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**PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS MET IN
COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON FRIDAY,
28 AUGUST 2020**

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

Mr PETER GUTWEIN, PREMIER, WAS CALLED.

Mr TONY FERRALL, SECRETARY, DEPARTMENT OF TREASURY AND FINANCE,
Mr ANDREW FINCH, CHIEF OF STAFF, DEPARTMENT OF TREASURY AND
FINANCE AND **Ms JENNY GALE**, SECRETARY, DEPARTMENT OF PREMIER AND
CABINET WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE
EXAMINED.

CHAIR (Mr Dean) - We are early but if everybody is available and ready we can commence this morning's meeting.

Thank you for your attendance, Premier, we appreciate it very much. We know how busy you are, well we all are.

You have all given evidence before these committees before and I do not need to go through all the circumstances around these meetings and the privilege that applies, and so on. You all understand that very well. It is being streamed. It is a public meeting, open to the public. I think you know the team, Nat and Ali, and Deb from Hansard. It is being recorded.

Premier, I understand that Tony wished to make a presentation. Is that the situation? Is there anything you wanted to say to the committee in the first instance? What is the position there?

Mr GUTWEIN - In the interests of time I will not make an opening statement today. What I did think might be useful is if Tony just provides a quick overview of the economic and fiscal update to the committee. Then we can take questions and move on from there, if that suits.

CHAIR - Absolutely, Premier.

Mr FERRALL - This is the second economic and fiscal update report that we have prepared. It fulfils the commitment we made earlier which was to continue to try to provide as much contemporary information on the economy and the budget situation as we could. It would be fair to say that the environment has changed quite significantly since the May report, including announcements of further support from the Government and also the recommendations from the Premier's Social and Economic Advisory Council have been made public.

At a state, national and international level, the economic and fiscal environment continues to be very uncertain. The impact of the current situation in Victoria is obviously of particular concern in terms of the economy. I would point out that when we did this current August update, the situation in Victoria had not unfolded to the extent it has now. The estimates we made for the August update will change as we go forward.

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The report also included preliminary fiscal outcomes for 2019-20 and they are still subject to review and the estimates for 2021 clearly remain very uncertain.

The actual financial information for 2019-20 will be included in the Treasurer's Annual Financial Report, which will be published before 31 October. That will also have updated fiscal and economic estimates we presented in the Budget in early November when we release that. There is a series of further information that we will be releasing over the next few months.

In terms of the main economic impacts, we have seen significant reductions in employment particularly in industries affected by the public health restrictions such as tourism and hospitality. Consumption has also fallen. That is really due to restrictions on movement and a high level of consumer uncertainty. We have also seen reductions in international exports; effectively tourism and international students are a large component of that.

From a gross state product perspective we expect it to fall by one and a quarter per cent in 2019. That compares to the May estimate of one and three quarters of a per cent. We are seeing, I guess, an improvement from the estimates we put forward in May. But this would still be the first decline in GSP in Tasmania since 2012-13 and it would be the largest decline in the history of the state accounts. That goes back to about 1989-90.

Quarterly GSP cannot be estimated at this point because several of the components are only published annually. We will have detailed quarterly estimates as we go with the annual publication.

State final demand is also expected to fall by about three quarters of a per cent. These reflect in the June quarter an expected significant decline in household consumption but that is offset by strong growth earlier in the year. We are also seeing a fall in private investment as some projects have been deferred, and there have clearly been some supply change disruptions that have impacted these estimates.

As I mentioned earlier, declining international exports primarily driven by a large fall in international service exports which are impacted by the travel restrictions.

The pandemic has had a significant impact on the labour market with a large reduction in employment between March and June. That was down 4.9 per cent over that period. Despite this, Tasmania's level of employment increased by 1.1 per cent in 2019-20. That was really driven by the very strong labour force conditions in the first three quarters of the year. We have seen from an economy point of view in 2019-20 for Tasmania almost a tale of the first two/three quarters and then the final quarter seeing a significant downturn and turn around. But in terms of many of the year average figures, when you look at that strong period in the first half of the year or the first three quarters of the year and then you see an offset in the last quarter this is why we are not seeing many of the indicators being on a year average sense as low as you might have anticipated or expected.

The unemployment rate was 6.9 per cent in June. That resulted in a year average rate of about 5.9 per cent. As I indicated in previous presentations to the committee, the full impact of the pandemic is not likely to be apparent in the employment figures. Employers reducing hours of employees rather than reducing staff numbers is one of the impacts that we would not necessarily pick up, and some employees who are temporarily stood down would be accessing leave entitlements. So again, you would not necessarily see those in the figures at this point.

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Clearly the Australian Government's JobKeeper payment is allowing employers to keep and retain staff, which is obviously very positive. But the removal of the JobSearch requirements for JobSeeker recipients also impacts in terms of those headline rates. Treasury estimates that an effective unemployment rate would have been approximately 11 per cent in June 2020.

In terms of CPI, we recorded a large decline of 1.4 per cent in the June quarter. That is the largest quarterly fall on record for Hobart.

CHAIR - Did you say 1.4?

Mr FERRALL - A 1.4 per cent fall in the June quarter. That resulted in the CPI of 2.4 per cent for the 2019-20 year. Again, if you go back to the previous three quarters we were showing very strong growth in CPI.

We still estimate that population growth will be around 1 per cent in 2019-20 and, again, strong growth in the first three quarters offsetting limited or little expected change in the June quarter. We have not seen population growth fall, and 1 per cent historically is still strong population growth for Tasmania.

I have a slide on risks to the economic outlook. I guess the dot points are fairly self-explanatory. It is likely that the impact is going to be prolonged. It will really depend on recovery of things like consumer confidence and business confidence to start to drive economic growth as we go forward. We expect that there will be lasting impacts on households of the businesses. If you look at it from a balance sheet perspective, many households and many businesses have seen significant impacts on their balance sheets. That takes a long time to recover.

Clearly there would be larger impacts in Tasmania if it was necessary for further strict public health measures to be implemented. We have put some estimates in the Economic and Fiscal Update of what we think could occur if we had a similar situation to Victoria in Tasmania in terms of a lockdown. Again, those estimates really depend on the nature of the timing, particularly with duration, of any potential impact.

The changes to JobKeeper and JobSeeker initiatives, particularly as JobKeeper comes off, are certainly going to impact the labour market. I make the high-level point that the path to recovery is still highly uncertain and it is very conditional on the interdependent health and economic factors.

Regarding key fiscal measures presented in the report: the net operating balance and fiscal balance for 2019-20 show a deterioration since the 2019-20 Budget but some improvement since the May Economic and Fiscal Update we presented.

For 2020-21 we are seeing a deterioration from the 2019-20 Budget, a limited change from the May update. Net debt we are seeing an improvement in 2019-20 since the 2019-20 Budget and May economic fiscal update but for 2020-21, a deterioration. We are seeing some reduction in expenditure on infrastructure in 2019-20 but conversely an increased estimate in 2020-21. In part that is because you are seeing significant projects rolled into 2020-21 that could not be completed in 2019-20.

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Ms FORREST - These were before the Victorian situation was known, as well.

Mr FERRALL - Correct. The impact on GST receipts is again highly uncertain and given the dependence that Tasmania has on GST, this is a big driver for our budget. When the Commonwealth, the Australian Government, provided its forecast of GST receipts in its July Economic and Fiscal Update, the impact of the Victorian situation was not included in those estimates. We anticipate that when we present the budget in the coming months and the Commonwealth presents its budget, the GST pool will be lower, given the considerable impact of the Victorian situation.

Ms FORREST - You don't have any estimates on that at this stage? Have you done any work on that?

Mr FERRALL - We have not done a lot of work. I note that the ACT Government released a statement yesterday and they showed a fall over the two years of close to \$1 billion with regard to estimates of the pool.

Ms FORREST - The pool size?

Mr FERRALL - Yes. Again, it is very difficult for anybody to project the pool, going forward, because it is going to be highly dependent on the Victorian situation and the timing.

Mr O'BYRNE - And JobKeeper and JobSeeker.

Mr FERRALL - A range of things will impact with regard to consumption. When you look at the significant stimulus that has been provided, not all of that is showing in the economy yet. You may see a situation as things improve in Victoria where you might actually find an upkick in consumption compared to what you might have had otherwise.

Ms FORREST - When they are finally released.

Mr FERRALL - There are a lot of variables in the situation at the moment.

Ms FORREST - I will come back to it later, Mr Chairman, with questions on that.

CHAIR - If any issues come up during this, please raise it.

Mr FERRALL - One change that has occurred with regard to the GST is that the reduction in GST receipts over the two-year period is now recognised in 2020-21. When we last met, I indicated we had included it in the 2019-20 year for the reduction in 2019-20. The Commonwealth maintained the budgeted payments for 2019-20 and the adjustment is now being made in 2020-21. There are a number of movements in receipts between the two years.

The 2020-21 reduction in GST reflects a reduction of about \$192 million, which is the residual adjustment for what was effectively the overpaid GST in 2019-20.

With regard to the estimates presented, the GST revenue has been partially offset by an increase in our relative share. Following the Grants Commission 2020 methodology review, Tasmania received a slightly higher share through the relativities process so that is included in those numbers as well. There are a number of moving parts when you look at the GST.

Since the May update we have experienced an easing in the containment measures imposed in the early stages and that, combined with a lower than expected uptake on some of the tax-related support measures, including payroll tax, has led to a moderate improvement in the state tax revenue for 2019-20. Tax revenue increased from an estimated outcome of \$1.13 billion at the time of the May Economic and Fiscal Update to a preliminary outcome of \$1.26 billion, which is higher than the original budget estimate of \$1.215 billion.

In terms of a net position, we have seen an improvement in our unsecured revenues, our state revenues, from the original 2019-20 budget, but we have seen significant increases in expenditure for support during the pandemic, which is why you are seeing that deterioration in the net operating balance.

Ms FORREST - That is over the year you are talking here. What was driving that above budget?

Mr FERRALL - As indicated, we have a tale of two parts of the year: the first part of the year the Tasmanian economy was going very strongly, our revenues were growing strongly, so -

Ms FORREST - In what areas?

Mr FERRALL - In conveyance duty - we have continued with stronger than I would have anticipated through the pandemic in terms of our conveyance duties. Property transactions have been holding up, which is converse or different from - if you look at the Melbourne and Sydney markets where they have had quite significant shocks, our property market has been holding, which is a positive sign for the economy.

I won't go through each of the lines at this point; I am sure you will have questions if we need to as we go forward.

Government business returns to government - included in this chart is the dividend, also income tax equivalents and rate equivalents from government businesses, but this chart does not include the Mersey Hospital fund. There is an increase between 2019-20 and the fiscal update - it is about \$20 million - and that is primarily due to increased dividends of \$21 million which relate to a number of government businesses. It is effectively showing greater profitability in 2018-19 than was anticipated when we did the 2019-20 Budget.

Increases between the 2019-20 Budget and the Economic and Fiscal Update in 2021 is about \$14 million, which is due to increase dividends of \$21 million from improved profit for Hydro Tasmania and TasNetworks in 2019-20, partially offset by a decrease in tax equivalents paid. This reflects the impact of public health measures on some of the other businesses. We are seeing movements within our business as well, they are having a different impact - the COVID-19 is having different impacts on our state-owned businesses.

In terms of expenditure, there has been plenty of discussion around the social and economic measures the Government has introduced to support the community through the pandemic. I won't go through those line by line; they have been well canvassed and well aired in terms of the support required.

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Regarding purchase of non-financial assets for 2019-20, delays have been occurring in a number of health-related projects. Also, the pandemic did impact on projects being implemented by the departments of State Growth and Primary Industries, Parks, Water and Environment, so there has been impact on the timing of capital projects.

There is still a high degree of uncertainty in relation to the timing of some of the infrastructure expenditure. There are still, in some areas, impacts on supply chains that are impacting on advancing some projects.

Again, just for clarity for the committee, the purchase of non-financial assets is an accounting classification, which is slightly different to infrastructure investment. When you are talking about infrastructure investment and purchasing non-financial assets, you will see a difference in some of those numbers in terms of quoted figures.

In terms of the net operating balance, an improvement in the position in 2019-20, compared to the May fiscal update - as I said a moment ago - reflects a combination of improved revenues and the transfer of some expected expenditure in 2019-20 to 2020-21, so there has been some movement of expenditure within agencies. There have also been some movements due to actuarial changes. The superannuation cost estimates have changed between those estimates because of the revised actuarial figures.

The limited change in 2020-21 really reflects reallocation of some expenditure from 2019-20 to 2020-21, and that is also offset by some improvements in the revenues. So, a range of movements, even though the numbers in 2020-21 are [inaudible].

Again, for context, in terms of the net operating balance, the last time we had a net operating deficit was in 2014-15, with a deficit of \$57 million.

Government Financial Statistics net debt - which represents borrowings less the sum of cash and deposits in investments - is the equivalent of net debt based on the ABS GFS reporting framework, and it is really probably the more appropriate measure to look at if you are trying to do time series comparisons, because GFS net debt does have a time series, whereas net debt now doesn't because there was a change in accounting classification last year.

As I said, the improvement in net debt as at 30 June 2020, compared to the original budget, has been impacted by better-than-expected 30 June 2019 outcomes. There was an outcome from 2019, which does not get reflected due to the timing of the Budget in the 2019-20 Budget, so when you do the TAFE in the following period, we end up updating those base estimates - so a component of the change in net debt is because of the end outcome in 2019, as opposed to changes within 2019-20.

Mr O'BYRNE - That is just one factor though, isn't it?

Mr FERRALL - There are a multitude of factors in there. Also, the Commonwealth-State Housing Agreement - CSHA - debt waiver changed through that period. Again, you are seeing some base changes as we go forward.

For comparison, in 2020-21 our net debt figure is still reasonable in comparison to GSP, and not as high as what has occurred in the past in relation to GSP. Ultimately, though, I think

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the important measure is how our debt servicing cost will effectively impact on our free revenues or our revenues.

I guess the positive at the moment is that we are still seeing relatively low borrowing costs. Earlier this week, TASCORP went to the market, and I think our borrowing costs were about 2.38 for a 21-year debt. This is relatively low in a historical sense - and again, without diverging too much, our borrowings are low in cost, and we are trying to put borrowings in place over a protracted or reasonably long period to take advantage of that low cost.

In summary, a few key points. The first one is obvious: the full impact of the pandemic will not be known for some time. It certainly will not be known until we are out of the pandemic.

On a range of assumptions and current available information, the August Economic and Fiscal Update provides a general update on the Tasmanian economy and the budget position, but even since we have done that, there have been quite significant changes - by way of example, the Victorian pandemic problem. Those revenue, expenditure and economic estimates will have already moved from that point in time.

We have seen significant reductions in employment, consumption and international exports.

We have seen some improvements in our revenue estimates.

We have also seen some additional expenditure to address further impacts of COVID-19.

We have seen some shifts or delays in operating and infrastructure expenditure, and we have also seen, I guess, the significant risk to the state's economic and budget position continue, and it will change as new and different information becomes available in the coming months.

I am happy to take questions.

CHAIR - An interesting position. Premier, is there anything you wanted to add at this stage, or do we go straight into questions?

Mr GUTWEIN - I think take questions, in terms of the time we have this morning.

Ms FORREST - I just wanted to go back to the questions about the GST. I know it is a big unknown. I think Tony said that there is no expectation of what the pool size is going to be, because of what is happening in Victoria. Is that still correct?

Mr GUTWEIN - That is correct. Can I just add something there, and then perhaps Tony? In terms of the update provided by the Commonwealth, on 23 July I think, they provided some estimates, but obviously the impact of Victoria was not factored in at that particular point.

