever is in charge needs to leave the organisation in a better shape than when they inherited it. I am not certain how the current government is travelling with this belief.

In conclusion, the government of the day has suggested sweeping and radical economic reform for parts of the public service which many Tasmanians rely on. This comes with risks and poses a special risk to vulnerable rural and regional Tasmanians. As such, Mr President, the government should first come with the political mandate as well as a strong business case for each individual case of proposed privatisation. Sweeping agendas risk leaving Tasmanians behind and do not reflect democratic principles, nor will they necessarily benefit the long-term interests of Tasmania. If the government had raised this issue before the last election, they would not have been voted in. They know that and that is why it has been brought in, sneakily, after the event. I thank the member for bringing on this notice of motion and I hope that other members in this place can spread the word that this is not in the best interest of Tasmanians.

[6.06 p.m.]

Ms WEBB (Nelson) - Mr President, I welcome the opportunity to contribute to debate on this recently revealed privatisation agenda of the Rockliff government, as outlined in the motion from the member for Hobart. I thank the member for Hobart for bringing the motion and providing us the opportunity to air some issues around this privatisation agenda in this place. I appreciated her contribution and the need to reflect on the full implications of this sort of agenda, the context in which it is occurring, and the other things the government is seeking to pursue alongside the disgrace that this privatisation agenda represents.

I appreciated the member for Mersey's contribution as well, particularly his raising of the potential impact on the most vulnerable Tasmanians when we start to mess with services delivered through GBEs, SOCs and other government entities. It is utterly unacceptable for us not to apply an equity lens when we are considering such matters. Of course, we need to consider the broad public interest, but we also need to think about things with an equity lens and think who is impacted the most and most detrimentally. It is also important to ask who benefits. Indeed, with this government and the way it makes decisions, that question needs to be front and centre at all times.

Without further ado, I will get going into the motion. I note in clause (2) of the motion before the Chamber there is a list of 13 entities owned by Tasmanians. It is quite a list in anyone's book. Just how many state-owned corporations and entities does it take to fill an unquantifiable financial hole, I wonder? That is the crux of the issue here. After almost 11 years, this government has a financial problem and is looking for a cheap and easy stopgap. In the absence of any meaningful financial structural reform, after 11 years, the only thing guaranteed by any sale of one or all of the listed entities is that it will provide a short-term stopgap only.

Any current discussion on the assessment of GBEs and SOCs for potential sale and privatisation merely serves to highlight the necessary debate we are not having. That is the debate on the widely recognised need for fundamental structural reform of our state financial framework. It is not just me saying this, far from it. Others in this place have pointed it out for years. Economists such as Saul Eslake, amongst many others, have called for such work to be done for years. In fact, as members may recall during the 2010 minority government period grappling with the fallout of the global financial crisis, there was a tripartite tax reform review to begin what could have been a fundamental plank of that much-needed structural reform. To give credit where credit is due, I believe it was a Greens initiative during that period of minority government.

Unfortunately, that work was not completed, and the fact that it even commenced is confirmation that there was once tripartite agreement not only that such work was required, but also to the extent of attempting to do something about the problem.

Moving on to more contemporary consideration of the challenges facing Tasmania getting onto a sustainable financial footing. Of course, following the snap 2024 state election, we saw the Premier negotiate an agreement with the then three Jacqui Lambie Network MPs. This agreement contained a commitment to holding an independent review of the state's finances, which is now referred to in a shorthand fashion as the Saul Eslake review.

The August 2024 report of that review touches on potential privatisation of state-owned assets, with the independent reviewer stating on page 102 of the report:

This Review has considered, but decided against, recommending that consideration again be given to selling government-owned businesses with a view to investing in the proceeds in such a way as to reduce the ongoing budgetary cost of meeting obligations to members of defined benefit superannuation funds.

Considered but decided against recommending asset sales. The independent reviewer continues on page 103:

Apart from the 'political capital' which any effort to 'sell' such a proposal might entail – 'capital' which in the Review's opinion will be needed to implement other elements of what needs to be done to put Tasmania's finances on a sustainable footing – the Review has also taken into account:

...

- the fact that GBEs are now making a relatively larger contribution (through tax-equivalent and dividend payments) to the Budget than they did in the 1990s and early 2000s, which together with the smaller savings from debt repayments due to lower interest rates reduces (and potentially eliminates) the purely financial benefits of privatisation;
 - the risk that prospective buyers of energy businesses owned by the Tasmanian Government may under-estimate their value during and after the transition to net zero emissions;
- ...
- and, given the high probability that any acquirers of government-owned businesses being offered for sale would be based on the mainland, the potential loss of employment in Tasmania.

It is jobs, jobs, jobs going to the mainland if we privatise assets in this state.

Barely seven to eight months following the release of an independent review of Tasmania's finances - commissioned by and paid for by the Rockliff government - which recommended against potential GBE and SOC sales, the government decides now it is apparently time to send out this particular ill-advised thought bubble - ideological thought bubble at that.

Despite receiving independent advice indicating current contribution rates of these companies has reduced, if not eliminated, the purely financial benefits of privatisation, serious counterproductive impacts on our net-zero transition, and serious concerns about local job losses, no, apparently, the Rockliff government knows better than this expert advice to the extent of proposing the exact opposite of the advice received barely eight months ago. What could go wrong? What could go wrong here?

Let's move on. That list of 13 state-owned companies and corporations listed in clause (2) of the motion is quite compelling to consider when we are talking about privatisation. I am just going to speak today about three of those, briefly.

Firstly, the Public Trustee. Sadly, it is no surprise to see the Public Trustee on this list in light of last September's announced intention to restructure that entity. However, it does indicate, once again, that the Premier's claims to have listened ring hollow. Following last year's restructure announcement, many warnings were raised about the potential significant risks of such a move for vulnerable Tasmanians.

Further, given the historic governance challenges faced by the Public Trustee, the independent review that was undertaken and referred to as the Bugg review was a very valuable exercise. We know that recommendation 6.1 of the Bugg review recommended the Attorney-General and the Treasurer retain the existing GBE model for the Public Trustee and use the performance framework of the *Government Business Enterprises Act 1995* to improve service delivery to its CSO clients and represented persons.

In fact, over the intervening years, that is exactly what has been happening and the Public Trustee has turned itself around, quite remarkably, as a result of that review and its diligent

implementation of the recommendations it contained. Yet again, the government knows better, apparently, and we are going to blunder through and consider doing exactly what that review suggested we do not do.