The GST pool is obviously going to be impacted by Victoria for this coming year, one would expect, and therefore that will have obviously an impact on our position as well.

Ms FORREST - Did you want to add anything?

Mr FERRALL - No.

Ms FORREST - Has there been any discussion - and I know you cannot reveal National Cabinet discussions at all - but in general broad terms, about how much extra in terms of national partnership payments and specific-purpose payments, not just we are likely to get, but other states, because that has a direct impact on the GST distribution?

Mr GUTWEIN - There has not, in terms of looking at the correlation with the GST pool, and what that might mean to states' payments. Certainly, there is a great deal of interest in National Cabinet in terms of what the size of the GST pool will be moving forward, but for obvious reasons, until the full extent of the impact of Victoria is understood, that is going to be difficult to model.

In terms of the MPAs we are engaging in at the moment, obviously they will have some impact - and obviously we have signed a couple recently - in terms of both the JobTrainer arrangements, and also the MPA provided in terms of the share of costs. I do not think either of those have been excluded from GST calculations or impacts.

Ms FORREST - Has any work been done, then, on modelling the effect of our percentage split as a result of those additional payments?

Ms FERRALL - As the committee would probably be aware, historically we have not tried to estimate the pool. We have basically relied on the Commonwealth forward Estimates and we do our own modelling for relativities going forward.

In order to do the relativity modelling, you effectively need the latest budgets of the other jurisdictions, and the latest figures we have are really pre-pandemic.

When you are talking about what might occur in terms of relativities, there will obviously be quite significant changes. I will give an example. Victoria had very strong population growth leading up to the pandemic. A lot of that was driven by net inward migration, which would have slowed or ceased effectively. Tasmania concurrently has continued with quite strong population growth relative to Victoria's change, so we could potentially see an increase in our share due to us maintaining population growth at, say, 1 per cent versus Victoria having a lower population growth due to the impacts. Those impacts get averaged over three years so there is a -

Mr O'BYRNE - And if our economy contracts, we'll lose people go the mainland.

Mr FERRALL - Yes, I guess the main point I am trying to make is that there are a lot of moving parts. We won't be able to do our full relativity estimates for the upcoming budget because again, given the timing of it and the timing of the other state budgets, we won't have reliable recent information, or information post the pandemic impacts, when we go to do our budget because not all the other states will have -

Ms FORREST - When and how is the Commonwealth Grants Commission going to undertake its work? It would need the budgets for the states and territories.

Mr FERRALL - They don't really use the budgets.

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Ms FORREST - They do their work as normal? There's no change for that?

Mr FERRALL - You see with the CGC, they effectively only go to the next year, and so their work continues unchanged.

Ms FORREST - Their work would be challenged though, this year?

Mr GUTWEIN - You would think so.

Mr FERRALL - Everybody's work is challenged.

Ms FORREST - But they all still use the same timing and time frames for putting out the relativities and everything?

Mr FERRALL - As we understand it, yes.

Mr WILLIE - If we can turn to JobKeeper, JobKeeper is obviously contributing to consumer confidence and economic activity. The state doesn't have a lot of control around those arrangements. I am interested in some of the numbers. How many Tasmanians are in receipt of JobKeeper at the moment, what are the revenues flowing into the state, and what is the plan for when that is phased out?

Mr GUTWEIN - Tony can go to the numbers and provide some update there. With regard to the changes to JobKeeper and the step-down that is coming at the end of this quarter from \$1500 to \$1200, that will have an impact concerning income flowing into the state.

The other issue that is of real interest to the state and to firms as well will be those that don't have the 30 per cent loss in revenue, which would mean they will come off JobKeeper.

Mr O'BYRNE - Which would be significant, given the change in our circumstances.

Mr GUTWEIN - You would think that a number of firms will find themselves in that position. On one hand, that is a good thing because it demonstrates that their turnover is improving and increasing. For somebody who ends up with a 29 per cent reduction in turnover, that will be a bitter pill to swallow.

Mr O'BYRNE - It is a crossroad moment for them.

Mr GUTWEIN - Firms are aware of that step coming and are able to plan for it. We will not actually have any data until that step is taken, until firms notify and engage with the Commonwealth regarding their turnover at that particular point, whether they can justify remaining on JobKeeper post the end of this quarter or not.

Mr FERRALL - I can give some data. I have various data points around JobKeeper. JobKeeper applications processed for Tasmanian businesses as at May were 15 011. With a regional split, as you would expect, so for south about 40 per cent, north 36 per cent, and north-west about 34 per cent. It is variable across local government areas as well, as you would expect.

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In terms of JobSeeker payments, 12 900 Tasmania JobSeekers were receiving income support as at February but as at July 2020 there were 39 500, so s a 26 600 increase over that period of time. The Tasmanian JobSeekers receiving income support as a proportion of the working age population in February was 2.9 per cent. In July it is 8.9 percent, so a 6 percentage-point increase.

Ms FORREST - That's Tasmania?

Mr FERRALL - Yes.

Mr WILLIE - Do you have some numbers there in terms of the revenues flowing into the state through those payments?

Mr FERRALL - No, I do not have those.

Mr O'BYRNE - It would be in the billions, wouldn't it?

Mr FERRALL - It is a significant impact, absolutely, so the changes to JobSeeker and JobKeeper are clearly going to be very significant and important for Tasmania.

Ms FORREST - Can I ask a question on that?

Mr WILLIE - Just one last question, it's my understanding from what I have read in the media that JobSeeker will be clarified in the federal budget. Is that what the state has been told?

Mr GUTWEIN - In terms of JobSeeker and what has been said publicly, my understanding is that JobSeeker will continue. It takes that step-down level in terms of payment, I think, to around \$850 in total from a little over \$1000 at the moment. I expect that in the federal budget then, in the first quarter of next year, and how they will deal with the remainder of the financial year, will be clarified.

Mr WILLIE - Are you making representations to the federal government around that?

Mr GUTWEIN - In terms of the interest of all premiers we would like to see payments held up as high as possible for as long as possible. I think that is the position of all the states and territories. There is an acknowledgment that we would hope there would be a strong correlation between any step-down in JobSeeker and JobKeeper over the course of the financial year, a correlation with an economy starting to improve. Again, those settings will be a matter for the federal treasurer not me.

Mr O'BYRNE - Just as a follow-up, so with the numbers actually coming into the state, you can quantify the number of people receiving it. Surely through that you can quantify the federal money that is coming into the state. Are you able to get that for the committee?

Mr FERRALL - Look, we can do the multiplication and should be able to come up with a number.

Mr O'BYRNE - It is good to quantify; that paints the picture of how the economy is holding up and where the revenue is coming from and that impacts a number of people understanding what the future will look like when it comes off.

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Mr GUTWEIN - I would caution there as well that, in terms of using a blunt number like that, to be cautious on the basis that there are a number of firms whose revenues are increasing and a number of firms that are at the moment more profitable than they have been in the past because of the underpinning of the wage bill through JobKeeper. I think it is a matter of using that information sensibly.

Mr O'BYRNE - It's in context to other datasets really.

Mr WILLIE - At some stage the federal government is going to withdraw. They have the 28 March date at the moment. That may change but -

Mr GUTWEIN - It may change. I think the one thing we can all agree around this table and around most tables like this in the country is that nobody has a crystal ball. The country and all the states and territories have focused on ensuring we protect people's health and that we put in place appropriate supports into the economy whilst we do that.

Mr CHAIR - Ruth, you wanted to follow up.

Ms FORREST - In terms of the money coming over, I accept it can be a blunt instrument, just number of dollars coming in, but what work has been done around consumption within the state? I expect Victoria's consumption is right down but in ours we haven't had an outbreak for some time now, thankfully, and people are encouraged to travel around our state and travel, even though some things aren't open and they need to check, before they leave, whether things are open. Have you any figures on our consumption and what you expect that to look like?

Mr GUTWEIN - What I can provide - and Tony might have more information - is retail trade, which is a reasonable litmus test. Retail trade in June was 13.8 per cent higher than June the previous year, so it bounced back.

Mr O'BYRNE - Everyone is shopping online.

Mr CHAIR - A 13 per cent increase.

Mr GUTWEIN - I don't have a July number in front of me, but the data I have - monthly trade seasonally adjusted - indicates that in March we had growth of 8.8 per cent in retail trade; April, a fall of 17.5 per cent for obvious reasons as the lockdowns occurred; it bounced back in May with 17.3 per cent growth or monthly change; and in June, a 4 per cent increase on the previous month, but comparing June this year to last year, it was 13.8 per cent up.

Ms FORREST - It shows the value of JobKeeper.

Mr GUTWEIN - I don't have a July number yet. There is a cautious optimism and people are starting to spend. It needs to be placed in a certain context.

Mr FERRALL - For clarification in terms of JobKeeper, the figure I gave you earlier is the number of firms, not individuals, in terms of the 15 000. I need to check whether we can get the relevant data to extrapolate that to give you the figure you ask for in terms of -

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Mr O'BYRNE - There has been a significant underspend in the infrastructure and that has impacted on how the books are looking and that is not necessarily uncommon, but it is a bigger figure than you would have hoped. Regarding the modelling that informed decisions on the support package across a whole range of portfolios but particularly for stimulus for the economy, could you talk us through how that was framed and how you think that is tracking in terms of accuracy? Has the modelling informed the decisions that seem to have worked and which ones haven't? Just give the committee an idea of that kind of work that supported those decisions.

Mr GUTWEIN - I am happy to provide a framework. In terms of modelling, this isn't linear. I make that point. In regard to the response to the pandemic, there have been now three significant announcements in terms of support. There was the initial package announced early in March. A second package was then announced relatively quickly after that in response to a range of changes both at a national level in terms of the borders being closed and the impact of international visitation, then as the restrictions came off.

It would be fair to say there was no rule book in terms of that support. That support was targeted at the areas that were going to be most affected or that we understood at that time to be most affected. In terms of the third package, which was an infrastructure-related package, one thing I have taken great comfort from throughout this and until the Victorian circumstance - which does provide a salient message regarding impacts of the virus - the construction sector was not closed down, but had to modify its work practices early on in the piece to continue to operate.

At a state level, certain construction tasks were stopped. Obviously those that were in the health sector, those that were on hospitals. We took the view that stopping the movement of people onto hospital building sites at a time when we were trying to manage through that pandemic made sense so there were some major projects. In terms of the construction from last year, as was indicated in the preliminary outcome, around \$80 million-worth of hospital investment stopped or wasn't completed at that time. One very obvious one was King Island which, for obvious reasons because of the border restrictions being extended, had to stop.

In framing the package moving forward, one of the important things we understood in putting together the infrastructure response was that as a sector, if we could keep it going with the necessary social distancing rules, it had real potential to provide significant input into our economy. The advice from the federal Treasury at the time to National Cabinet - and it has remained consistent through this - was that construction is the most important lever that the states have to increase aggregate demand.

If construction is continuing because of its long supply chains, that is one area that all states should do as much as they possibly could. You would note that recently the federal Treasurer, the Prime Minister, the Governor of the Reserve Bank, and I think the secretary of the federal Treasury, have called on states to do even more if they can in those areas. At this stage we are early into the financial year. It is too early to provide any real indication in terms of money out the door in respect of the infrastructure package. That will largely come at the end of the first quarter and at the end of six months when we have an understanding as to how much investment has been made and what the impact of that has been. Tony, you might like to add to that.

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Mr FERRALL - In terms of the position of the federal Treasury and right across the country in terms of my counterparts, clearly support in infrastructure right across the country is going to continue, as the Premier indicated. It is one of the drivers of our economy as well. The timing of individual projects is clearly going to have impacts that will vary. The projects from last year particularly in the health sector were unavoidably delayed, but effectively it is a timing issue; it is not a stopping issue.

Ms FORREST - I had someone say to me yesterday that there are no cranes on the skyline in Hobart at the moment.

Mr GUTWEIN - Yes, I hope we can see more utes in the suburbs as we work on the investment into housing. I noted on Saturday that someone made the point that the last crane in Hobart was coming down and from this point on as we move forward in the commercial space, especially the private commercial space. It is going to be challenging to get last projects up because of confidence and also understanding of what the pandemic might mean.

In terms of housing, we can continue to focus on that area, and as a government we have a real appetite for. Cranes in the sky might be gone, but I would like to see more utes in the suburbs. You really have to have both.

Mr FERRALL - Major projects that involve cranes have long lead times and in terms of the current stimulus all governments are trying to put in place, projects that are going to take five to seven to nine years in terms of lead time to get to completion are not where the effort is being put either by the state Government or around the country. I agree you have to have both, you do not want to lose major projects at all, but in terms of the stimulus trying to stimulate a project now that has a five- or seven-year lead time when what we are trying to do is really fill a gap caused by the pandemic is probably not the way to go at this point in time.

Mr STREET - I understand there needs to be a balance between major projects. Is there actually an advantage for the time being in there being fewer major projects and redirecting those major firms towards the housing market in terms of getting houses built?

Mr GUTWEIN - I encourage any investor who wants to invest in a major project to continue to do so. We would like to see both major projects and housing or smaller projects continue. The challenge at the moment in terms of private sector investment in that commercial area is going to be challenging, for obvious reasons. Especially anything in the tourism and hospitality space with international borders closed for an indeterminate period of time and our own state borders playing into that space as well, having the confidence to invest and go through that process.

My other point is that from a planning point of view - and I think, Nic, this is somewhat to your point - getting a house up or a smaller commercial development from a planning point of view will take less time. People can be more nimble and we can actually have people working much sooner.

Mr O'BYRNE - One of the lessons of the GFC - and a lot of the cranes in the sky over the last four or five years were initiated during that time by the previous government - it is really important to have a pipeline of that kind of activity so there is a level of activity in that area. It does take planning and it does take a whole range of assertive governments to ensure, particularly, given our location on the fringe of the major CBDs, those crane projects are really

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important. You cannot just sit back and hope they occur and allow the private sector to do it on their own. Government plays a role, so I suppose the point has to be that we have to ensure that it is not just about the next 12 months, but about the next decade for economic activity in this state.

Mr GUTWEIN - I hope the committee does not take the view that the Government is not focused on a commercial pipeline. It still is. In fact, we are the first government to put out a 10-year infrastructure plan that attempted to capture those projects and ensure the private sector and industry understood what was available.

For obvious reasons, public investment in terms of larger projects is important at the moment. We have a significant public investment pipeline over the next two years, and over the next four. We also have a significant pipeline in terms of paintbrush- and screwdriver-ready projects with government maintenance, and also the investment in housing as well.

We will continue to work on all those aspects, but I think common sense indicates that right now we need people working on projects as quickly as we possibly can - and projects in the small commercial or housing sector are the easiest ones to get up at the moment.

Mr O'BYRNE - On the point I was trying to ask about, in terms of the stimulus package and the assistance to business to create that, there was an underspend or under-allocation to the payroll tax concession that was announced. I know the numbers will be finalised soon, but how do you account for that - and can you talk through how effective was that as an initiative?

Mr GUTWEIN - I thought I had explained this to you in parliament. That was that in terms of the -

CHAIR - The committee does not have that information.

Mr GUTWEIN - Well, I think one member does.

Mr O'BYRNE - It was more a question for the Secretary of Treasury.

Mr GUTWEIN - I am happy to have the Secretary of Treasury speak to it. As I have explained in parliament, my understanding and advice from the State Revenue Office by the commissioner was that the reconciliation for payroll tax usually occurs for many firms later in July. That reconciliation is undertaken, and then I would expect that, in terms of the amount of payroll tax relief we have provided, we will probably be providing firms with some additional funding.

Mr FERRALL - In terms of those original estimates, again, they were done very early in terms of estimated take-up of some of those programs - and to be quite frank, they were done quite rapidly in terms of the support packages.

Clearly, in relation to some of those packages, in terms of the advice Treasury gave the Government or the Premier, we assumed certain levels of take-up, and if you do not get that level of take-up, you will end up with a lower outcome. I do not think there is anything untoward or bad about that. It is a good thing when you think about -

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Mr O'BYRNE - I am not being critical, I just want to understand the numbers. There are sort of two levers you have. One is for the stimulus - and that is a part of the building and construction - and the other is the cost of doing business.

Do you see the payroll tax initiative as a very effective way to reduce the cost of doing business? Also, do you think that will impact on - it is not the best way to call it - the 'mortality' rate of businesses that do qualify for that payment? Do you think that will assist in the longer term?

Mr GUTWEIN - First of all, as you are aware, in terms of payroll tax relief moving forward, we are one of the few governments in the country that has provided payroll tax relief on JobKeeper payments when they form part of a payroll that would pay payroll tax. We have taken that step. Other governments have not. I am not sure if you have a list of those around the country?

Mr FERRALL - I don't.

Mr GUTWEIN - Certainly there was one government - I will not mention which one - that led the charge on this and was very keen to see it occur - I think we were one of the first governments to be the first mover on it - only to find that they felt at a later date that their financial circumstances had worsened to a point where they could not provide that additional relief on JobKeeper. We have stayed the course.

We also have payroll tax relief in place as one of the initiatives that we announced, which was for the employment of young people through until the end of the year; obviously, we have payroll tax relief in place for apprentices as well. Tony might have a view on other matters.

Mr FERRALL - It has been, obviously, quite effective. I do not have the statistics to say what would have occurred had the Government not put those measures in place, but it has been very effective.

In the long term, reducing costs for business does improve our outcome to the extent we can. Again, that is going to be a matter for the Government, looking forward over the next three or four months, going into the budget and responding continually to the changing pandemic.

Mr O'BYRNE - With regard to the tourism vouchers, that is a stimulus activity. What is the modelling on how many of those vouchers you think you will issue?

CHAIR - We are running short of time already and we have a lot of questions left, so if we can keep the responses as succinct as you can, and questions as succinct as you can.

Mr GUTWEIN - With this type of voucher, I am aware of only one other scheme that has been run in the country, and that was in the Northern Territory.

The Northern Territory scheme was set at a higher level regarding the joint contribution for somebody wanting a voucher. My understanding of the Northern Territory process was that you would apply for the voucher, then when you came to utilise the voucher and make the booking, you needed to spend at least \$400 to get the \$200 voucher of redemption from the Northern Territory. It was a dollar for dollar circumstance. Ours is not.

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There was a great appetite in the Northern Territory and that scheme was fully subscribed, even with that additional bar in place. They have subsequently announced two further rounds.

With regard to your question as to how many of these vouchers will be taken up, my expectation is that the full \$7.5 million-worth of funding will be taken up.

With regard to the breakdown of vouchers between a single, a couple or a family, that will be a matter for the market to determine.

Mr O'BYRNE - How did you make the decision on who is eligible to get into that scheme? In the last 24 hours, we've been hearing about a number of hospitality businesses who feel they won't get access to it. Can you talk us through how you made that decision?

Mr GUTWEIN - Absolutely. It really surprises me that the hospitality sector would be of that view, and that the Labor Party might be of that view as well.

Mr O'BYRNE - No, I am only asking the question.

Mr GUTWEIN - I think you have made a view on this as a party. Regarding the voucher itself, we took the view that - and many hospitality businesses are a mixed business - if we were supporting people to stay in accommodation, then that would provide and free up additional spending that a person or family might have to spend in the restaurant or in the bar or other facilities that are provided.

Our expectation is that by providing the voucher - while it is targeted at accommodation in one instance, and at a tourism experience such as the West Coast Wilderness Railway or Pennicott boats - and having people move around the state and taking up the option of accommodation, they will then also spend in restaurants, in other facilities, gift shops, retail.

So, I was a little surprised to see the concerns that the hospitality sector had. I think if we have people moving, staying at Scamander in the hotel, they will eat in restaurants in Scamander.

Mr O'BYRNE - What happens to those tourism businesses that package up an experience? You can go on a boat tour, and you have a meal and accommodation. They issue a receipt, it is packaged up - so I am trying to understand how that will work.

Mr GUTWEIN - As long as someone has a valid receipt that meets the requirements of the scheme - that is, that there is accommodation or an experience - then the voucher will be able to be redeemed against it.

Mr O'BYRNE - That will include those packaged-up -

Mr GUTWEIN - Yes. We have had contact, prior to the announcement of this, from people who run bus tours around the state, and they have a package that includes accommodation, meals, bus travel and potentially some experiences. People will be able to redeem their voucher against that package deal.

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Ms FORREST - Going back to the construction questions, can you update us, Premier, on the focus on social and affordable housing in that framework? It is all well and good for people to build their own homes, because that has a longer lasting benefit.

Mr GUTWEIN - I can certainly provide for the committee a breakdown of projects. I don't have it with me. We announced 1000 social housing dwellings and \$100 million was allocated for that. We are working through, as I understand it, the agreements with the community housing providers in terms of how those packages will be taken to market. We are currently fast-tracking 220 affordable houses, another \$24 million. The Government has brought forward \$14 million and is providing new funding of an additional \$10 million to deliver to 220 new social houses by 2022. That is being brought forward a year earlier.

Something I think is a real opportunity for people, and we have started to market it more now than what has occurred in past, is the Homeshare Program, which I think is a fantastic program.

Ms FORREST - I was going to go there but it is okay, keep going.

Mr GUTWEIN - We have increased the income eligibility limits by up to 15 per cent and the maximum financial asset limit will also be increased by \$100 000 to allow more people in with a government equity contribution increasing up to \$100 000 per property.

Ms FORREST - What is the uptake then of that?

Mr GUTWEIN - It is estimated that it will result in an additional 150 home purchases, including 75 new builds, based on previous activity. We have estimated that cost at around \$9.3 million over the two years. It is now available to more people at higher incomes and in the current climate, to have the Government provide up to a 30 per cent equity in a property is an opportunity that many people will take up.

I am happy to provide some more detail on the current packages that the minister is working on.

Ms FORREST - Maybe you could provide that later; it would be good. It is an important aspect of the stimulus.

CHAIR - Just on that point, do we have any figures anywhere to identify the numbers of people in this state taking advantage of the federal position in relation to housing, the HomeBuilder?

Mr GUTWEIN - An update was provided to parliament yesterday, which -

Ms FORREST - It wasn't very strong, I don't think, was it?

Mr GUTWEIN - I think from memory there were more than a thousand expressions of interest for it. There have been 120 applications submitted.

Ms FORREST - For the state aspect of the HomeBuilder?

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Mr GUTWEIN - This is in total, I think, in terms of HomeBuilder and my recollection is that 25 have been conditionally approved.

Mr O'BYRNE - With zero final approvals.

Mr GUTWEIN - In terms of the conditional approval, my understanding was that conditional approval relates to actually making a start on the project. It is not a matter of the financial arrangements, it is a matter of meeting the conditions of the project.

Ms FORREST - So slab-on-ground type of stuff?

Mr GUTWEIN - They are actually starting to build.

Mr O'BYRNE - That's news. Could you clarify that?

Mr GUTWEIN - I am happy to get that information.

Ms FORREST - It would be helpful, particularly from the Tasmanian perspective.

Mr GUTWEIN - Rather than 120, 140 HomeBuilder applications, 25 applications that have been conditionally approved until the applicants meet the criteria, including substantial commencement of the house as part of the process. There was a statement put out to that effect yesterday. I will check to see whether any other approvals are required as part of that conditional approval but my understanding is -

Ms FORREST - The question is: can we assume that the 25 will be proceeded with? That is the question here.

Mr FINCH - Yes, if they start building. There has to be that condition of it.

Mr WILLIE - Some of them are renovations, aren't they?

Ms FORREST - No, they couldn't do renovations.

Mr GUTWEIN - That is a different program.

Mr WILLIE - What is the different program?

Mr GUTWEIN - That is the renovation program.

Ms FORREST - That is for rich people.

Mr GUTWEIN - We will get some more information because I know it did interest the lower House yesterday. It is early days and there was a significant amount of interest expressed; already 140 applications that are being considered.

Ms FORREST - Have you done any gender analysis of the unemployment, the job losses and all that? If you have can you provide it to the committee?

Mr GUTWEIN - Yes, I can.

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Mr WILLIE - And some ages?

Ms FORREST - Yes, and the impact of youth, gender and then youth.

Mr GUTWEIN - As of mid-July, my understanding is that we have recovered 13 400 jobs since the peak loss of around 20 000 in May, 7500 of those 13 400 are female; 5900 of those jobs are male.

Ms FORREST - Do you have a breakdown of part-time, full-time and casual?

Mr GUTWEIN - Not in front of me at the moment but we can look to see what we can provide to the committee. I know that there was also some information that I had seen which filled me with great heart, in terms of youth jobs, that we had had particularly strong growth there. I will get that information to the committee.

Ms FORREST - If we could have a breakdown of full-time, part-time and casual, of both youth and gender.

I heard on the grapevine as you do hear things, up to you to clarify: the PESRAC process, has that changed or are they still going through the same steps and consultation process?

Mr GUTWEIN - They announced publicly that there was a slight diversion from the original process. They were going to provide some initial recommendations followed by a draft report to inform the upcoming budget and then a final report next year. What they have done is provided the draft, or first report, rather than just initial recommendations. We have the draft report now to frame the upcoming budget. They are going through the public consultation process now, which I think they have already announced.

Ms FORREST - Has it started?

Mr GUTWEIN - They have made some announcements on it. I am not sure how they are conducting it but they have announced they will be publicly consulting over coming months, I think, to finish by October. It is on their website. A final report will be provided early next year to inform the next budget and the medium to long-term outlook. They have taken steps and have done more than I expected that they would do at this stage. We have their report and we are currently looking at to the coming budget.

CHAIR - Premier, thank you very much, we are out of time. We thank you, Andrew, Jenny and Tony. There is little doubt that we will have to call you back again at a convenient time. This is a moveable feast, there is no end to it at this stage, unfortunately. Thank you for your attendance today.

THE WITNESSES WITHDREW.

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Mr MARK SHELTON MP, WAS CALLED.

Mr DARREN HINE, STATE CONTROLLER, **Ms SOPHIE MULLER**, DPAC, AND **Mr JAMES SEMMENS**, SENIOR SERGEANT WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR - Before we commence, this is a public session, it is being streamlined. Hansard is recording all this information. Parliamentary privilege applies whilst you are in this building here today, once you are outside I am not too sure, it's never been properly aired, but it applies while you are in here. It will be recording, I think that's probably all I need to say at this stage. You understand the situation, so what I will do at this stage is come to the minister, Mark, and Mark if you want to make an opening statement presentation to us, then, yes, please do so.

Mr SHELTON - Thank you very much, Chair, I will make a short opening statement and I thank you for the opportunity to be here, and as we always do for *Hansard* purposes and anybody else who is watching it, Mr Darren Hine is here with me; he is the State Controller, the Secretary of the Department of Police, Fire and Emergency Management and the Commissioner of Police. As the Government has indicated publicly, I welcome the PAC inquiry into the Government's economic and health expenditures response to COVID-19 pandemic and the opportunity to discuss with the committee my department's actions in dealing with the pandemic.

Tasmanians are truly resilient. We have been forced to respond to an extremely challenging and unprecedented situation this year and we have come together to keep our community safe. As we all know, on 19 March the premier declared the state of emergency under the Emergency Management Act 2006 and under Tasmanian emergency management arrangements, the Department of Health is the response management authority and is responsible for the managing and operational response to the COVID-19 public health emergency. I understand you will be speaking to the Minister for Health shortly.

CHAIR - We will be.

Mr SHELTON - The Emergency Management Act authorises the appointment of the State Emergency Controller to coordinate the whole-of-government response to the emergency, and under the act this role is held by the Commissioner of Police, Mr Darren Hine. The State Controller is empowered to direct the use of resources for emergency management as he considers appropriate. The powers are extensive and include, among other things, the ability to prohibit, direct, regulate or limit the movement of persons into, within or out of Tasmania.

Most notably, these powers have been used to regulate the movement of people during the COVID-19 emergency to require 14 days quarantine. This is based on Public Health advice. The State Control Centre was activated after the state of emergency was declared on 19 March and the State Control Centre is responsible for the coordination of the whole-of-government emergency management, strategic response and recovery activities. The State Control Centre structure comprises policy, recovery, legal and public information advisers as well as Public Health and operational liaison functions and each of these functions is supported by teams in the State Control Centre. At its peak approximately 40 people were working in the State Control Centre from DPFEM, DPAC, State Growth, Health and Local Government; currently approximately 20 people are working at the State Control Centre.

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There is no doubt that COVID-19 has been hard on the economy, hard on business, hard on jobs and hard on individuals and families. As the focus now moves from response and recovery, all levels of government need to share the heavy lifting to support our communities and our economic recovery. As you would be aware, the Government announced two social and economic support measures. You have just had the premier in here no doubt talking about some of those. As part of the response to the COVID-19 pandemic, the objective of these packages was to support the immediate response to the COVID-19 pandemic, support the Tasmanian community and business during the course of the pandemic and support the communities and the economic recovery as we recover from this impact.

The Department of Police, Fire and Emergency Management is playing not just a role in emergency and operational responses to COVID-19, but it also contributes to the significant economic stimulus to a number of regions and Tasmanian communities and businesses through the delivery of government infrastructure and stimulus.

I express my sincere thanks through our wonderful police officers, emergency first responders, the Tasmania Fire Service and the State Emergency Service volunteers and Health workers who are fulfilling a critical role in the frontline response preventing and containing COVID-19. I also express my sincere thanks to the State Controller, Commissioner Darren Hine, for his work, dedication and leadership in the coordination of the whole-of-government response to the emergency.

With that, both the State Controller and myself are happy to answer questions. I have missed someone out - of course, the Deputy Controller, Scott Tilyard, has been very good in his position as well. I can recall, Chair, in the early days in one of our frequent conversations with the commissioner, I think an exceptional effort by his family also to put up with the fact that he has hardly been there in the last five months, so special appreciation to his family as well. As he indicated then, he was going to have his first weekend off, and it was either the third or the fourth or the fifth week. An exceptional effort by a lot of people right across all agencies to help us to get to where we are today.

CHAIR - Absolutely, no doubt about that. We can go into questions, and in doing this Christian names are acceptable, I will make that clear.

When is the state of emergency is due to conclude at this stage?

Mr HINE - I can answer that. Thank you for the question. The state of emergency finishes on the 31st and I will be recommending to the Premier that it continues for another eight weeks.

CHAIR - A further eight weeks, so that is about the end of October.

Mr WILLIE - How does that work when the Premier has announced a 1 December border. Why the eight weeks? Why not to 1 December, given you need those powers to enforce that quarantine?

Mr HINE - No, you don't actually need the powers under the state of emergency to enforce the quarantine. It is done under section 40 of the Emergency Management Act, which I have, and I do not need the state of emergency. What has to happen, as in it is tested along

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the way and obviously the state of emergency and the quarantine restrictions are on the advice of Public Health.