I next wish to mention, from that list of 13, the Port Arthur Historic Site Management Authority. The Port Arthur Historic Site is an internationally recognised World Heritage area, one of 11 national historic places that together form the Australian Convict Sites World Heritage property. This is such a significant legacy for which the state is custodian. It is also one of Tasmania's prime tourist sites, a region of ongoing cultural and ecological research, as well as a place which holds an integral place in the heart and lives of many local Tasman Peninsula community members. We cannot forget that for many, this site remains a place of pilgrimage also, due to the contemporary tragedy of 1996. I find it unfathomable for any government to seriously contemplate handing over the day-to-day responsibility and custodianship of this site to a private operator.

Lastly, TasRail. Now, I am not, by any stretch of the imagination, an expert on the business of rail transportation. However, TasRail provides a contemporary example, an interesting one that I was not aware of fully before looking into it in this context. It provides a contemporary example of a privatised asset that was then bought back by the state at a later date. This is referred to by those in the financial sector as reverse privatisation. A 2016 article titled 'The privatization and de-privatization of rail industry assets in Australia and New Zealand', by Swinburne University authors Malcolm Abbott and Bruce Cohen, details how around 20 years ago, the perceived political wisdom driving reform in the rail sector was the view:

... that the state-run, monopoly railways were inefficiently operated as a consequence of poor incentive properties deriving from soft budget constraints, political demands for the delivery of uneconomic services, and over-staffing.

However, the experience of privatisation revealed common problems for the private operators, particularly the inability for those operators to capture the full community benefits of their operations. For example:

... they were not able to capture the positive externalities that flow from rail operations. Rail transport has the capacity to reduce congestion on roads and increase the value of land proximate to railway developments.

Those are the externalities that are difficult for a private operator to capture the full benefit of.

Abbott and Cohen, in this article, examined the history of TasRail's ownership. It may interest members here to know that after its last passenger service in 1977, the Tasmanian government accepted an offer by the Australian government to take over the state-owned railways. This resulted in the absorption of the Tasmanian Railways into the new Australian National Railways Commission, operating as TasRail.

In November 1997, TasRail was sold by the Australian government to the Australian Transport Network, a partnership of New Zealand-based Tranz Rail and United States rail company Wisconsin Central. This sale of the rail network asset included a 50-year lease of the

Crown land on which the tour railway network was located. TasRail was granted the exclusive right to use and occupy the land while owning the infrastructure situated on that land, and assuming an obligation to maintain it, at its own cost. In 2004 the company was sold to Pacific National and subsequently, in September 2005, threatened to withdraw all services unless the Australian and Tasmanian governments paid the company a \$100 million subsidy.

Despite both governments initially refusing to do so, then-state infrastructure minister Bryan Green and his federal counterpart, transport minister Warren Truss, announced a \$120 million rescue package for the company. In May 2007, following further negotiations, the Tasmanian government, the Australian government and Pacific National came to an agreement where the state government acquired the railway infrastructure previously leased to Pacific National, and the company agreed to continue to provide above-track rail freight services on the network. Yet the federal government was still required to provide a further \$78 million for capital works, while the Tasmanian government agreed to provide an additional \$4 million per annum to be spent on maintenance.

Finally, in September 2009, the Tasmanian government purchased back the above-track rail business for \$32 million, with rail track and freight operations to be owned and operated by a new Tasmanian state-owned rail company, Tasmanian Railway Pty Ltd - TasRail.

Sometimes, it serves to have a history lesson, doesn't it? We have a relatively recent example outlined here of the actual cost to Tasmanians, of the budget bottom line of selling off a structural asset, experiencing being held over the proverbial barrel by a private operator requiring ongoing subsidies from the taxpayer - the original owner of that asset - through to the eventual purchasing back of the integral state infrastructure and company.

We have already sold Tasmania's rail infrastructure. It proved so counterproductive to the state's interests that we bought it back. We put good money after bad and now apparently it could be up for sale again.

Despite that recent experience - which would be in the memory banks of many Tasmanians, certainly those who informed me about it more in more detail - despite that and the fact that we have it in our memory banks, the Rockliff government intends to jump back onto that merry-go-round, not just with one state entity but possibly with 13. Reverse-privatisation that risks costing and disrupting Tasmanian services while weakening our fundamental infrastructure base is utterly unacceptable.

We could talk about it all night and we should certainly talk about it much more in context with the other things proposed in this state, such as a now utterly discredited stadium. One final point I would like to make tonight relates to the term 'mandate'. It is a point in the motion inviting us to consider 'Is there a mandate?' Of course, the answer to that is a resounding 'No' - in fact, 'Hell, no', Mr President.

In general, I am very suspicious when governments of any stripe pronounce for themselves a mandate. I think it has become overused and rendered meaningless. My observation is that governments tend to claim a mandate to justify not listening to community concerns, and to excuse or mask their attempts to shut down scrutiny or objections. It is simplistic political point-scoring and playing - and let alone the claims of a mandate when the government in question is governing in minority. Governing in minority is, by its very definition, the absence of a mandate.

It is quite clear by any rational assessment of the Premier's announcement made during his state of the state address on 4 March of these new plans to assess possible sale of our GBEs and SOCs that a mandate via election does not exist. A mandate in the true sense of the word could not be claimed by the current minority government. It has not secured nor built the political capital identified by Mr Eslake in his 2024 independent review.

Although I agree it is a matter of fact that the Rockliff government does not have a mandate for its privatisation agenda, as stated in clause 5 of the motion before us, clearly it would be a nonsensical assertion for the government to claim otherwise. Clearly nonsensical, not just on the basis of being factually a minority government, and therefore having no mandate, but it did not even take this proposal to the election. Again, it is an utter absence of a mandate if you silently forgot to mention anything about this proposal before asking people to vote for you.

I think the actual issue here is that there is a propensity of this current Rockliff government to behave as if they are a majority government, arrogantly asserting a mandate in defiance of community sentiment or good governance principles and practice. If, however, the government sought genuine social licence, that would require genuine engagement with the community, taking Tasmanians along a rigorous evidence-based journey. I note that the Premier has emphasised when discussing this matter that in his view it is merely a 'sensible course of action' to evaluate, consider and discuss whether state asset sales should occur and, if so, which ones. That argument would be more convincing if the announced evaluation for sale of state companies and corporations was occurring within the context of a broader debate about structural financial reforms and about other priorities being progressed by this government in the community, despite every expert telling them that it is an utterly bad idea.

Yes, of course, I am speaking of the stadium, which has yet again been absolutely exposed as the wrong priority in the wrong place. Instead, we have merely had this proposal to assess GBEs and SOCs for potential sale as an isolated idea presented, I believe, as a way of avoiding other, more fundamental pieces of work or other, more fundamental discussions about genuine priorities for our community. It would also be a more convincing argument from the Premier if there were a range of options, a plan B, for instance, other than gutting the State Service; that is, there is no apparent alternative should the mooted sale of GBEs and SOCs not eventuate, or, if it does and proves to not plug the financial hole sufficiently, what then? Where are we left after we have, as the member for Hobart refers to it, sold the family silver?