If something changes between now and 1 December, the border restrictions will change in relation to that. Logan, Brisbane and Ipswich are good examples of that, when Public Health advised that there was a significant issue in relation to the spread of COVID-19 in those areas, so we have added additional restrictions and quarantine requirements.

Whilst there is an indication of 1 December, we have to continue to test the quarantine restrictions to make sure, along with Public Health advice, they are appropriate. That is why I will be recommending to the Premier that the state of emergency goes for another eight weeks. It will then be tested whilst we get to there and then we will give further advice to the Premier whether it continues.

The other thing that can be done under the Emergency Management Act is go to a state of alert, which is in force for seven days. A state of emergency can go for 12 weeks. In a state of alert, they use the same powers, but that is up to me to actually implement that. Has that answered your question?

Mr WILLIE - I got confused with your emergency management.

Mr HINE - It is a complicated piece of legislation but there are significant powers that I now have under that act, but it has to be tested. We have to make sure that it is based on Public Health advice before I can actually enact anything.

CHAIR - There are three levels, aren't there?

Mr HINE - There are only two levels.

Ms FORREST - There is also a public health emergency which is under the Public Health Act.

CHAIR - When will that be made public that you are going to go to the Premier with that position?

Ms FORREST - It is actually public now.

CHAIR - It probably is. I take it that this is really about the outbreak in Victoria which has prompted the continuation of the emergency? Is it fair to say that at this present time and/or other world developments?

Mr SHELTON - As the commissioner has mentioned, there is always advice coming in and it changes. In the early days, it was daily, but as you have indicated, Chair, with the situation in Victoria being our closest neighbour and that sort of thing, that obviously plays a very big role.

At the same time we must take on board the fact that it could happen at any time. Public Health and Public Health advice is always very cautious around these things and we will always take notice of Public Health.

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CHAIR - I will go back to where I was before with the public announcement. Darren, you said that you will make a recommendation to the Premier?

Mr HINE - Yes. The Premier is the only one who can make the declaration of a state of emergency.

CHAIR - So it is the Premier who makes it, not you?

Mr HINE - He will then consider that advice and no doubt he will make further public announcements, if and when he signs, taking my advice into account.

CHAIR - I wanted to make that clear that it is the Premier's call on the sign-off on that matter.

Mr O'BYRNE - The matter of quarantining has been pretty well focused on what has happened in Victoria. Minister, could you outline the resources being applied by the department to enforce quarantine? Have you any external contractors in to assist you with that task?

Mr SHELTON - There is certainly quarantine, of course. As we know, individuals coming back to Tasmania who have come from hotspots have to go into mandatory quarantine and other returning residents can self-quarantine at home. There is security around the hotel situation and private security firms are employed to maintain the security around there as well government liaison officers who are situated in those situations.

Mr O'BYRNE - Could you outline how that lines up? Are the contracts of security with the hotel or are they with government? What role do police play? What role do bureaucrats play in terms of public servants performing those roles? If you could outline those for the committee, it would be good.

Mr SHELTON - As I have indicated, security firms are engaged to provide 24-hour security presence in the quarantine hotels and the number of security guards deployed at each site is determined by the base layout. There is an assessment of those areas. The security guards conduct frequent patrols and monitoring, as you would expect, of entry and exit points. Police also play a role in passing from the quarantine hotels and during regular patrols. The State Controller has jurisdiction over all this and I will hand over to Darren.

Mr HINE - Quarantine in hotels has certainly been in the media. Our highest risk people go into government-run facilities. Early on once we started to put people into hotel quarantine because of various reasons along the journey, I stood up Communities and gave them the responsibility for looking after hotels and hotel quarantining. They have now set up an emergency control centre and they run that hotel quarantining through that.

As you know, the numbers have been up and down. At one stage we had nearly 900 people quarantining in hotels. That was difficult. Over 11 hotels at any one stage were being used right across the state for hotel quarantining. They have employed private security to look after the security of the hotels and that includes foyers, entries, exits to make sure -

Ms FORREST - Who are they? You said 'they' employed security?

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Mr O'BYRNE - The Department of Communities?

Mr HINE - Yes, it is the Department of Communities that has employed the security guards and there have been different companies along the journey as well. They are responsible for employing and training them. It is important to know that the security guards have been trained in PPE. There is a training package that has been developed on how to put it on, how to doff it. It is contactless so they don't actually have contact with the people who are using the hotel. There is also training for the people at the hotel.

Also, a COVID-19 safety plan has been put in place and that is reviewed with the hotel and Communities as well. Police do call in. When someone comes off the plane, they get on the bus and are taken to the hotel. Police follow that bus. We have had various rumours where buses have been pulled in to certain areas and that is not right. The police follow them to make sure they can get to the hotel safely. One hotel has been named a couple of times so they can block off a certain section so that they can walk in and out safely.

They do a contactless check-in procedure. There is a welcome pack when they get there. There is a government liaison officer there to look after the needs of those people in the hotel. There is Red Cross that gives them the call to make sure they are okay. There is GP Assist that will give them a call to make sure they are okay. There is a welcome package so they understand what is going on when they are there. We have had a couple of fire alarms at various hotels. They are trained in relation to that. They put PPE gear on. They do make sure they are social distancing as well. There have been some issues about buses, but again that is on Public Health advice, transporting people to and from.

Ms FORREST - I was asking about the cleaning of those facilities -

Mr O'BYRNE - I have a series of questions, but that's okay if you want to do that -

Ms FORREST - How are the cleaners trained? That is as important as anything in these circumstances.

Mr HINE - Again, we are getting into an area where as part of the state control, Communities has responsibility for organising that, so I am stepping into their space. About 10 per cent of the rooms have to be offline at any one time for the proper cleaning before the next people come in. Communities look after that to make sure there is a proper cleaning, to make sure the facilities are up to standard. The security guards are trained as well.

Mr O'BYRNE - When you talk about the security guards being trained, how do you verify that? I know that was probably more in Communities but the net is only as strong as the hole that might be in it. It's of acute concern to you that the security contractors' work is done appropriately - we have seen what has happened in Victoria. How do you convince yourself that -

- (1) That the security companies are engaging licensed security guards?
- (2) How do you verify that they have been trained in the various requirements to perform that function?

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- (3) What are the checks that you are applying not just when they get the contract but over the period of the time that they are engaged?

Mr HINE - I think if we flip it on its head at the moment, yes there have been one or two people who have done the wrong thing within quarantining, and that is not the security guards, but Communities are responsible for the employing, the training, the checking, so some of your detailed questions would have to go to the Communities to verify that.

We have meetings. During the first quarantining hotel, we had meetings every day, checking on these systems and making sure we had the tightest system we possibly could. We also have to remember that these aren't prisons. A hotel is a hotel and it is a completely different design to what a prison would be.

Mr O'BYRNE - Thankfully, although some of the hotels I have stayed in over the years -

Mr HINE - That is a private story and a matter for you. So, we have to remember the environments, and we have all heard what has happened in Victoria. Am I satisfied that won't occur here? I am satisfied that it is very well run, it is very professionally run by Communities, obviously well aware of the issues that are occurring in Victoria. I am more than satisfied that they are run very professionally, very stringently, and the police do call in as well to make sure things are okay as well.

Mr O'BYRNE - I suppose the question now is: Could you identify for the committee where your role starts and finishes in terms of that process when people arrive in a quarantine? You say they call in, but what is the regime or the operating model for you to ensure that the integrity of the system is working?

Mr HINE - From the police perspective or the State Controller's perspective?

Mr O'BYRNE - TasPol really. Obviously you have oversight over all, but in terms of TasPol you play the key role in ensuring that the system starts and finishes. We get at the same spot, that people are kept safe, so what is TasPol's role and what is the role of the security guards? If you could outline that.

Mr SHELTON - If I could just start off in general, and as you have indicated, David, it is a whole-of-government response and so you have DPIPWE involved there, you have Communities involved, you have police involved, and so the coordination of all that within the State Control Centre is paramount. In the early days when it first started, I was able to visit to the State Control Centre and it was like a hive. There were people in every corner doing lots of different things. The reality is that there are a lot of people working on these policies and procedures and making sure that they all work.

It is the whole-of-government. Before I hand back to commissioner, I am just reading through my notes here, and one of the questions of cause was about how much. I have here as of 30 June 2020, and of course the financial year is one of them, and we have ended one and moving into another, so a lot of the figures are to the end of the financial year, which we have been able to work out. The total cost of quarantine hotels was \$10.8 million and we'd had 3072 guests, we will call them, were accommodated in the hotels. It gives you a picture of how many and how much this is costing.

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CHAIR - You have done much better than Mr Colbeck.

Mr SHELTON - Well, the numbers are in front of me.

Mr HINE - There is nowhere it starts and stops. As soon as someone comes in from the *Spirit* or a plane, they are met with normally five or six police officers, five or six Biosecurity people, and that journey has changed along the way. Before, they were met with fishes and loaves and given a package so they could go home and not quarantine. But if they are going into government quarantine, I think that is the nub of your question, they are met by five or six police officers, five or six Biosecurity people, and they are sorted out at the moment with their Good2Go app, about who can home quarantine, who has to go into a hotel quarantine.

Those who go to a hotel quarantine, if you have a look now, are given masks to get on the bus, appropriately distanced according to Public Health advice. Police help sort them out along with Biosecurity; police then have a car and follow that bus to the hotel; they then safely see the people into their rooms and checked in; and then the government liaison officer and Communities take over the management of that role. Police then call in at various times during the day and night to make sure things are okay. We have been called, from a police point of view, if the government liaison officer - and I have to commend the government liaison officers, they are people doing a magnificent job, and I have had stories of some people having to deal with some very difficult situations. You can imagine there are different people within the community that going into the hotel quarantine, and some of them have been quite difficult and the government liaison officers have done an absolutely excellent job to make sure that things are settled down. We have been called there to deal with some difficult situations to assist the government liaison officers or the security guards, and the security guards have called us as well when they have seen some activities where they need the police assistance. There are escalation and de-escalation protocols which Communities has developed with police and when police have to be called, and there have been a couple of media releases about some people who haven't done the right thing.

Mr O'BYRNE - For the record, this is the toughest of circumstances and people have gone above and beyond the call and provided such good work. Every Tasmanian has heard some of the stories of the great work of the public service and responding -

Ms FORREST - Most of the media attention is on the ones that do not do the right thing though. Not the staff, the people in there.

Mr O'BYRNE - Just for the record, these questions are not by way of being critical, it is just making sure we are clear, because we do support the work and the activities. We had a couple of incidents, a couple of runners, how many incidents have occurred of people breaching that hard quarantine from hotels and what actions are taken?

Mr HINE - I can give you the numbers in a minute. Basically, everyone is followed up, just the recent one where a person wanted to go and buy some pies. So they were identified, arrested and charged, and taken before the court. There have been a couple of people in Launceston where a person was arrested, put before the court and remanded in custody. There have been some, but there haven't been a lot. We have been called where security guards have noticed some in relation to drugs as well so we have been called to those situations and the appropriate action has been taken.

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I cannot overestimate the role of the government liaison officers and as you said quite rightly they have gone above and beyond. We have had some mental health issues, we have had drug issues, alcohol issues and smoking became an issue first off. We have now provided that people who smoke can smoke when they need to. There is a booking system for those hotels in relation to exercise so they can get fresh air and exercise as well. I understand the 14 days can be tough for people in the hotels, but there have been a number of charges, I can get those for you and supply them to the committee if you would like.

CHAIR - If you could get the number of those charged and the number of those arrested, Darren, and the two differences there - the COVID-19-related arrests and charges. That could then be taken on notice, and our secretary will write to you in relation to those matters.

Mr SHELTON - I can give some numbers that might help the committee. As of 18 August, there have been 23 876 compliance checks. Of these, 334 are being reviewed to determine whether they will be proceeded against for disobeying directions.

The police have issued 586 warnings and provided advice to 637 people, and 20 infringements and caution notices have been issued to individuals and businesses in respect to the failings - so we are talking here about businesses and the whole process of compliance, right through from stay at home and everything else.

There are some numbers. Tasmania Police have managed 6694 reports about people failing to comply with the directions of the Director of Public Health.

What we have, Chair, is that people generally have done the right thing. People have been really good, and that is why of course we live in this wonderful state.

We have one issue at the moment with the person in hospital, while we are in our situation.

What happens is that the community has taken on the responsibility as well, and if they know something is going on that should not be going on, they are contacting the police, and the police are then following that up, keeping each other safe.

CHAIR - Those figures are up to date?

Mr SHELTON - Those figures were from 18 August.

CHAIR - Just one further question on the quarantine, about the people coming back from Victoria off the *Spirit*, in their own vehicle. What direction do they receive when they arrive off the *Spirit*, onshore in Tasmania?

Mr HINE - Senior Sergeant Semmens is our person who deals with a lot of the exemptions and the processes. If someone has spent time in an affected region - for example, Victoria and Queensland - in the last 14 days, and they are required to quarantine, they are met by Biosecurity and police officers, and they are given information and directions about what they should do once their status is established with the G2G PASS. For example, if someone has to quarantine, their car is put into a block of land alongside the *Spirit*. Then they are taken to a hotel quarantine facility. They spend their 14 days in the hotel, then get bussed back to their car, and then obviously they are allowed to continue on.

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CHAIR - The reason I raise it is an issue in Deloraine, which I think you would be aware of, where a lady came in on the *Spirit* in her car and was going home to St Helens to isolate in her own home - but in the meantime she called in to a hairdressers in Deloraine and had some treatment and goodness knows what else. People in Deloraine got to know about it, and there was quite a lot of angst about it.

What happened there? Is there a follow-up of that, or not?

Mr HINE - It is all about what direction was in place when the incident occurred. As you know, the journey and directions have changed according to Public Health and what is happening on mainland Australia.

Without going into those specific reasons, they are given directions about what they can do, and what they cannot do, and they are directed.

If it was at the time when they were allowed to isolate at home - and obviously it was - they are given directions to go home and not call into any place. In that situation, if someone is doing the wrong thing and is breaching the directions they were given, the Public Health Hotline has a dedicated number you can report it to. The police will then follow it up.

Unfortunately, we cannot have a police vehicle follow them all the time. Again, it is about what directions were put in place at the time. Fortunately, we have had very few people doing the wrong thing.

You can report it online as well. When people report it to us, if we have enough information we will go and charge those people, because they are not doing the right thing.

Mr SHELTON - Chair, there are a number of stories floating around about what is going on. The story I heard from Deloraine was that it was a guy who stopped off coming back. It is always third hand, so we have to take it with a grain of salt.

The best part about the story I heard was that after talking to that person, the hairdresser threw him out and said, 'No, you are not welcome, move on, you have to go home'. Given that they thought he was going to another hairdresser, they rang around the town and said, 'We have a guy here, he wants a haircut, he has come off the *Spirit*, he has been on the mainland, he is supposed to be wherever he is supposed to be - don't cut his hair.'

Again, it is the community looking after itself and playing a role in keeping everybody safe.

Mr WILLIE - Chair, before we move on from hotel quarantine. Minister, you talked about 3072 guests and \$10.8 million spent, and I understand it was a decision of the National Cabinet to recoup some of the costs. I am interested in whether that has further restricted movement into the state, and whether you have some numbers since the costs were introduced.

I am interested in the number of people coming since the fee was introduced.

Mr SHELTON - During that process people were coming down here and going into hotel accommodation - and the state paying for that - and then being free to roam the state. It

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was a matter of finances that we introduced the fee at \$2800, and there has been a substantial reduction in the number of people coming in per day.

The last time I looked, about 300 people were in mandatory quarantine in the state, compared to numbers like 800 to 900 when they did not have to pay - so it certainly has made a difference to the number of people coming in.