In summary, I stated in my address in reply to the state of the state speech, that I considered the sudden appearance of the privatisation spectre as the default comfort zone of a lazy, irresponsible, ideologically driven government devoid of constructive ideas and a genuine commitment to reform. I reiterate that assessment here today. While I acknowledge there is currently an independent assessment of the proposed GBEs and state-owned companies sale, which I am awaiting with very deep interest, it remains bitterly disappointing that such a venture could even be discussed in isolation of actual structural reform of our financial framework that is required by this state as a matter of urgency. Not only is that lazy and irresponsible, as previously stated, it is also a shamefully missed opportunity.

As I stated in the previous contributions in this place, the current balance-of-power parliament should provide an opportunity for constructive debate on policy with an eye to both short-term and long-term reforms for Tasmanians now and into the future. While it is very

disappointing that we need to even have this debate here today, I am certainly supporting this motion.

[6.27 p.m.]

Ms ARMITAGE (Launceston) - I thank the honourable member for Hobart for bringing this motion on today and agree that it is an important issue worthy of our attention and this is necessary to discuss. To the first and second points of the motion, these are undeniably true. I do note the stated intention of the Rockliff government to privatise government business enterprises and state-owned corporations, with only Hydro Tasmania excluded from possible sale, and that this consequently means that a number of Tasmanian enterprises and corporations are potentially up for sale.

To point (3), I also agree that these GBEs and SOC's have indeed been built up by generations of Tasmanians and are owned by the people of Tasmania. This necessarily means that it is more than just ownership of these organisations; it is the stake that the employees have in these organisations and the fact that people have potentially been working in these Tasmanian-owned institutions for several years or even generations. They are Tasmanian in a sense that goes far beyond ownership, and I baulk at the prospect of a person, people or company who may go on to own them in the future. These GBEs and SOC's are ours. They are important to us and they hold meaning for us.

The Premier only announced this privatisation agenda around the time of the state of the state address earlier this year. We have gone from zero to 100 very quickly. Privatisation of these GBEs and SOC's is the nuclear option and we are hurtling towards it very quickly. To that end, yes, I do know that this massive privatisation agenda was not taken to the 2024 state election nor included in the Tasmanian Liberals' 2030 Strong Plan.

Tasmanians own these organisations. We care about them and we have a stake in them, and that means we get a say in where, when and how and why we dispose of them. We have not been availed of this opportunity and, as representatives of our various constituencies, it really is our responsibility to represent the views of the people regarding this plan and what I am hearing is a resounding no. Tasmanians have been through enough. They are going through enough. We have a massive debt to pay down as well as the costs associated with servicing those debts. The fact that selling our SOC's and GBEs to pay down and service debts is just astonishing to me. It is a short-term solution that will have long-term consequences.

Do we think that some of these services, Metro, for example, will improve in the hands of private operators, if a buyer can even be found?

What are we really selling? The GBEs and the SOC's for a short-term sugar hit? What about the revenue lost over the long term? In 2023-24, our SOC's paid \$319.52 million in revenue to the government by way of dividends. Of that, \$175.42 million came from Hydro Tasmania. I know Hydro is not being considered for sale, but that \$144.1 million that came from the other SOC's is not insignificant. For lack of a better simile, these are golden eggs. They are very reliable profits that are brought back into the Tasmanian coffers and thus to the Tasmanian people who work very hard in these organisations. I always think about the TAB and while I know there were many differing views on whether or not a wagering business ought to be something in public ownership, how much money in revenue could we have received since its sale 15-odd years ago?

My point is, we need to consider the sale of GBEs and SOC's extremely carefully. Yes, I understand that a number of GBEs do not always turn a profit. Metro, Port Arthur Historic Site Management Authority, TasRail, Tasracing, TT-Line, and the Public Trustee did not turn profits in the 2023-24 year. However, we have to understand the services that many of these GBEs provide to the community, not to mention how they keep Tasmanians in employment. It was mentioned by the member for Nelson that Metro is actually a service. It does not make a profit, but for many people who cannot drive and have no other way of getting where they need to go, as I said, it is called a service. Unfortunately, in private enterprise, people need to make a profit. These services are far too important to be losing or cutting corners with - not to mention the people whose jobs will be at risk or lost in the hands of private operators, whose priority will be with shareholders, not with the people who rely on their services.

It is a lose-lose situation. I also agree that the Rockliff government does not have a mandate for this privatisation agenda. Tasmanians deserve a say on this and they deserve to be heard directly by way of a ballot box. A letter to *The Examiner's* editor last week very astutely made the comparison between shareholders and taxpayers in this context. Of course, you cannot make major decisions about a company without the shareholders' agreement. I think the same logic applies here. It is important that we consider good ideas about what is and what is not in the interests of Tasmanians, not just now, but into the future.

Nathan Calman, CEO of TasFarmers, put it very nicely when he said:

GBEs and/or SOC's should be considered for sale or lease in circumstances where it is clearly in the state's long-term interest and not just for short-term gain, either financial or political, and where it becomes clear that the SOC cannot operate effectively under government ownership.

I could not agree more. These are circumstances where I strongly believe that consideration of selling our GBEs and SOC's is not at all wise and I want to state emphatically right here and now, we have other options we should consider first. I understand the TCCI has suggested locking up windfalls into a sovereign wealth fund.

My point is that we are not locked into this course of action and selling our GBEs and our SOC's is not a foregone conclusion. It is something that, at the very least, needs to be considered extremely carefully. It should only be done in circumstances that call for it. Paying down debt and servicing does not cut it. Again, I thank the honourable member for Hobart for bringing it forward and I wish to note the motion.

[6.34 p.m.]

Ms THOMAS (Elwick) - Thank you, Mr President. Thank you to the member for Hobart for bringing this motion. It has been interesting listening to other members' contributions. I must say, I am feeling a bit uncertain about where I sit in terms of supporting some elements of the motion and I feel that, in some ways, we are getting a bit ahead of ourselves. Some may consider that I am new to this game, maybe I am still in the honeymoon period when it comes to my tenure in state politics, but I am open-minded to review and to change, and to consider all proposals to ensure that we achieve the best outcomes for Tasmania. I appreciate that there have been past reviews done on proposed privatisation or sale of GBEs and state-owned companies. I appreciate that other members have a lot more experience than I do and historical knowledge on this particular topic. That will be very valuable in the discussion and the debate on this topic going forward.

I feel that, in clause (1) of the motion, asking that the Council note the stated intention of the Rockliff minority government to privatise government business enterprises and state-owned companies with only Hydro Tasmania being excluded from possible sale, is different to how I interpreted the government's intention when I read the media release that was issued on 4 March. Again, some may consider that I am being naïve, but how I read it - and I quote the Premier's media release, which said the government would be 'assessing the benefits of moving several entities out of government ownership, with respected economist Saul Eslake to provide advice to the Government'. I read that as the stated intention of the government being to assess the benefits. I would also assume that, in doing that assessment, Saul Eslake would assess the negatives associated with it, not just the benefits. He is a very respected economist, very experienced in doing these kinds of assessments. You would expect he would not just assess the benefits. We do not know what the terms of reference are, however. I have not seen them. It would be helpful if the Leader, perhaps in her response, could tell us what the terms of reference might be for that assessment that the government has asked Mr Eslake to undertake. The way I read it is that the stated intention of the government is to explore privatisation.

Based on that assessment, they will then perhaps put a proposal forward. I would hope there would be consultation with members of parliament. I would hope there would be consultation with members of the public. I would hope there would be consultation with GBEs and state-owned companies on the findings of that assessment before any decision was made or proposal put forward on the actual sale or privatisation of GBEs and SOCs. I feel that perhaps I cannot support clause (1) of the motion because it misrepresents what the government's stated intention actually is. I would appreciate the Leader, as I say, clarifying if the government's intention to run with whatever Mr Eslake says and privatise GBEs and SOCs, or if it really is to take on board his advice in exploring the privatisation. What are the terms of reference that Mr Eslake has been provided with in undertaking that assessment?

I can perhaps agree with points (2), (3) and (4) of the motion. Point (5) of the motion, asking the House to agree the Rockliff minority government has no mandate for its privatisation agenda, I do not think they have said that they did. I do not think they have stated that they believe they have a mandate. Again, it is about interpretation.

Ms O'Connor - He did in the state of the state address; he did. A fresh mandate.

Ms THOMAS - Again, I would hope that public consultation surely would be undertaken to test this. Again, call me naïve; I would ask the Leader in her response, if she could perhaps advise the House on what the government's process is. What is the project plan? What are they proposing to do once they receive this advice? Will public consultation be part of the next steps? That is what I am keen to hear from the Leader. I am not sitting down, Mr President. I forgot a bit of paper.

That is one of my questions. I have a few more questions that I would appreciate the Leader turning her mind to in her response. I have a lot of questions about this process and the proposed sale of GBEs and I am keen to explore these further. Whether now is the right time to do that or through questions from the Floor, I have a lot of questions to ask in this process and I will put them out there now, whether the Leader responds now or in another time, in another forum. My understanding is the Treasurer has the power, under the *Government Business Enterprises (Sale) Act 2003*, to sell GBEs without community consultation or the approval of parliament. I would like the Leader to confirm that that is the case and whether that is the intention of the government, to do that without community consultation. Outside of the

legislative requirements, is there any accepted conventional practice when it comes to the process for the sale of GBEs?

The government has announced it will be assessing the benefits, as I have said, with Saul Eslake to provide the advice. So, what is the government's plan following receipt of this advice? I have already said that - sorry for the repetition. What other steps will the government undertake or what factors will it give consideration to in making a decision on the proposed privatisation of GBEs? How will GBEs be involved in this assessment? How will the community be involved in this assessment and to help inform the government decision-making?

I am interested also in what is the cost of Saul Eslake's advice and what is the budget for this assessment task overall. This is a significant piece of work to be undertaken. It is not something that can properly happen in a hurry, Mr President. So, they may not have a mandate, but we may well be at another election - God forbid - before the assessment is finalised and brought to action. So, that may well happen. I cannot see this process happening in an absolute hurry.

Again, it may be me being politically naive. So, I understand the intention behind this motion; I know there is a lot of politics around this. I am open-minded to exploring possibilities. I do have concern when it distracts from the agenda that Tasmanian people expect the government will be undertaking. I feel like, given the power-sharing parliament we are in, we are perhaps in the best sort of position to be exploring these sorts of options. So, I remain open-minded and I will appreciate and listen to the Leader's response. I am interested to hear that and continue to listen to other members' views.

[6.42 p.m.]

Ms LOVELL (Rumney) - I am - and I do not think it will be a surprise to anyone - speaking in support of the motion. This is not the first time I have spoken about privatisation in this Chamber. I am sure it will not be the last. In fact, we will continue to find every opportunity we can to talk about this, because I think it is important that people understand what is happening and what is on the table and what is at risk in this.

I have listened with great interest to other members' contributions and I was particularly interested in the contribution from the member for Elwick just now and in her comments relating to point (1) about the stated intention of the Rockliff minority government. It did give me pause for thought and I thought, yes, okay, I can understand what she is saying there, Mr President, but I am comfortable to support this - and I would never call the member for Elwick naive, politically or otherwise; maybe a little more optimistic than me, but not naive.

I have every confidence in Saul Eslake as a respected economist to look at this properly, to really interrogate this issue and look at both sides. Do I have confidence in the government to listen to that report? No, because we have seen them time and time again ignore reports from the very same economist, in fact, as well as many other respected experts in lots of different subjects.

So, while I understand that the government has announced a review or a look at this, also knowing what we all know about Tasmania and how they feel about privatisation and how they feel about their own assets, the assets that they have owned and built and grown for centuries,

I do not think any government would make that kind of announcement in a state of the state speech, the very first thing for the year, if they were not committed to it.

There is no way in the world, no way in the world they would put this out there if they were not willing to see it through. This was a very clear statement from the Premier, very deliberate in the way he did it, how he did it, when he did it. It is very clear to me that this is their intention and we know it is their intention because they are desperate. They have said as much. They have said as much. They have said that they are in big trouble with the budget. After 11 years and consecutive record cash deficits, there is a major budget crisis. That is why we are even talking about this. We are not talking about it as a strategy decision or decision about whether Tasmania should own particular assets or not, whether or not that is good for the state or good for the outcomes or good for the services that are being delivered. The government has as much as admitted that it is because they need the money that these assets are on the table. They are up for sale because the government has driven this budget into the ground.

It is not something they took to an election. There was no mention of this at the last election. There is absolutely no mandate on this. In fact, like I am sure others in this Chamber have been doing, I have been engaging with voters recently, more directly than I might otherwise. We have a federal election campaign coming up. There are Legislative Council elections coming up. I have been out on the ground talking to voters. This is the thing that keeps coming up. It does not matter whether you are talking about a Legislative Council election or a federal election or you are just out in your community. This is the one single issue that keeps coming up. It is being brought up by people who would not normally be engaged in politics at this level outside of an election cycle. People are worried about this and they are angry. They are very angry.