Mr O'BYRNE - Minister, a question on the security guards again. I am assuming you have a line of sight on this. When a security guard finishes a shift at, say, one of the quarantine hotels, do you know if they go and do a shift, say, at a nightclub or at a bar, or do other work outside of their work at the quarantine hotels?

Mr HINE - Are they allowed to go on with life? The answer is yes. It is like saying once a police officer has done their duty, what do they do? They get on with life. With security guards, I have no control over what they do, and there has been no risk from the public health point of view, or any advice I have in relation to that.

The nub of your question is: is there any risk from a security guard leaving a hotel and then going to work somewhere else or doing something else in life - like a police officer as well. In those situations, the answer is, the risk is very low. We have had advice from Public Health, and we have had no issues in relation to that.

Again, it is a contactless situation with security guards in the hotel.

Even though the risk with that security guard in the hotel is very low, the COVID-19 safety plan is done with Public Health advice as well.

Mr O'BYRNE - I acknowledge that people need to put food on the table for their families and take the shifts they need to work, but the Victorian example is one that puts a shudder through everyone with regard to the potential risk. The consequences as opposed to the risk.

Mr HINE - They are two completely different issues to be honest. Obviously there is an inquiry in Victoria, but if we take what was said in the media - that it was the contact between the security guards - is there a contact, and a risk to the security guards, or the government liaison officer or hotel workers who are working? It is contactless.

The risks have been greatly reduced. Processes have been put in place between government liaison, the police officers may turn up, security guards to minimise that risk. Again, the security guards wear full PPE gear, and have] PPE training and the appropriate PPE gear as well. That risk is greatly reduced compared to what may have occurred in Victoria. We are talking about two different issues to manage the issue here.

I want to give the community the satisfaction and the security that it is well managed and it is done on Public Health advice. The COVID-19 security plans are very robust, as robust as they can be. We know this virus is really transferable so we have to be careful and it can escape a hospital environment. Everyone knows how it is, but I wouldn't like to give the community the doubt that it is not well managed. The risks are mitigated as best they can, taking into account Public Health advice.

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CHAIR - Thanks, Darren. We need to move forward. You wanted to add some answer to that.

Ms FORREST - I have five other areas I want to cover. We have been on hotel quarantine the whole time.

Mr SHELTON - I will put you back to Josh then and only a couple of lines. The charging for accommodation came in on 31 July and as of 18 August, 471 guests had arrived at the quarantine since the fees were introduced on 31 July.

Mr HINE - If I can add to that, it was 298 in hotel accommodation last night and the peak just before it came in on 31 July was 868, so it has had a significant impact.

Ms FORREST - Some of those people initially wouldn't have had time to change their plans either. Rules changed pretty promptly.

Mr HINE - For the right reasons.

Ms FORREST - Yes, I'm not criticising that. I am just saying it will take a little while to see the reduction. I want to look at some different areas in terms of the capacity within the DPFEM to manage the whole response that you have been responsible for. It is probably a matter for the State Controller more than you, minister, but how have you managed it? Have you had to try to find or redeploy a lot of police serving officers or others from other areas? Has it had an impact on the training of new police cadets and graduation and things like that?

Mr HINE - Really good question. It has had an impact on all of us, even on yourselves. This COVID-19 has had a huge impact on the community. It has had a huge impact on every other government service.

In relation to DPFEM and policing, yes, it has had a big impact but we have had a pandemic plan for many years. We have practised that. We have put it into place. We have updated it as a result of COVID-19. We have plans about if our resources reduce, for example, whether it is infection, or doing different things, we have plans about how we do things differently as well. For example, we won't go to every report of a crime if they don't meet a certain threshold, but we will still go to those reports of crime where the offender is on the scene.

Ms FORREST - I did note the other day there was an announcement that you were recommencing random breath tests and things like that. I don't think we had an announcement that you were stopping them?

Mr HINE - Yes, we did actually.

Ms FORREST - Did you? I must have missed that.

Mr HINE - That was for another reason. There are two reasons for that. A significant police resource has to go to the airports and do the compliance checking as well; and also, the health and safety of police officers interacting with people during random breath tests unless at a static site as well. There were two reasons for that.

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We have had to redeploy a number of police officers during this whole pandemic and we have had to reduce some of the services that we have, not only to keep our police officers safe, but also to make sure we had resources available. On the north-west coast, we had 43 police officers who had to self-isolate because of the situation on the north-west coast.

Ms FORREST - How many contracted COVID-19?

Mr HINE - Zero, thankfully. Again, we have various processes in place to look after them as well. But for those 43, some had been to the hospital within that 14 days so there was a cautious approach.

Ms FORREST - Some were partners of health workers.

Mr HINE - Exactly, and some were partners of health workers. Again, I have to say in a very difficult situation everyone managed it very well and worked well together. During that situation we had volunteers from the Northern District and Southern District, normally about 20 at one stage, in five-day lots, who went up to assist and to do compliance checking.

As you know, it was a stay-at-home situation. It was for three weeks up on the north-west coast. We had those police officers going up there to assist while those police officers were in quarantine. Again, we had the assistance of the ADF doing compliance checking. We had the assistance of TFS volunteers and SES volunteers as well.

It has had a big impact on our organisation and a lot of other different organisations - Communities Tasmania, DPIPWE, Biosecurity.

Ms FORREST - What about the training of your cadets?

Mr HINE - We continued with the training of our police officers. We have put people out. We have had to modify the way we do our training in relation to our COVID-19 safety plan as well. We have continued to recruit and train, and there have been some impacts, it is fair to say, but we have certainly continued on with that. We are building up our numbers as we move forward.

It has had such a big impact on everyone, but I have to say you look right across the State Service and everyone has pitched in, everyone has had a common goal to work to, including police officers as well. For example, Sophie is from DPAC, but she is our person in charge of our policy working in the State Crisis Centre. The team is mainly from DPAC. I have to say I am really pleased and proud of the way they have gone about their business in unfamiliar territory, but the amount of work and the quality of the work provided to me as the State Controller, and to the state, has been fantastic.

Mr SHELTON - Can I say quickly say, front counter staff as well. Those people who were directly related to the public coming in, not only the RBTs were set aside but also the front counters were closed for every department. DPFEM is a large department and while they were developing the COVID-19 safety plans we had to make sure our workforce was safe. There was limited contact with the public until the COVID-19 safety plans had been developed.

I must say that working with Colin Riley and the Police Association of Tasmania, through this whole process they have been fantastic in working through it. They know the whole world

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has been thrown up in the air and there has to be some flexibility, and they have been good through the whole process.

Ms FORREST - What do you expect the impact to be on the police budget?

Mr SHELTON - On the budget?

Ms FORREST - Yes.

Mr SHELTON - One thing I can say about the department is that they have always been very good.

Ms FORREST - I know they have, that is why I am asking you. You are one department that comes in on budget almost every year. I am just interested.

Mr SHELTON - It has and will be, but the expectation of course is that they will continue down the path that they always have been and be very good along those lines.

The expenditure from 25 March to 30 June, this whole process has cost an extra \$2.4 of which \$1.4 was reimbursed by Public Health.

Ms FORREST - Million dollars, I assume you mean, minister.

Mr SHELTON - Cost to the department. They have always been good at managing their departments and a lot of the management and organisational structures can be changed. They have their priorities and that is where the police association has worked with the commissioner and the senior staff. If things got worse and other plans were put in place, what would we do and how would we cope with it? Those plans are all in place.

Ms FORREST - Can I just ask a bit about the exemption process for essential workers? Can you talk us through - and again this is a matter for the commissioner, I imagine, minister, because he is the one in charge of determining the essential travel applications - how are they assessed? Can you just go through that process on the record here?

Mr HINE - Can I quickly just read into the script, the quarantine breaches - arrests five, offences eight and one person has had four offences.

Ms FORREST - One person did it four times. Slow learners.

Mr HINE - In relation to essential travellers, as we know it has been different along the journey and we have had to adapt. Again, this is a system that has been developed very quickly.

If we talk about today, an essential traveller or specified person under the directions. If you are from - and Senior Sergeant Semmens can go into it in great detail, I know you have had that assistance as well. If you are from an affected region - for example, Victoria and now Ipswich, Brisbane and Logan - you have to apply to come into Tasmania on the Good2Go app. If you are an essential worker in Victoria, for example, since 16 July, only 11 people have been permitted to come in as an essential worker into Tasmania. When I say 11, the bar has been very high; they have to have a very strenuous COVID-19 response plan.

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For example, four people chartered their own aircraft; to come into Tasmania, they were COVID-19-tested as part of their plan and did their work. Before they left again, they had no contact with anyone in the factory, but it was deemed that had to occur to keep this factory and the employment of a number of people going.

Ms FORREST - Can we have an outline of the skills required of those people?

Mr HINE - They have to provide documentary evidence to me, but it goes to DPIPWE to assess them. It then comes to the State Control Centre and it is assessed again and the documentation, this is from the affected area or non-affected area, or both.

Ms FORREST - Both.

Mr HINE - They have to do the documentary evidence and now there is another step with State Growth to assess it. I have said publicly many times I am not going through the internet to find out who can do what job.

Ms FORREST - They have to provide some evidence, don't they, that there is no-one else who can fulfil that role within the state here, or from Western Australia or South Australia or Northern Territory?

Mr HINE - It has to be urgent and essential for the business and whoever is asking, it is up to them to provide the documentary evidence and, again, it is assessed by DPIPWE and by the State Control Centre before it is approved. Now there is an extra step. Again, it was a robust system before and this is making it even more robust to make sure that it is essential. I have to say from the affected regions - there are only 11 - there was that factory, there was to keep the helicopter service for the ambulance going, there was only one person there.

Mr WILLIE - Just on that new process, was that a recommendation from you as a State Controller and the office to government or was that a decision taken separately by government?

Mr HINE - It was a joint decision. We discussed it around the State Control Centre; we have a border steering committee and we have a heads of agency meeting as well. So it was socialised around there. We are always looking at the various risks and how can we make a robust process even more robust, so that is where that process was. I signed off with that with State Growth.

Mr WILLIE - So it was advice from you to government to add that extra layer?

Mr HINE - It was my decision to put that process in and you have discussed those things with government as well, which is quite right, but it was between myself and State Growth to sign that off and get the processes up. Obviously we discussed it with government as well.

Mr WILLIE - There been a fair bit of public interest in one particular exemption and your good name is often in that conversation. My question is: have you had the opportunity to revisit some of these exemptions and that particular case I am talking about? Did you go back to DPIPWE with a 'Please explain'? I know you said in the past that you don't have a lot of time to follow up on the specialised skills that are needed but -

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Mr HINE - Can I just check we are thinking about the same one? I think my name has been used on a number.

Mr WILLIE - The one that generated a lot of interest in the media and the public in terms of an event that happened in a hotel. My question around that is: have you had time to revisit that, and did you go back to DPIPWE with a 'Please explain'?

Mr HINE - I won't go into individual cases because obviously there are privacy reasons I have to take into account. I haven't allowed an exemption for anyone to attend an opening function for any opening, whether hotel or otherwise.

Mr WILLIE - I am aware of the details around the exemption but my question is: did you go back to DPIPWE after that public interest and ask for any further information on that particular exemption?

Mr HINE - There was no point. It had already occurred, the exemption, and the exemption was solid and sound in relation to that individual. I couldn't go back and shouldn't go back to DPIPWE in relation to that. I think you are talking about some other people involved in that process. No, I didn't because the exemption had already been taken and approved. I certainly did not know and was not responsible for anyone attending an opening function and I would not allow someone only to go to that as well.

CHAIR - I will let you go. Ruth has the call, but if you finish on that point.

Mr WILLIE - I am still on this line of questioning, Chair. I am interested in the added layer of State Growth, given that there are other essential workers who may be health-based or other areas, why State Growth was chosen for that extra layer of scrutiny on exemptions?

Mr HINE - They have the business expertise in a lot of areas and that is where we get our advice from. Whether it is industry or business, they have the expertise. In relation to the approval process for the medical people, we go to Health to get that advice as well.

Ms FORREST - State Health. Doesn't the Secretary of Health, the State Health Controller at the moment, for an essential health worker to come, they have to be required and requested by the secretary to come in under the act?

Mr HINE - Under the Public Health directions or under my directions?

Ms FORREST - Yes.

Mr HINE - No, there is a different process and Senior Sergeant Semmens can take you through the details in relation to that, but for anyone to come in now, there is an added layer. It is quite a stringent process and there has to be documentary evidence to back it up.

There has been some things in the media about various essential workers, why they were let in and why we did not go into the community and ask about a roofer or if somebody else could do the job. That was never the role of this process. My role - I have to go on the documentary evidence I am receiving to support that, but Mr Semmens can -

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CHAIR - I prepared to let this go because we need to get on top of this matter. It might be helpful if the sergeant is able to outline that process, Darren, if you don't mind, so we understand it fully.

Senior Sergeant SEMMENS - With respect to the process, and please bring me back on track if I go off track, with respect to health services, it is actually for practising health clinicians, if they are asked by the Secretary of the Department of Health or a delegate of the Secretary of the Department of Health, to come to Tasmania to perform a duty.

In that particular space, that delegation has been issued to the Chief Medical Officer. However, there are a lot of people who are important to the proper functioning of hospitals who are not health clinicians.

An example I can think of are people who are technicians installing COVID-19 laboratory equipment, ventilators and other health-monitoring equipment. Those particular applications are very relevant to Health and we would seek the advice of Health on how urgent is it that you need this particular specialist skill. That actual individual technician does not fall under that category of health services because they are not a clinician.

Mr O'BYRNE - On that, effectively under the directions, the definitions are provided to you from DPIPWE, I assume, and the advice you receive from that department informs your decision. They effectively give the colour and movement and you cannot go and check every individual skill but you would receive the advice from another department and on that advice, you would say, 'they have listed this as an essential, that is the advice we received' and you move on with your decision. Is that right?

Mr HINE - Not quite. The exemption in relation to that one you are talking about was valid in its own right and I did not need to go back and question it because it was valid in its own right. There was no conversation required.

Whilst DPIPWE then gives advice to the SCC, I have people like Senior Sergeant Semmens go back through it again before it gets approved or otherwise. There was a two-step process and whether they fitted in the very schedules as well. What is happening on the mainland, we have actually made it even tighter as well, in relation to affected regions.

I have rejected some as well that have come to me because I thought the evidence or the advice was not strong enough so I have rejected some of those. It is a very stringent process and I understand some of the public debate as well. I cannot be responsible for some people's actions but it is quite a stringent process. When you have people like Senior Sergeant Semmens going through it as well, you know it is going to be scrutinised and that is appropriate.

Mr O'BYRNE - No pressure, mate.

Mr HINE - I do not want to underestimate the value of the people who go through this and State Growth are now putting another process, another step into an already robust system.

Mr O'BYRNE - That is market testing, is that it?

Mr HINE - Their role is to give me further advice - whether it is essential, whether it is urgent, and whether they couldn't be adequately supplied within Tasmania.

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CHAIR - Are there any other questions on this point?

Mr WILLIE - Maybe on the rejection of exemptions. There have been some other cases documented where people need an essential worker and it has been rejected, but then it becomes apparent in the media and then it is overturned. Could you talk us through that?

Mr HINE - Minister, do you want to say something first?

Mr SHELTON - I just wanted to clarify some numbers I gave earlier about the cost to the department. I should have indicated those numbers were from 25 March to 30 June.

Ms FORREST - They were additional costs during that period. Is that what you are saying?

Mr WILLIE - The \$10.8 million.