This is not something that we did not know was coming; this situation that we are in with the budget - there have been warning bells ringing on this for years. There was a report to government four years ago. Treasury's long-term forecast demonstrated that if corrective action was not taken then, the size of the deficits would continue to expand and the problems would get worse. Here we are, four years on from that report. No action was taken. Things are worse.

This is a policy that is bad for Tasmania. The member for Mersey made a really great contribution in highlighting the impact that this will have on our most vulnerable Tasmanians. These are services that are relied on by all Tasmanians. All of us rely on these services. You look at that list - and on that list, before we come to that, there was one point I wanted to make around point (1), and I did raise this with the member for Hobart outside of the Chamber this morning. Point (1) at the end says, 'only Hydro Tasmania excluded from possible sale'. I am not sure that is the case. The Premier has said he will not sell Hydro, but where is Momentum? Momentum Energy is part of Hydro. Is Momentum on the table?

Point (2) talks about the potential sale of all these GBEs and state-owned companies: TasNetworks, Aurora Energy, Tasmanian Irrigation, Metro Tasmania, TasPorts. Others have read out the list, Mr President, I will not do it again. These are services that we all rely on. We will all be impacted by higher prices or a reduction in services. That is the result of privatisation. The government has been asked over and over again to point to an example where privatisation has resulted in lower prices for consumers and they cannot. They have not been able to.

Ms O'Connor - Or even better services.

Ms LOVELL - Or better services. As the member for Mersey pointed out, this will impact all of us, but it has a disproportionate impact on our most vulnerable Tasmanians. Those people will be more impacted by a reduction in services. They will be more impacted by higher prices. This is a policy that sells Tasmania's future down the river. We lose these assets. Once they are gone, they are gone. TasRail was bought back, but at a much higher price than it was sold. That was a mistake made by a previous government. It was bought back. We have learnt that in the past. Why would we try to repeat that mistake again?

Earlier today, I touched on the conflict between commercial decision-making and service provision regarding what is best for the state. These services that are owned by Tasmania that are delivered by our state-owned companies and our GBEs are done so for a reason. These are services that should be in public hands. They are public services. Power, water, public transport, insurance such as the Motor Accidents Insurance Board (MAIB) - these are all services that should be in public hands. They are in public hands for a reason. There should be services that are provided by the government. Some would argue GBEs are a step too far, but at least we maintain some control over the delivery of those services and over those companies by keeping them in public hands. There is a reason why we keep them in public hands.

We know that the state subsidises some of these companies. There are subsidised fares through Metro. We know there are subsidised fares through TT-Line. We know there are ways that the government has to intervene to support the delivery of these services. That is because people rely on them.

I also want to touch on - and, again, I spoke about this earlier - it is almost like the government wants us to think dividends are a bad thing. They are now on the attack about making GBEs more profitable. 'If you want to increase dividends, it is about increasing prices. Prices are going to go up.' That is not necessarily the case. I want to point out that dividends are something that has helped us sustain our budget for years. We rely on these dividends. We rely on the dividends to be able to provide the services that the state is responsible for: health, education, housing. All of those things are able to be delivered because we receive dividends from these companies.

We sell them - sure. I think it was the member for Launceston who talked about a short-term sugar hit. You get a once-off sugar hit. That is it. You lose that source of revenue. It might bail them out in the short term. Maybe that is what they want. Maybe that is a big sign about how they are thinking in terms of their future. They should be thinking about not their future as a government, but the future of Tasmania. While it might bail them out in the short term, it sends us all down a path that will be very damaging for a long time.

I did have one other question about the state-owned companies and GBEs that are up - and some of them are not even GBEs. The Land Titles Office is not a state-owned company or a GBE but that has been mentioned by the government as one of the entities that might be for sale. I would like to know what happens with TAFE. Where does TAFE fit in with this? It is not a GBE. It is not a state-owned company. I kind of do not know what it is. I do not think anyone does. It is its own entity. Is TAFE on the chopping block? Is that for sale? We have not heard -

Mrs Hiscutt - I have indication that it is not.

Ms LOVELL - Okay. Perhaps the government can mention that in their response because I think that is something that we need to have cleared up, because to date it has not been.

I think I will leave my contribution there. As I said, it is not the first time we have spoken about privatisation. It is not going to be the last time. I want to thank the member for Hobart for bringing this motion before the Chamber this evening for us to debate.

I have heard similar debates on this topic in the other place. There are not many people in this parliament who are supportive of this agenda, outside of the government. I think that needs to be paid very close attention to in thinking about how to proceed from here, but more importantly, outside of the Chamber. We are here representing our communities. The position that we bring into this debate is the position of our communities, the communities that we are all in touch with. I know we all spend lots of time out in our community talking to people, and we bring their position here. That is the position I am bringing today. That is the position I will continue to bring.

I do not support this privatisation agenda. The government has no mandate for it. If they do choose to proceed with this, I sincerely hope they do take it to an election and let the people of Tasmania have their say.

[6.54 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Government business governance reform is of paramount importance to our government and the future prosperity of Tasmanians. As part of the government's 2030 Strong Plan for Tasmania's Future, our highest priority remains growing our economy and creating opportunities for job growth. However, in the past year, we have faced significant challenges due to fundamental failures in government business governance.

These challenges demand bold, decisive action. That is why our government is undertaking the most comprehensive shake-up of government business enterprises and state-owned corporations in Tasmania's history. We are not simply making minor adjustments, we are taking a holistic approach to reform. Our goal is to create a governance framework that is integrated, cost-effective, transparent and, above all, responsive to all needs of Tasmanians.

The reforms we are implementing will ensure a coordinated approach to investment decisions that drive economic growth, improved service delivery of essential services that underpin our economy and community, maximise economic gains and efficiency improvements and a sustainable future for government-owned businesses. Under the plan, government businesses will put Tasmanians first. This means improved governance structures, real-time accountability, expanded performance monitoring and strengthened mechanisms to rectify poor performance.

To ensure sound oversight, we will legislate clear board management mechanisms, limit the number of boards one individual can sit on and ensure strong Tasmanian representation in leadership roles. Additionally, we will enhance the role of shareholder ministers to reinforce accountability and introduce broad performance reviews and auditor-general assessments. We recognise that real reform cannot happen in isolation. That is why we released our Government Business Governance Reform - Draft Plan on 3 November 2024.

Through extensive consultations, including roundtable discussions with key industry leaders and stakeholders, we have received overwhelming support for updating our governance framework. A total of 48 submissions were received, demonstrating broad-based interest and engagement.

Mr President, an industry reference group has also been established to provide valuable insights and advice. This group has already met multiple times and their continued input will be crucial as we move forward.

We are implementing these reforms through a two-tranche legislative process. The first consultation bill was tabled on 4 March 2025 with a six-week consultation period closing on 17 April 2025. A second tranche will follow in June 2025. So, together, this legislation will provide a contemporary and comprehensive framework to guide our government businesses for the next 30 years.

One of the key initiatives being considered is the proposed merger of TasRail, TT-Line and TasPorts. This strategic move aims to integrate and optimise Tasmanian transport infrastructure. We have engaged Deloitte to conduct a detailed analysis of this proposal to determine the best path forward. Additionally, as foreshadowed in the Premier's state of the state address, we are reviewing the entire government business portfolio to assess whether public ownership remains appropriate, including an evaluation of the economic impacts and potential merit, or otherwise, of divestment of government businesses.

Now, should I just say that part again, Mr President, we are looking at the potential merit, or otherwise, of divestment of government businesses. It will also seek advice on whether a business should be restructured or realigned. As has been said, economist Saul Eslake has been commissioned to conduct an initial divestment assessment. We have developed a principles-based framework in consultation with Mr Eslake that ensures any divestment or restructure benefits Tasmania's economy, the workforce and the public service.

Mr Eslake will be required to consider outcomes from other government divestment processes within Australia and in other comparable economies. Stage 1 of the assessment will identify any entities recommended to be ruled out for divestment as a whole entity. I might say that one again too, Mr President: stage 1 of the assessment will identify any entities recommended to be ruled out for divestment as a whole entity. This work is expected to be undertaken by mid-April 2025.

Ms Webb - Through you, Mr President, is the government committing to go with the recommendations made? Is that a commitment on the table?

Mrs HISCUTT - Stage 2 of the assessment will be used to identify any entities that should be fast-tracked in the government's business governance reform portfolio review process for further divestment, scoping and investigation, and those entities that will require further consideration as part of the detailed assessment. The government will continue to engage with the government businesses and the industry reference group regarding this work.

So, just being very clear, the government is not rushing into anything. This process will be undertaken in stages, starting with an initial assessment to see whether further analysis is required. We are doing this methodically with a clear focus on the long-term interests of Tasmanians. The assessment of government businesses will take a team Tasmania approach to

ensure that any divestment or restructure decisions align with the state's long-term interests, prioritising local businesses, communities and sustainable growth. Past reviews have shown that government business governance must evolve. While previous reforms have introduced accountability measures, we recognise that more must be done. This time, we are ensuring that our reforms are robust, future-proof and in the best interests of all Tasmanians.

These reforms are about ensuring that government businesses operate efficiently, provide high-quality services and deliver long-term benefits for the people of Tasmania. Our government is committed to delivering a governance framework that is transparent, effective and aligned with Tasmania's long-term economic goals. By undertaking these reforms, we are laying the foundation for a stronger, more resilient economy that puts the interests of Tasmanians first.

I thank all the stakeholders who have contributed to this process so far. I encourage continued engagement as we move towards a future where government businesses are held to the highest standards of performance and accountability, and together we will be building a better Tasmania.

I do have the answers to the member for Elwick's questions here and I will plough through them. Member for Elwick, do you have your questions in order or do you want me to read the questions and the answer together?

Ms Thomas - No. I do have them in order.

Mrs HISCUTT - Question 1. The *Government Business Enterprises (Sale) Act 2003* is legislation that provides the legal framework for the sale of GBEs in Tasmania. The act outlines the processes and conditions under which the Tasmanian government can privatise or divest its ownership in GBEs. Key provisions of this act are:

- (1) The authority to sell. The act grants the government the power to sell or transfer ownership of specified GBEs, subject to legislative and regulatory requirements.
- (2) There is ministerial oversight. The act ensures that any sale or transfer is overseen by the responsible minister or ministers and involves appropriate governance structures.
- (3) Transparency and accountability. It mandates clear processes, including public reporting and scrutiny, to ensure that sales are conducted in the public interest.
- (4) Use of sale proceeds. It may specify how the revenue generated from the sale of GBEs is to be used, such as reinvestment in public infrastructure or debt reduction.
- (5) Protection of public interest. The act includes provision to safeguard essential services, protect employees and manage the transition from public to private ownership.

The act applies to GBEs that are explicitly designated as prescribed government business enterprises within the provisions. The act lists these as - and I have a few here that have been divested and sold -

- a) The Civil Construction Service Corporation that was established under the *Civil Construction Service Corporation Act 1994*. That is gone.
- b) The Stanley Cool Stores Board that was established under the *Stanley Cool Stores Act 1945*. That is gone.
- c) The Tasmanian Grain Elevators Board that was constituted under the *Grain Reserve Act 1950*. That has been divested.
- d) The Printing Authority of Tasmania that was established under the *Printing Authority of Tasmania Act 1994*.
- e) The Southern Regional Cemetery Trust that was established under the *Southern Regional Cemetery Act 1981*. These have all been sold.

The *TOTE Tasmania (Sale) Act 2009* references provisions similar to those in the *Government Business Enterprises (Sale) Act 2003*, indicating that TOTE Tasmania was subject to a sale framework established by that 2003 act. The government *Business Enterprises (Sale) Act* does not explicitly mandate community consultation before a GBE is sold. However, the sale process is typically subject to government oversight, ministerial approval and legislative scrutiny, which may include opportunities for public or parliamentary debate.

Ms O'Connor - It may. That is reassuring.

Mrs HISCUTT - Key considerations are, within this:

- Ministerial and parliamentary oversight. The sale of a GBE requires approval from the responsible minister or ministers, and, in many cases, the sale must be debated and approved by parliament, providing an opportunity for public and political scrutiny.
- Potential for consultation. While the act itself may not require direct community consultation, the government often engages in consultation as part of good governance. Public feedback may be sought through parliamentary committees, stakeholder engagement or media discussions.
- A precedence from previous sales. In past cases, major sales such as the TOTE Tasmania in 2009, have involved public debate and consultation processes, even if not formal community consultation. The sale of a GBE is usually subject to public and parliamentary scrutiny, which often includes discussions that involve or reflect community concerns.

Question 2: Conventions. Any future sale would likely be subject to legislation, either through standalone legislation or amendments to the portfolio acts of the businesses.

Question 3: We will be keeping the community and businesses and the parliament informed on this as this progresses.

Question 4: What are the steps? Mr Eslake's work will be considering the principles to guide his work, and I have something more on that shortly. Mr Eslake is expected to provide advice to the government in mid-April.

Question 5: Assessments. Through regular meetings with the businesses and the roundtable discussions that are chaired by the Treasurer.