Mr SHELTON - The \$2.7 million incurred by the department, and \$1.4 million of that was reimbursed by Health. Those numbers were from 25 March to 30 June.

Mr WILLIE - My question was about the exemptions being rejected, but then being overturned because of media scrutiny.

Mr HINE - Yes, there has been media about letting people in, and then there has been media about not letting people in. Sometimes our job is quite difficult. We take it very seriously because we know we are affecting people's movements in and out of the state - and I will hand over to Senior Sergeant Semmens in a minute.

Where we do see that someone has been rejected - and we have had reach-out from lots of different people - we will review it to make sure it is appropriate and valid.

There was one case where there was something in the media about somebody being rejected. I asked an inspector to reach out to them, just to see what the situation was, and whether we could assist. If I can assist, and we can assist, we will assist if we see something. That individual hadn't actually provided the right information for the exemption, and that was then corrected.

I am not sure if you want to add something to that?

Senior Sergeant SEMMENS - In my experience with this process, any number of matters have been rejected because on first assessment the evidence the person provides is assessed against a schedule of specified persons. There have been many cases where people claim to be essential, but don't evidence why they meet the criteria. It is then a matter of providing them with advice of referring them to the publicly available information on the website, and in a number of cases we also actually talk people through the directions.

When people understand the criteria and have a better understanding of what the requirements of the schedule are, and then consider the evidence they are going to submit - which may be a letter of support from their employer, or company that is trying to engage them - they then present evidence that meets that criteria.

PUBLIC

There are a number of cases where people apply and the applications are insufficient, but then on educating themselves and then reapplying with the correct information, with all the detail that is needed to make a proper assessment, then they do become successful.

Mr HINE - It certainly does depend on the area they are coming from. As we know, affected regions have changed, as with Queensland. We then have to cancel or reject a lot of them on Public Health advice. We have to be nimble and put a different criterion across it. We have to be quick in relation to some of the applications we have, and the rejections we have to make, or if we have the correct or sufficient evidence that we then apply.

Mr TUCKER - Through you, minister, to the commissioner. I imagine the demands on you and your team have been significant over the recent months. How have things been managed day to day in the State Control Centre? What does a typical day look like in the State Control Centre?

Mr HINE - Can I first say, there is no typical day. We do not have a typical day, and we haven't had a typical day for a long time. We are still responding, and we will be responding for quite some time.

When we first started, we had about 40 people, as the minister said. We were meeting with every head of agency in the state Government. We met every day at 8 o'clock, so we could understand who was doing what, any issues that came up and make sure we were all well coordinated. Then we had a State Control Centre - SCC - meeting every day. Again, that was more the detail around every agency, including local government associations and all the members on the State Emergency Committee. Every day we had meetings in relation to that.

I briefed the minister about what was occurring; I would brief the Ministerial Committee for Emergency Management, which is basically [inaudible] to what was happening. We were reviewing quite closely with Public Health. The SCC has various cells or units within it, and as State Controller I need support from various units. Sophie heads the policy team, and I think there were maybe eight or nine at the height.

Again, any direction had to be backed up by policy, and any direction change needed to be scrutinised. We have a legal cell to do the directions, and we need to take the legal advice to make sure we follow the Emergency Management Act.

We also have a public information unit. Mandy Demby is a well-credentialed emergency management communicator, and she also has a very dedicated and professional team that works through the State Control Centre, getting information out to the public and making sure we have the right messaging. They are responsible for the website as well. They are working on our communications to make sure the community understands where we are going, and what we have in place to assist them when we do eventually take down border restrictions. It needs to happen, and it will happen at the appropriate time.

We have a recovery adviser and area that looks at the recovery issues going into the future.

We have a Public Health liaison person, Dr Scott McEwan, the Deputy Public Health Director, who works with Dr Mark Veitch and, again, he is well credentialed. We have worked really well with them. Scott works in the office and provides us with policy advice on those

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tricky or grey issues. We understand that Public Health and Health are the lead combat agencies, and our job is to assist them. Dr Scott and everyone within the SCC have been working very hard.

So, there is no typical day. There are issues that come up all the time. We have to be fast on our feet, and we have to have the proper advice. Everyone has worked so well together. I have been impressed by the number of state servants I have never met before who have come into the SCC and provided absolutely first-class advice, right across the State Service. I have to say that Tasmania is well served by the number of state servants we have providing me with the proper advice so we can assist Public Health while we do the other issues.

I would like to say there was a typical day. I thought the one before yesterday was going to be a typical day, we did not get out of the office until after 8 o'clock; some other days we will work 16 or 17 hours.

Ms FORREST - How are you looking after the mental health of your people?

Mr HINE - That is a great question. We have a robust health and wellbeing program within the Department of Police, Fire and Emergency Management. We have embedded that and put it across the SCC as well. For example, I received a call from our psychologist to make sure my mental health and wellbeing -

Ms FORREST - I hope you have.

Mr HINE - All within the SCC, myself included, have had lectures and presentations and check-ups on our mental health and wellbeing, because it has been a lot of pressure. We have been looking after them because people have been working incredible hours. People do get tired, and we are getting tired so we do have to make sure that we are ready for our next crisis that may come to Tasmania. We know we have a fire season, we know there may be floods, so we are getting ready to make sure if that occurs we have to rest people. We have to get ready for that as well. I have to say I cannot praise enough the SCC team that I have to work with and right across the State Service, and all the different agencies because I have been greatly impressed.

CHAIR - Thank you for that update on the control centre.

Mr O'BYRNE - Minister, a question for you. Early in the north-west outbreak a number of public comments were made - one by the Chief Medical Officer and the other by the Prime Minister - basically casting aspersions on the health workers on the north-west coast. The first being the Chief Medical Officer saying that there was a party, and I know there was a police investigation at the time. The second was the Prime Minister referring to a healthcare worker who had lied. Were you aware of these allegations or rumours prior to the Prime Minister and the Chief Medical Officer making those announcements?

Mr SHELTON - If you are asking me what my memory was like, I am aware of the news and the issue at the time. Whether I was aware of what went on before it was said or not, I can't recall. Nevertheless, what we have to acknowledge is that we are in this situation. It is the first time as a nation we have been in this situation, the first time as a state we have been under COVID-19 and the first time the north-west coast was impacted. The processes were put in place. I would only make a comment about not reflecting on how it was created because

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we know that people came off the *Ruby Princess* and that sort of thing and ended up back in Burnie. We have to have sympathies for the families; I personally know one of the families that lost a grandmother in that.

As far as the issue -

Mr O'BYRNE - Were you briefed on those allegations and those rumours?

Mr SHELTON - I can recall that happening at the time. I cannot recall whether I was briefed on it or not, but I was aware of the situation. The reality is that through that north-west process, the community, nearly 5000 members of the community who were in contact with the hospital, had to self-isolate. The police, as we know, had a number of personnel who had to self-isolate. The state stepped up.

Ms FORREST - The police were delivering food to people in quarantine.

Mr SHELTON - As the commissioner mentioned.

Mr O'BYRNE - That really does reflect on the public announcements by the Prime Minister and the Chief Medical Officer at the time. Particularly the Chief Medical Officer's comment that was under police investigation. Once you heard those rumours publicly being circulated by the Prime Minister, which was pretty galling, what did you do? What steps did you take to follow that up?

Mr SHELTON - As Darren has mentioned, I have had a number of meetings with Darren and conversations and that sort of thing. From my perspective, it was to make sure that the community was safe, we had put everything in place to control the pandemic and the issues around the north-west region. As I said, it was all the issues that came our way as far as a state and my responsibility goes to us all being safe.

Mr O'BYRNE - Did you receive a briefing on the Prime Minister's comments and did you brief the Premier's Office on the rumours?

CHAIR - We are out of time. This is an important matter and it is clear we are going to have to ask you to come back. There is no doubt about that. There are many questions that members have. A quick response if you can, Mark, to this question and then we will need to cut it off.

Mr SHELTON - Just as a response, the Premier made some comments around that and the issue around what the Prime Minister said. That was unfortunate, of course, but the main point I am trying to make is that what we have done as a state has overcome the issue.

Mr O'BYRNE - I understand what you have done as a state. Minister, were you briefed on it? Did you brief the Premier's Office on the public comments, particularly from the Prime Minister, alleging that health workers were lying?

Mr SHELTON - As you know in your ministerial experience, there are many briefings and a great deal of information floating around. I can't recall whether there was a specific briefing or how I found out about it, but I know I knew of the issue and we dealt with it as a state.

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Mr O'BYRNE - Were you concerned about what the Prime Minister said about healthcare workers on the north-west coast?

Mr SHELTON - I think what was said at the time was unfortunate. What I would say now is that healthcare workers have done a fantastic job throughout the state. As I have been indicating to you, our first responders have absolutely done a marvellous job. The proof is in the pudding. We are where we are because of the great work that individuals have done and the sector has done.

CHAIR - Thank you. We will need to call you back again and we will do that at a convenient time for all the committee and your people. This may well be an area you might want to do some work on in the meantime, minister, and we could come back to that if there are further questions in relation to this matter, so that you would be aware of that as to what the situation is.

I thank you very much for the way in which you have answered our questions and the information you have provided us, our controller, our minister, and I thought the sergeant did a great job for your first appearance before one of these committees. Well done. Sophie did not get an opportunity but probably will do next time that we meet. Thank you very, very much.

THE WITNESSES WITHDREW.

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Ms SARAH COURTNEY MP. WAS CALLED.

Ms KATHRINE MORGAN-WICKS, SECRETARY DEPARTMENT OF HEALTH; **Dr MARK VEITCH**, DIRECTOR OF PUBLIC HEALTH; **Prof. TONY LAWLER**, CHIEF MEDICAL OFFICER; AND **Mr CRAIG JEFFREY**, CHIEF FINANCIAL OFFICE, DEPARTMENT OF HEALTH WERE CALLED AND MADE THE STATUTORY DECLARATION AND WERE EXAMINED

CHAIR - This is a public meeting, public session, it is being recorded and streamlined, so you need to be aware of all of that. Just for those members who might not be aware the same situation applies to us as members of Parliament, we take that oath of office when we first come into this place so we are sworn to tell the truth. Having said that, minister, if I will leave it open to you at this stage, if you wish make a presentation to the committee.

Ms COURTNEY - Chair, I have a relatively succinct opening statement to make then I am going to ask Dr Veitch to make some overarching comments as well in his role as Director of Public Health.

CHAIR - That is okay. It is perfectly okay to use Christian names; we are accepting of that. Let's keep it as informal as we can, but formal at the same time.

Ms COURTNEY - I appreciate that, Chair. I appreciate the committee inviting us here to present today. 2020 has been an extraordinary year for both our health system and for all Tasmanians. I extend my most sincere thanks and gratitude to all our staff. These are the people who have treated our patients on the front line, the people conducting testing, the people tracing cases, and the people in the background who support all these functions.

Everyone within the Department of Health, the THS and Ambulance Tasmania has gone above and beyond to assist the public and their colleagues during this pandemic.

I also thank the non-government health professionals and representative bodies as well as unions and everyone else outside our system for their support during this time. The collaboration I have seen across the health system in Tasmania has been impressive. Regrettably this virus has cost lives and I take this opportunity to offer my sincere condolences to the families, friends and loved ones of those people.

I am joined here today by some of our key departmental personnel who have played and will continue to play a key role in Tasmania's preparedness and response to COVID-19. Kathrine Morgan-Wicks, who I know is familiar to many of you, the department's secretary, performs the key role of State Health Commander. This role is leading the preparedness and response of the health system in Tasmania. In early March, the State Health Commander established the Health Emergency Coordination Centre. This was led by an incident controller; at first this was a shared role between Cathy Baker and Michelle Searle, and now Ms Searle does this role herself. The ECC facilitates and coordinates the health sector responses across separate Emergency Operation Centres - EOCs - and broader stakeholders.

Working closely with the ECC we have a number of emergency operation centres. We have the Public Health Emergency Operation Centre, led by the Director of Public Health, Dr Mark Veitch as the PHEOC Commander. The Ambulance Tasmania Emergency Operation Centre is led by the ATEOC Commander, Han-Wei Lee. We also have the Tasmanian Health

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Service Emergency Operation Centre, which is led by THSEOC Commander, Tasmania's Chief Medical Officer, Professor Tony Lawler.

The THSEOC is supported by three regional health emergency management teams, each responsible for the management and coordination of the THS regional-level COVID-19 emergency response operations in accordance with the direction of the THSEOC Commander.

I would also like to introduce Craig Jeffrey who performs the important role of Chief Financial Officer; noting the terms of reference and the remit of the Public Accounts Committee, I thought it would be useful to be able to have Craig here today.

The response to the COVID-19 pandemic was significant and has seen the Department of Health required to take unprecedented action to protect our staff, our patients and our community. Notably, we have seen two hospitals closed and staff furloughed during the north-west outbreak, the North West Regional Hospital and the North West Private Hospital and we continue to see the ongoing effects of the COVID-19 situation at the Mersey. The north-west outbreaks saw our statewide health system truly come together. Patients were transported to other facilities while both sites were cleaned, and the ED reopened with the assistance of the AUSMAT team. We extend our gratitude to these professionals and to the federal government for their prompt response. These quick actions and decisions, along with the incredible work of our contact tracers ensured the north-west outbreak was eventually contained. I want to thank the community for how well they responded.

We have been fortunate to have experienced only a small number of cases since that time and our agencies have been focused on preparation throughout this situation. The Tasmanian Government knows that COVID-19 is unfortunately far from over, which is why we are continuing to build our preparedness. The department and the THS have secured vital equipment, PPE, ventilators and other medical supplies and supported our staff with further PPE training to ensure they can provide safe care.

Public Health Services has been working around the clock to provide advice to government, local industries and the community as to what needs to be done to minimise the risk of infection. We understand some of these measures are extremely challenging, particularly for businesses but the fact remains that none of us wants to see another outbreak in this state. In this regard, upon receiving the North West Regional Hospital Outbreak Interim Report in April this year, the Government accepted all recommendations and I tasked the secretary with implementation as a high priority. Senior members of the THS and department met regularly to ensure we took a comprehensive approach, which resulted in some significant initiatives, including the recruitment of an infectious diseases specialist specifically for the north-west, the development of new training in PPE, a new outbreak management plan, the implementation of stronger screening processes in our hospitals and improved auditing of infection prevention and control.

I am delighted to advise the committee that all 17 recommendations are now complete and the department will continue to work identifying opportunities for further improvement.

I am also proud of the Government's support for our primary health sector as part of our COVID-19 response, with an unprecedented level of direct financial support rolled out for our primary grants program. The department has also ensured there is close engagement with aged care providers.

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Every single person in our community has faced challenges due to COVID-19, whether at work, in their social engagements or even directly through their own health or that of a loved one, and I am proud of the way our community has pulled together in this time. Without a doubt, the efforts of Tasmanians as a whole, supported by our health system and our Public Health experts, has helped us limit the impact of this virus to a level that other parts of the world would truly envy.

We know this is not over. The hard work is continuing and we are remaining focused and committed to the task. If the Chair would permit, I will ask Dr Veitch to make some opening comments as well.

Dr VEITCH - I will provide a brief overview of what has been a very extensive response and actions throughout Tasmania over the last six months. Tasmania has experienced 226 diagnosed cases of coronavirus infections since the first case in early March. Around one-third of these were acquired overseas and around two-thirds in Tasmania and, as the minister said, sadly there were 13 deaths in total amongst these 228 cases.

The most prominent feature of coronavirus in Tasmania to date has been the outbreak in the north-west. Ultimately, this amounted to 138 cases comprising 80 staff members of the hospitals, 24 patients in one or another health care facility, one resident of an aged care facility and 33 other people who were mostly contacts of staff or patients. Ten deaths were associated with this outbreak; they comprised nine hospital inpatients who acquired infection and one aged care facility resident.

We have heard mention of the interim report on this outbreak. It includes both an epidemiological report from Public Health and an extensive account from the Health Service of the responses they made in relation to the outbreak at the time.

The epidemiological report in that interim report, identified two *Ruby Princess* passengers as the likely source of introduction of infection to the hospital and subsequent transmission. Recently, we have determined through genetic testing of the strains of the SARS-CoV-2 virus that the findings there are consistent with that epidemiological observation at the time of the outbreak.

All the cases epidemiologically linked to the north-west outbreak were closely related strains, to both the people who had come off the *Ruby Princess* and all the cases that occurred amongst staff and more widely.

Some of the actions taken in relation to the outbreak, and I mention only a small proportion of them, include the outbreak investigation involving case and contact management, outbreak control measures that ultimately involved the closure of the hospital and also very substantial restrictions of activity in the north-west for a period of some weeks, along with quarantining of staff and households.

They were measures taken to prevent community incursion and spread from the hospital outbreak. That was likely to have been successful in whole. We do not know which particular measure made the difference, but the package of measures prevented incursions into the north-west to any extent or more widespread infection. There is more detail on the responses in the interim report.

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Overall, this has been an extensive, coordinated response to an emerging threat that has required a considerable degree of flexibility and working in situations where there was often considerable doubt and limited evidence to guide actions, but all along we have tried to act in a way that was cautious and protected the Tasmanian population.

A state of emergency was declared by the Premier on the advice of the State Controller and a Public Health emergency was also declared, both of which have enabled the use of various directions that helped us manage this outbreak in Tasmania.

The measures we have been taken from time to time have been, as I have said, sometimes difficult to determine because of the lack of evidence, but we have had the good fortune of a well-established national body that provides particularly public health advice - the Australian Health Protection Principal Committee that I sit on, and that comprises the chief health officers of the states along with experts and representatives from expert groups.

They have met daily, including on weekends, for three or four months and three times a week since then. They have sifted through available evidence, updated evidence, and they have provided evidence to the chief health officers to guide their response. They have provided guidance to National Cabinet to provide coordinated national responses and a number of statements on the AHPPC website also gives guidance to public health responses.

Many of the public health responses in Tasmania were based on an understanding of Tasmanian experience but with the backing, or the support, of the evidence appraisals and direction from the Australian Health Protection Principal Committee.

The overall response has been led by the State Controller through his officers. We have heard that the Health ECC is led by the State Health Commander and under that there are a number of emergency operation centres, including the Public Health Emergency Operation Centre.

Numerous other agencies have been involved in the whole-of-government response: Communities Tasmania, DPIPWE and other agencies. I too, would like to thank all agencies and their staff for their extraordinary skills and commitment, often in circumstances and in jobs that they may not immediately be familiar with. Also, the extraordinarily collegial approach that has been conducted throughout - there has rarely been a cross word, everybody has really had their eye on what we are trying to achieve. This remarkably collegial approach has been one of the things that has sustained many of us through the months we have been working at this.

We are now in a fortunate situation. In the three months since the last north-west outbreak-related case we have only had two imported cases of coronavirus from Victoria but we have a long way to go. We need to maintain measures that reduce the risk of introduction into Tasmania; we need to manage cases that do occur by identifying cases and isolating them and identifying their contacts and quarantining them. As we heard earlier, the Public Health nurses who were involved in the contact tracing back in March and April when this was quite intense did a remarkable job. On most occasions, they had identified the vast majority of contacts of cases by the evening of the diagnosis, which is well within the best practice that you need to do in Australia to keep cases identified and stop diseases from spreading by getting people in quarantine quickly.

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We need to keep testing people with symptoms. We are continuing to test at a good rate, around about one per 1000 Tasmanians per day and we need to keep that up or even increase it if we have any areas where we have concern about risk. That has been maintained by the Tasmanian public for many weeks now through access to the testing systems that the Health services establish through their EOC. That has been a very valuable thing for Tasmania to have, ready access to tests.

We also have to maintain measures that reduce the risk of spread in the Tasmanian community. That is not over yet and we are mixing much more freely than we were back in March and April.

The introduction of a case into the Tasmanian community could very quickly escalate to a very difficult to control situation, which is why we do need to maintain some measures for the long term until we can actually look back on coronavirus as something that is in the past. That will not happen until we have immunisation that is effective at producing herd immunity.

Finally, we need to keep working on building public confidence that while we cannot eliminate risk we can manage it. We also need to build the public understanding of how they can act to support the measures that reduce the risk that will be with us for some while yet.

CHAIR - Thank you. We will now go to questions.

Mr WILLIE - Minister, the Premier has provided the committee with some information around PPE and testing. You would be well aware of the reports at the time in April, including a report on the ABC where one senior doctor at the North West Regional Hospital who asked not to be named, said there were PPE shortages in the lead-up to that current outbreak. He said -

We were short of some key things including appropriate masks.
There was a sense of frustration amongst staff, especially allied health staff, about this lack of PPE and there was a sense that they were playing catch-up and there was a level of unpreparedness to the response.

Minister, the Premier provided the committee with some information around when the first PPE order was made. An order was made on 26 March for hand sanitiser but the first PPE order in terms of surgical masks, face shields, wipes, respirator masks, gloves and goggles was not made until 15 April.

Can you elaborate on that and why that order was so late, given the pandemic had already taken hold in Tasmania?

Ms COURTNEY - Certainly, Mr Willie. In a moment I will ask the secretary of the department to talk about the processes around procurement and the support mechanisms that were stood up within the ECC to be able to support that.

If I step back a bit, first, I want to make it really clear that provision of PPE was a key priority of the Government. It was something that was my key focus, the secretary's key focus, throughout the entire time of preparation and indeed throughout this entire year. At the moment, we are continuing our preparations and are seeking to be able to bolster to have a

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significant pandemic supply to have sufficient stocks of PPE to be used if we were in an outbreak situation for six months. We are continuing that preparation.

With regard to the PPE procurement and the stock levels, I will get the secretary to outline that. It is important to recognise that we maintain significant stockpiles ourselves here in the state. We have pandemic stockpiles as well as our existing stockpiles of a range of not just PPE but also pharmaceuticals to be able to provision the state in a time of either pandemic or indeed if we get issues with supply lines. The state maintains a large stockpile and the federal government also has a pre-positioned stockpile within the state of Tasmania.

I might ask the secretary to talk a bit further about the time line, and also the work we did to ensure we were ordering sufficient stocks. The other thing I would comment on before I ask the secretary to talk about that more fully, is with regard to procurement - I think the team did a brilliant job in the procurement. In a global pandemic - and I think we were all horrified by what we were seeing on our TV screens - recognising that what we needed every other country in the world was ordering and ordering aggressively. I want to put on the record my thanks to the team because it was anything but business as usual in terms of the way we could procure. I will hand to Kath to discuss a bit further.

Ms MORGAN-WICKS - Thank you, minister. If I may note certainly from late February and March, PPE monitoring was absolutely a significant issue for the department to keep an eye on. In terms of the order for 15 April, an order for 30 million does not cross your desk every day. I have a very strong memory of signing that order, in particular, and having discussions with the staff to make sure we were ordering from a supplier who had the bona fides, that we were doing it appropriately through our procurement mechanisms and also noting our Treasurer's instruction in relation to urgent procurement under COVID-19 -

Ms FORREST - Was there a specific Treasurer's instruction for COVID-19?

Ms MORGAN-WICKS - Yes, there was in relation to procurement. Certainly, in terms of that order, it was a very large placement but we also had our standing supplies of PPE. It was not the case that prior to 15 April we had reached zero in relation to any supply. Standard supplies of PPEs remained in our hospitals, but the 15 April supply was a large forward supply noting the global shortages that were occurring and trying to also cater for a pre-placement.

Regarding the perceptions of PPE, because we had concerns and issues directly raised by staff and we also had some theft that was investigated in relation to PPE, I was very concerned to make sure we locked down key COVID-19 items of PPE. That included N95 respirators, hand sanitiser - and I can tell you hand sanitiser is sometimes a little difficult to lock down in itself. In addition to our standing stock, we also looked at our distribution model. Staff in our hospitals will have fond memories of absolutely overflowing supply cabinets where they could access stock. At this time, we had to take measures with our nurse unit managers and appropriate senior staff actually to have access to then refill our PPE on a daily distribution process.

Ms FORREST - To avoid theft?

Ms MORGAN-WICKS - To avoid theft. We had reports of theft reported to us from the ANMF in relation to staff reporting concerns that stock was walking out of hospitals. I am

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aware of one of the investigated thefts relating to hand sanitiser at the Mersey Community Hospital.

With regard to what we did back in our Emergency Coordination Centre, we appointed a senior executive who was in charge of PPE, and that was John King, who was very kindly lent to us from the Office of Racing Integrity and who has been on secondment from [inaudible]. We had fantastic collaboration from other agencies to assist us with each of our coordination teams. He led the team.

We received a lot of offers in relation to PPE, a lot of suppliers and vendors were directed to us from all sources across Tasmania so that team had quite a bit of work to do to work through as our standard suppliers were already indicating they were unable to supply us to the usual numbers.

So PPE was a very complex, fast-moving environment at that time. As soon as we could identify a valid supplier, we would also check their transport and importation requirements and that they met TGA approvals regarding the stock. We worked very carefully with our Tasmanian Infection Prevention and Control Units - TIPCU - to make sure they were satisfied with the products the team was then sourcing.

A lot of clinicians would report to us that their favourite mask was not necessarily in stock. I had a lot of demonstrations about what the favourite was and certainly the orange duckbill N95 was a favourite which we really did try to source, but in the end we had to make sure that it was TGA-approved, that they would accept the product into the hospital and that we could get it to them.

Mr WILLIE - Minister, I am exploring that contradiction in that you are reassuring - and at the time you did as well - that there was no shortage of PPE, yet at the same time you are saying there was a global shortage and it was very hard to source PPE and that is potentially why the order was not made until 15 April.

Ms COURTNEY - I am sorry, Mr Willie. I fail to see a contradiction there. We had sufficient supplies. I was always advised that we had sufficient stocks but we knew that usage was increasing. We knew that in light of the fact that our normal supply chains, as outlined by the secretary, were challenged, that we had to get on the front foot and manage this aggressively. That was not only in terms of ordering, but it was also the way we had to manage them at each of the sites.

Some of the management was different and some of the distribution of PPE around the state was different because usage patterns were different. My advice was that we always had sufficient PPE to hand and we managed that appropriately.

Mr WILLIE - You cut me off before I finished.

CHAIR - I was going to suggest you finish off your question before we got that interjection.

Mr WILLIE - You put that narrative in the context of health workers speaking out about PPE shortages and it does not really add up. Why would senior doctors at the North West Regional Hospital be talking to media about PPE shortages and the lack of preparedness?

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Ms COURTNEY - I am not going to start verballing a health professional.

Mr WILLIE - It was reported in the media.

Ms COURTNEY - As outlined by the Secretary of the Department of Health, we had different mechanisms for provisioning PPE within our hospitals. Some of the different practices were new for different clinicians. I don't know the particular circumstances of that clinician so I can't comment on those direct circumstances, but I guess a way to summarise it is that things were done differently in light of the fact that we needed to restock in different ways, we had to monitor in different ways, and sometimes, as was outlined by the secretary, the type of PPE that someone may have been familiar with using, that same brand may not have been available but alternatives were available. That was one of the things we have seen and that's been a challenge. I have spoken to other health ministers across the country, particularly when it comes to respirators, being able to get the masks that people have a preference for because people often do have a preference for a particular brand. Sometimes it is difficult to get them. We do have safe alternatives that are registered by the TGA and are appropriate in those clinical settings.

It is worth pointing out that with regards to the type of PPE we use and we recommend for our staff, that is all done through advice. The CDNA and the AHPPC, this was a big part of their conversations. We ensured that the advice we were getting nationally about the appropriate guidelines were implemented. I know there continues to be work done through AHPPC by some of the advisory bodies such as the CDNA that go into that around how we are learning about COVID-19. We know it is relatively new virus still and we take those learnings on board. We take the advice from the national professionals and we implement those.

Mr WILLIE - When did the Health department, minister, begin to try to source PPE?

Ms COURTNEY - Very early on. I will ask the secretary to provide advice on that.

Ms MORGAN-WICKS - PPE is a business-as-usual core item for operating hospitals and each of our health services. We have a dedicated procurement team that is in place. In terms of our usual ordering we have statewide distribution of PPE.

Certainly, the steps we have taken in the pandemic are more to a statewide emergency management stockpile, which is over and above what we had with existing state and Commonwealth stockpiles. We already had state and Commonwealth stockpiles in relation to masks, which we would then distribute if required, but that kind of call was not made in March and April because we had our standing stock of PPE which was available in our hospitals.

Our concern has been to prepare for ultimate surges in COVID-19 presentations and what the PPE team, as part of our emergency centre, has determined, has been to prepare a state emergency medical stockpile which is six months' worth of surge PPE based on our modelling from the actual usage during the north-west outbreak and applied across our four acute hospital environments and also our district hospitals. We are close to completing that SEMS stockpile. For example, as at 10 August we currently hold over 11 million surgical masks and this is over and above standard hospital PPE supply. We have over 200 000 N95 respirators; we have over 600 000 gowns, 1.2 million eye protection and goggles, over 8 million gloves, close to 20 000 litres in hand sanitiser, and over 170 000 face shields. We continue to make sure that we are going to maintain that six-months' worth of surge capacity in our COVID-19 PPE.

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Ms FORREST - On that, if I might, those items, as well as others in the stockpiles that you have, all have expiry dates, so how do you manage that? I don't know how many million masks you have, but how do you manage that? Do you have to put them through the system?

Ms MORGAN-WICKS - It is important we do turnover our stocks and we keep an eye on expiry. Obviously, we are well used to expiry of pharmaceuticals and making sure they are checked. The SEMS won't just sit in a warehouse on its own and not be touched until the next surge or other pandemic, not wishing that upon anyone, but it will be transitioned through our standard PPE supply and use. We have taken in terms of an element of risk that should Tasmania, and I hope that Tasmania does not experience another surge that requires the SEMS and PPE but I had to make the decision as State Health Commander in relation to the level we thought was appropriate and based on our surge use of PPE in the north-west.

Ms FORREST - What has been the cost of raising the level of supply?

Ms COURTNEY - In the 2019-20 financial year \$44.2 million was spent on PPE.

Ms FORREST - That is in addition to normal spend?

Ms COURTNEY - Yes. That is COVID-19 response.

Mr WILLIE - I have some questions on testing, Chair.

CHAIR - If we can finish any questions on the PPE side first of all.

I had one on this as well. If I can quote from a document provided to the committee in support of Josh's position -

We were repeatedly told that the Tasmanian Government did not offer contracts like the other states I mentioned and did not need our supply which was contrary to the desperate calls we were receiving from hospitals, aged care and other essential services.

That is a statement made by us by a supplier of a product in this state.

Ms FORREST - Made to us, not by us.

CHAIR - Sorry, if I said 'by us'. It was made to us by a person responding to our call for submissions. Having made that statement, minister, have you or did anybody from your side ever go to all of these hospitals and talk to all of the staff and the people there to find out whether they had access to all the PPE equipment they needed, and hand sanitiser in particular? Getting that statement where hospitals are requesting product from a supplier that they knew was able to produce it and provide at the time.