Question 6: Community consultation will be undertaken. It is too early in the process to advise any further at this stage. We need to do the work on that, but it will be undertaken.

Question 7: Terms of reference. I have a bit more to add to that. The terms of reference are not yet finalised, but I have a bit more to add.

Questions 8 and 9: The cost of the work Mr Eslake has undertaken has not been finalised. The Treasurer committed to provide regular updates on that.

Just to finish up with the key considerations.

Ms Thomas - Through you, Mr President. Did you say mid-April Saul Eslake will provide his advice to the government?

Mrs HISCUTT - I will just get that clear.

Ms Thomas - No terms of reference yet.

Mrs HISCUTT - He is just doing the initial stages now, but the terms of reference will be sorted very soon.

Ms Thomas - Initial advice?

Mrs HISCUTT - Yes, initial advice. The key considerations, this is in answer to your question 4. This is only a draft at the minute as Mr Eslake's work will refine these considerations, but they are:

- (1) Local economic growth and job creation
 - How efficient is the current business?
 - Does the current structure support Tasmania's businesses and workers or would they be better served by a divested entity?
 - Will divestment lead to a new job opportunity for Tasmanians?
 - Are there commitments to retain or expand local employment and skills development?
 - Does the current structure encourage investment in infrastructure and innovation, or would a divested entity perform better?
- (2) Community access and public benefit
 - Will Tasmanians continue to have affordable and equitable access to essential services?
 - How will rural and regional communities be affected?
 - Can appropriate safeguards be put in place to prevent price hikes or service declines?

(3) Competition and market fairness

- Will divestment enable the businesses to operate in a competitive environment and are there safeguards in place to protect competition?
- What opportunities or competitive barriers would exist for local businesses?
- Is there potential for the service delivery to be captured by multinationals?
- Is there a plan to regulate pricing, service quality, and market fairness?

And the last is:

(4) Fiscal and budgetary responsibility.

- Does divestment deliver long-term value for Tasmanians?
- Are there hidden risks such as ongoing government liabilities or loss of strategic control?
- Have the long-term budgetary and fiscal risks been accounted for as part of the assessment?

On from that, Mr President, the government will continue to engage with government businesses and the industry reference group regarding this work, as I have said before, and the Treasurer will provide regular updates on the progress of this important reform project. These are the possible terms of reference Mr Eslake will refine. He may add to it, he might take some things out, but that is what we are hoping will happen, the expectations. I am sure Mr Eslake will only adopt that or improve on his terms of reference.

We are not just throwing the baby out with the bathwater. There is going to be a thorough review and discussion on any of this before it happens. In light of this, the government disagrees with the intent and the tone of this motion. Of course, the motion is noted, but we certainly do not support it.

[7.11 p.m.]

Ms O'CONNOR (Hobart) - Mr President, I will make a very brief reply. I remind members, as the member for Nelson did, that the last time Saul Eslake produced a body of work for the state government - which was only last June or July - it was ignored by this same government.

Mr President, I thank all members who made a contribution today. I listened to all with great interest and it is a very considered and nuanced debate. It was good to hear the Leader of Government Business put some more meat around the bones of what was tossed at us when the House of Assembly returned on 4 March. I loved the vulnerability lens that the member for Mersey placed over this debate. It is so important and it has been reinforced by other members, that is, that must be a primary focus of us in this debate. I enjoyed very much the history lesson, which I had heard a little bit about too, on the blighted attempted privatisation of TasRail, which I am sure you would know a fair bit about, Mr President, but I enjoyed the member for Nelson's history lesson there. The member for Launceston's quote was also really poignant. These GBEs and state-owned companies are ours. They are important to us, they hold meaning for us. It is so true, they belong to us. I also appreciated the heart that the member for Rumney

brought to the debate, albeit with a little bit of cynicism, which is fairly understandable under the circumstances attached.

I thought that the member for Elwick's contribution was really considered. Of course, you do not want to rush into judgement on these things. The question, however, as I said earlier, is not whether or not there is an argument for examining some government businesses and state-owned companies to see if they would be more efficiently run by the private sector if that can benefit the state. That is not the question. The question is - and it is an important one for us to seek an answer to this debate this year when, from what I understand from the Leader of Government Business' contribution, we will be confronted with the legislative or policy effects of the announcement that was made by the Premier on 4 March - and for the member for Elwick's benefit, in the state of the state speech itself, he states, 'It is coming up to one year since Tasmania elected a new Liberal government, a re-elected government with a fresh mandate.' Just as we have heard, Mr President, it is not possible just on the maths to claim that you have a mandate when you have been re-elected in minority.

For the member for Elwick's benefit, once he got into the swing of the state of the state speech, he said a couple of key things: Hydro will always remain in public ownership - boxing away Hydro and I certainly hear the concerns raised by the member for Elwick. Then, he asked, 'But what about the others?' 'We will consider whether the Motor Accidents Insurance Board (MAIB) would do a better job freed from the shackles of government ownership.' Who says it is shackled? Why would MAIB feel shackled? I remember the member for Montgomery's state of the state address, and I do not remember the exact numbers, but I understand MAIB to be an extremely successful government business - \$950 million? Amazing. That does not sound shackled. He also goes on to say, 'because it has happened in every other state, why wouldn't we do it here?' I'm paraphrasing, but he also says it is worthy of consideration.

Likewise, Metro. Is it most efficient as a state-owned company? I think that is the wrong question if we are talking about the delivery of public services to people who are disadvantaged, particularly on urban fringes and rural and regional areas where people do not have vehicles.

He said we will also consider a 99-year lease of TasNetworks to retain ownership but bring in the expertise and the corporate culture to drive the organisation forward. A 99-year lease is a sale. It is a sale. As the member for Pembroke pointed out in one of his contributions recently, when we had that election back in 1998, where the Rundle government took the potential sale of Hydro to the election, which was an honest thing to do. That was about the poles and wires as well because that was before we disaggregated TasNetworks out of Hydro.

Flags the sale of Momentum Energy. Flags, he says, and whether the Land Titles Office really needs to be owned by the government. Terrifying really, is it not? Also, for the member for Elwick's information, we asked in Question Time last week if the Premier would rule out the sale of the Port Arthur Historic Site Management Authority; he would not rule it out. We asked in Question Time today if the Minister for Infrastructure would rule out any of our key ports or other TasPorts infrastructure to state-owned companies. Would not rule that out. We have a privatisation agenda on our hands and the question that is before us is whether the government has a mandate to do that. The answer clearly is no.

I ask members to assess and vote on this motion just on the facts because at the very least, if the motion is carried, it will send a message to government that we are watching very closely, we know you do not have a mandate. I was extremely interested in the answers provided by

the Leader of the Government because it is very clear that in those few short days since 4 March when the Premier delivered his state of the state address, the government has got a bit of a shock at the public reaction. We have a much more cautious approach being outlined here. Although the Leader of the Government did talk about not rushing things, some things will be fast-tracked. I do not know how you align those two ideas, but I hope that - well, I will say this, I thought that the leader's response to the questions that have been asked in this place were reasonable.

I know that the government has had a bit of an awakening since the 4th of March speech and realises that it is in all sorts of trouble with this unmandated privatisation policy, and is now seeking to reassure the Tasmanian community and us, to them. In the end, it is unarguable that the Liberal minority government does not have a mandate to sell the family silver.

Motion agreed to.

**ELECTORAL DISCLOSURE AND FUNDING (DONATION DISCLOSURE)
AMENDMENT BILL 2024 (No. 55)**

Third Reading

Bill read the third time.

**POLICE OFFENCES AMENDMENT (KNIVES AND OTHER WEAPONS)
BILL 2025 (No. 3)**

First Reading

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

Mrs HISCUTT - Mr President, I move -

That the second reading of the bill be made an Order of the Day for Tuesday next.

Motion agreed to.

ADJOURNMENT

[7.22 p.m.]

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

That at its rising the Council adjourn until 11.00 a.m. on Wednesday 2 April 2025.

Motion agreed to.

Mrs HISCUTT - Before I move that motion, I will remind members of our 9.00 a.m. briefing in the morning. I am sorry about that, but minister Palmer can only be there for that short time to deal with the Disability Rights, Inclusion and Safeguarding Bill and then we will follow on with other briefings.

Mr President, I move -

That the Council do now adjourn.

Motion agreed to.

The Council adjourned at 7.23 p.m.

Appendix 1

Tabled & incorporated into
Hansard. J. Palmer
1.04.25

J. Palmer
1.4.25

2025 CAPITAL PRIORITY RANKINGS

School / College	2024 Capital Ranking	2025 Capital Ranking
Beaconsfield Primary School	2	1
Bruny Island District School	5	1
Hagley Farm Primary School	5	1
Hobart City High School - Partner Schools	1	1
Hobart College	2	1
Launceston College	2	1
Mountain Heights School	5	1
Norwood Primary School	2	1
Perth Primary School	2	1
South Hobart Primary School	1	1
St Helens District High School	3	1
Wynyard High School	3	1
Albuera Street Primary School	2	2
Bellerive Primary School	2	2
Bridport Primary School	3	2
Campbell Street Primary School	5	2
Don College	5	2
Dover District School	3	2
Franklin Primary School	2	2
Glen Huon Primary School	2	2
Glenora District School	2	2
Hellyer College	2	2
Howrah Primary School	2	2
Huonville High School	2	2
Invermay Primary School	5	2
King Island District School	5	2
Lilydale District School	2	2
Moonah Primary School	2	2
Mount Nelson Primary School	2	2
Mount Stuart Primary School	3	2
Punchbowl Primary School	2	2
Richmond Primary School	2	2
Snug Primary School	2	2
Taroona High School	2	2
Taroona Primary School	2	2
Waverley Primary School	2	2
West Launceston Primary School	2	2
Westbury Primary School	5	2
Woodbridge School	5	2

Youngtown Primary School	5	2
Bayview Secondary College	4	3
Bicheno Primary School	5	3
Blackmans Bay Primary School	3	3
Cressy District High School	5	3
Cygnet Primary School	3	3
Elizabeth College	4	3
Forest Primary School	3	3
Glenorchy Primary School	4	3
Illawarra Primary School	5	3
JRLF - Senior School	3	3
Kempton Primary School	NA	3
Kings Meadows High School	5	3
Kingston Primary School	3	3
Longford Primary School	3	3
Miandetta Primary School	3	3
Mole Creek Primary School	5	3
Nixon Street Primary School	3	3
Parklands High School	5	3
Prospect High School	5	3
Queechy High School	2	3
Ravenswood Heights Primary School	5	3
Riana Primary School	NA	3
Rosny College	4	3
Scottsdale High School	3	3
St Marys District School	4	3
Summerdale Primary School	5	3
Swansea Primary School	5	3
Trevallyn Primary School	3	3
Yolla District School	4	3
Bagdad Primary School	2	4
Bothwell District High School	5	4
Brighton Primary School	5	4
Burnie High School	5	4
Campania District School	5	4
Claremont College	5	4
Collinsvale Primary School	5	4
Coote Primary School	5	4
Deloraine Primary School	5	4
Devonport Primary School	3	4
East Devonport Primary School	5	4
East Launceston Primary School	5	4
Fairview Primary School	5	4
Forth Primary School	5	4
Glen Dhu Primary School	2	4
Goulburn Street Primary School	4	4
Herdsmans Cove Primary	5	4
Huonville Primary School	5	4

JRLF - Gagebrook Primary School	5	4
Kingston High School	5	4
Lindisfarne Primary School	4	4
Margate Primary School	5	4
Molesworth Primary School	5	4
New Norfolk Primary School	5	4
Newstead College	4	4
Oatlands District High School	5	4
Orford Primary School	5	4
Rokeby Primary School	4	4
Rose Bay High School	4	4
Sandy Bay Infant School	5	4
Sheffield School	5	4
Southern Support School	4	4
Sprent Primary School	5	4
Spreyton Primary School	5	4
St Leonards Primary School	5	4
Strahan Primary School	5	4
Tasman District School	4	4
Triabunna District School	5	4
Ulverstone Primary School	5	4
Ulverstone Secondary College	3	4
Waimea Heights Primary School	5	4
Warrane Primary School	5	4
Wilmot Primary School	5	4
Winnaleah District High School	5	4
Zeehan Primary School	5	4
Bowen Road Primary School	5	5
Burnie Primary School	1	5
Campbell Town District School	1	5
Clarence High School	1	5
Clarendon Vale Primary School	5	5
Cosgrove High School	5	5
Deloraine High School	1	5
Dodges Ferry Primary School	1	5
East Derwent Primary School	1	5
Havenview Primary School	1	5
Latrobe High School	5	5
Lauderdale Primary School	5	5
Lindisfarne North Primary School	1	5
Mowbray Heights Primary School	1	5
Port Dalrymple Primary School	1	5
Princes Street Primary School	1	5
Ringarooma Primary School	1	5
Risdon Vale Primary School	1	5
Rosetta Primary School	1	5
Sassafrass Primary School	5	5
Sorell School	5	5

South George Town Primary School	1	5
Springfield Gardens Primary School	5	5
West Ulverstone Primary School	5	5
Windermere Primary School	5	5

NA = No previous submission received