Ms COURTNEY - So that I am aware: is that one of the statements in the submission that has been made just in terms of that quote?

CHAIR - It is a confidential one provided to us so I am simply asking the question from a confidential document.

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Ms COURTNEY - You mentioned hand sanitiser. I might get the secretary to talk about that a bit further in a moment. With regard to offers of PPE for manufacturers, we were inundated with offers. I personally had a lot going through my inbox. From my perspective, my process was sending that through to the Health ECC so that was obviously done through the ECC. All offers of PPE went through the ECC. The secretary mentioned earlier, John King was seconded across and was playing a lead role in that place. I will get Kath to talk about the process that the ECC had in terms of determining different offers. There was a broad range to be frank. If I reflect back on the types of things that came through my inbox, we had a wide range from what ended as being very credible and I understand resulted in orders. At the other end of the spectrum, we had many that perhaps required a lot more due diligence to determine whether it would be appropriate to spend state money on it. I will ask the secretary to talk about the process within the department, and particularly that team, and what they did with those offers of equipment or supplies.

Ms MORGAN-WICKS - Certainly in relation to hand sanitiser, that was one of the items we were getting feedback from staff on in relation to that placement. I think everyone around the table can probably remember the run on hand sanitiser quite early on in terms of the pandemic, if you ever tried to get any from your favourite local pharmacy, for example, or supermarket.

My concern in relation to hospitals was a hospital-grade sanitiser which is at a higher efficacy than is required for hospital use. In terms of sanitiser itself, the PPE team made hand sanitiser one of its critical items and you will note that in terms of one of the first orders we reported back on PPE was actually for hand sanitiser. We were assessing various, and trying, in terms of our local capacity, to manufacture when our standard suppliers and already pre-procured suppliers of hand sanitiser indicated that they were unable to fulfil our forward orders in relation to sanitisers and cleaning wipes, which are also a standard stock within hospitals. We were getting feedback every day from each of our regions in relation to their use, and what they were concerned about in terms of forward demand.

We ended up publishing to staff each of our stock levels across each of our PPE supplies, and also calling for feedback, asking that if anyone had any concerns in relation to PPE, to please raise them directly. We had a dedicated PPE email in which to raise issues, and I certainly received emails from clinicians and nursing staff, for example, in relation to masks and fit checking.

We had a large number of emails in relation to supply. The PPE team would go through to determine the bona fides of the actual vendors. A lot of people were promising things in a very short period of time, which on further interrogation and investigation was actually not possible, or they promised products that did not have TGA approval, which we could not accept. This included phone calls from people saying that they had planes on tarmacs with ventilators in them ready to go - did Tasmania want them? We had to take a very cautious approach to make sure we were entering into contracts that, for the state of Tasmania and the money that we were applying to those contracts, were appropriate.

Ms COURTNEY - My understanding is the Department of Health coordinated the procurement of hand sanitiser supplies in line with the processes specified in the Treasurer's Instruction PF-7, Procurement Framework - COVID-19 Emergency Procurement Measures. Under this TI -

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... an accountable authority, i.e. the department, is permitted to approve modified procurement and contracting processes for:

- 1.1.1 urgent procurement of goods and services or works related to the implementation of Government measures, in connection with COVID-19

CHAIR - Was there any time, at all, that hand sanitiser was short within the hospitals and the medical side of things? Was there any stage when it was not available?

Prof. LAWLER - Not that I am aware of. When the clash with COVID-19 occurred, in the early weeks and months we were looking very much to the advice from expert bodies such as the Communicable Diseases Network and also the AHPPC, as Dr Veitch mentioned.

On the specific issue of hand sanitiser, the need to procure hospital-grade hand sanitiser is absolutely clear. Those were factors considered in making the procurement decisions. I am not aware of times when there was an actual active shortage, or when hospitals or health services had run out of hand sanitiser.

The comments the minister and secretary have both made around needing to secure increased stores of appropriate hospital-grade sanitiser were very much in response to the recognition that there was a global shortage, and there was a local shortage, not only in terms of commercial-grade hand sanitiser. We were comfortable in our supply at the time, but we needed to have hand sanitiser within our stockpile to accommodate any increased surge.

CHAIR - The department has a set contract position in place as to how they let contracts. Am I right in making that statement? There are criteria around that, and fairly rigid control over that.

Ms COURTNEY - In terms of the TI as a procurement, I will get either Kath or the CFO to talk through the TIs and the procurement processes. During COVID-19, through both the new TI that were implemented, but also because through the public health emergency, Kath was empowered to make decisions that were perhaps different to business as usual.

I might get Kath to explain those.

CHAIR - If I can just add to the end of that question. The question, really, was that in the case of an emergency, a state emergency - and that is what we still have - is there not room for significant changes to be made to the way in which you procure property that is absolutely necessary and urgent?

Ms MORGAN-WICKS - We have standard procurement mechanisms set under the Treasurer's Instruction under our Financial Management Act framework, but you are right regarding a state of emergency. We had the Treasurer's Instruction PF-7; as the minister noted, that allowed a change or a speeding up of that procurement process.

To be clear, if a supplier who was already precontracted under procurement was able to supply to us, the health procurement team continued that supply. We did that for many other items of PPE or pharmaceuticals or consumables that hospitals rely on just to run every day.

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In the emergency, where the TI assisted us was where our existing vendors were unable to supply, and that is when we had to undertake a rapid assessment. We also worked with the Department of State Growth, which has the knowledge in relation to ready and available manufacturing capacity in Tasmania, which is what we also tried to lean towards and utilise where possible, because we had border and freight restrictions. We had significant decrease in the number of planes, for example, that were landing in Tasmania at the time, and also ship freight et cetera.

We were concerned that if we were heading towards a total lockdown or significant restriction, could we identify a Tasmanian supplier who could do it to a hospital grade? Many distillers absolutely came to the fore in terms of pivoting their business models to create a hand sanitiser that could also commercially assist the community, because the community was also looking to it.

CHAIR - Thank you.

Mr O'BYRNE - PPE is obviously a crucial element of infection control. There was some element of criticism about a lack of PPE training for staff. The WHO called out this issue in early January. You have a standing pandemic plan. The first interdepartmental committee was brought together on 1 February. It goes to preparedness - and the impact in the North West Regional Hospital was significant.

Minister, could you outline to the committee what PPE training and what infection control training was delivered, above and beyond the normal delivery of this work in our health and hospital system, in February and March this year?

Ms COURTNEY - Thank you for that question, Mr O'Byrne. What I will start with is that usage of PPE and infection control are a core part of our clinicians' job. It is part of their training, part of what they do. Because of the nature of the work they are in, they are refreshed, even outside pandemics.

From my personal observations of having spoken to a number of nurses in various wards before we had the outbreak around the state, and the fact that we see each year in winter, with influenza, the way hospitals already manage infectious diseases - I am not drawing a parallel between the flu and COVID-19 in terms of their community impact, but I make it clear that this is a core part of what people do.

I understand the THS medical nursing and allied health professionals are trained in infection prevention and control, which includes participation in mandatory education held annually, including PPE use and hand hygiene. There is also appropriate clinical expertise in respiratory illness.

In January 2020, the Public Health Service established the Incident Management Team, and in February, the Royal Hobart Hospital Department of Pathology, Microbiology and Infectious Disease Services developed protocols for testing in hospitalisation of cases.

This outlined the actions required to respond and provide care to persons with suspected or confirmed COVID-19. The process is similar to that used for other similar infectious diseases. These arrangements formed the basis of protocols for other Tasmanian hospitals and were rolled out in February 2020. Areas of our major hospitals also ran a series of internal

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scenario-based simulation and training exercises commencing in mid-February 2020 as part of overall preparedness for COVID-19. These COVID-19-specific simulations were incorporated into established training programs with a range of interdepartmental exercises taking place to support organisational preparedness.

I might ask the secretary of the department to go through in a bit more detail the type of training that was done around the state.

Ms MORGAN-WICKS - In the north-west there was regular communication with managers and staff around training, the resources and also the protocols for managing COVID-19, which included reconfiguration of various units within hospitals, changes to no visitor or staff screening et cetera. People needed to be aware and trained up for those different escalation levels that our hospitals had planned to move through.

In the north-west, however, in relation to training, we had PPE training resources circulated to staff from 30 January. Cleaning staff underwent training by infection control specialists on 3 February. We had updated PPE videos, including donning and doffing procedures, circulated to staff on 13 February. We had presentations delivered to hospital auxiliary staff on 24 February and catering staff on 2 March, covering hand hygiene, social distancing, respiratory hygiene, cough etiquette and exclusion periods if symptoms of an acute illness; and clinic staff orientation on COVID respiratory screening, including face-to-face PPE donning and doffing practice, specimen collection and documentation training on 10 March. We had PPE training for the North West Regional Hospital wards and an anaesthetic ED COVID-19 intubation training day was held on Friday, 20 March. From 24 March through to 31 March, the following areas underwent face-to-face training covering topics such as PPE, respiratory and hand hygiene, cough etiquette and social distancing - attendants, catering staff, theatre staff, anaesthetics, emergency department, ambulance staff, pharmacy staff and speech therapy.

There was also critically clinical involvement in the development of plans to respond to COVID-19. They were the ones who were responsible for preparing our hospital escalation management plans which outlined it. They had to be practised in those necessary changes should a trigger of COVID-19 appear in the hospital, such as a number of suspected cases or a positive case that was actually in a hospital.

Following the interim report into the north-west outbreak, which we published on 29 April, we also put additional resourcing into place to absolutely double-down once more in relation to the very extensive list of training that I just read out. That is in relation to clinical nurse educators being appointed to coordinate training, PPE buddies and coaches appointed to support appropriate PPE donning and doffing and infection prevention and control specialists providing support and guidance on site in the north-west.

Ms FORREST - Does that mean the buddy was to assist the donning and doffing or assist them learn to do it?

Ms MORGAN-WICKS - And to also assist with the fit check of the application of an N95 mask, for example.

Prof. LAWLER - Also to monitor - not simply to assist physically, but also as a buddy check system to ensure breaches weren't occurring or to identify them where they do.

Ms FORREST - You don't have a mirror so you can't see.

Mr O'BYRNE - Yet the interim report was quite critical of that area, so how do you respond to that?

Ms COURTNEY - As I outlined in my opening statement, we have accepted all those recommendations and we have implemented those recommendations. With regards to that interim report, we had always said there would be learnings through what happened in the north-west and we accept that there were learnings that happened through that. I know that report was authored by Dr Veitch and Professor Tony Lawler, but I might ask Professor Lawler to talk a bit more about both that report and the implementation of it as well to ensure that these learnings are fully embedded.

Prof. LAWLER - It is worth noting there has been significant change in practice following not only the report, but also the experience of the outbreak. As mentioned previously, there are mandatory elements to training which include hand hygiene and use of PPE. There has been extensive training across the state in all clinical settings and that has not only been supported by the department and the management of the hospitals, but it has also been significantly clinically led by clinicians.

That goes to issue such as the appropriate donning and doffing of PPE - between the donning and doffing, how you use it, don't touch your face, don't move it around, don't adjust. In addition to PPE, there is also how patients are received at the hospital, and that is particularly key given the reconfiguration of emergency departments within our hospitals and the fact that we manage patients who present with respiratory symptoms in a particular way. That has significant implications on how clinicians practice.

Second, how patients are transferred - how patients with respiratory conditions who have suspect or confirmed COVID-19 infection are transferred safely between one facility to another. Also, very importantly, how do you respond to a critical medical emergency in patients with suspected or confirmed COVID-19? The way in which that has been done is through the development of appropriate protocols and policies, but also through the utilisation of scenario-based training in critical care areas and ward areas in all of our hospitals across the state.

In terms of the lessons we have learnt from the outbreak, I think it is important to note we had already instituted lessons prior to the release of the interim report. In fact, while it was a significant challenge to respond to the closure and the furloughing of staff, we didn't waste that time during those two weeks where the 1000-plus staff were furloughed. We were able to put in place individual support processes, but also we used that opportunity to utilise online and face-to-face training and, in fact, mandate training prior to return to work.

Prior to the release of the outbreak interim report, we were able to use the very nature of the outbreak to increase the training and readiness for returning staff. In the wake of that, as mentioned by the minister, significant lessons have been learned from the outbreak. That includes not only how staff practice and how staff interact, but also the investment in appropriate infection control staff; the investment in infectious disease physicians to provide advice for that; the development of infection prevention control networks, both locally and statewide, with that input at all appropriate levels of clinical decision-making and policymaking.

PUBLIC

One of things we have really found is the extent to which experts and clinical staff across the state have pulled together for the development of those clinical protocols and policies, and to assist with the training. That has been really impressive and I think it should be acknowledged as well.

CHAIR - If I can quickly go to John, if you don't mind. He has been jumping on top of me.

Mr TUCKER - Thank you, Chair. I have a couple of questions on testing, minister. Can you describe what steps have been taken to increase testing capacity across Tasmania?

Ms COURTNEY - Excellent, thank you. I will ask Kath to talk about some of the detail but I start by thanking the staff both at our testing sites and also within the laboratory. It has been an extraordinary effort - both to stand up all those testing clinics as well as expand capacity as quickly as we did at the laboratory at the Royal Hobart Hospital.

With regard to the testing sites we have around the state at the moment, particularly with the weather we have been having recently, it has been an enormous effort by those teams of people, and we all want to acknowledge them because the weather hasn't been tops. They have done an outstanding job, being very front line. With regards to the laboratory, we have expanded the physical footprint of the laboratory at the Royal Hobart Hospital. The laboratory has moved into a new location and we have been able to bolster staffing by bringing in staff from other areas. We have seen a lot of collaboration across different parts of both government and non-government organisations.

We have purchased additional lab equipment to be able to ensure that we can do additional testing. With the additional laboratory equipment that we bought, we actually bought complementary brands of lab-testing equipment so that we had complementary consumables, which is one of the key areas of demand. I note that has been a key focus particularly of Lou Cooley who heads up that area within the Royal Hobart Hospital.

As Dr Veitch said in his opening statement, it has been very impressive that we are able now to test the required number of Tasmanians on a day-in, day-out basis. We still have up our sleeves significant surge capacity and we saw that we were able to flex and use the surge capacity we had at the time in the north-west outbreak at the aged care facility, when through collaboration with the private sector which did the collection of samples for us, we were able to collect samples across those three sites and get them processed, I think, in around a 24-hour period, which was just extraordinary. I might get the secretary to make some further comments on testing.

Ms FORREST - The SES volunteers did the run. Three times during the night.

Ms COURTNEY - They did the run down. It was extraordinary and everyone worked through the night to get it done. It was a fabulous team effort.

Ms MORGAN-WICKS - I think the collaboration we had between our volunteers and also the agencies assisting in those testing efforts is really to be commended. I think as Dr Mark Veitch would note, in a pandemic the standing-up of testing capacity is one of those critical planks that we absolutely have to get right to make sure we are continuing to monitor what is happening in terms of the community with illness.

PUBLIC

The first tests in THS clinics were undertaken on 5 March and we have significantly increased our sample collection, our transporting, couriering and our laboratory testing capacities since that time. I remember when tests were reported in our daily reports in just double figures, but certainly now in terms of the capacity, I am very pleased with the way that Tasmanians have responded to the call that when symptomatic to come and get tested.

We have also had a bit of a mixture between our public capacity, our Commonwealth capacity, in terms of Primary Health Tasmania, that have coordinated GP-led respiratory clinics so that we currently have three of those also operating in Tasmania, and also our private laboratory capacity. For some time, we have not had on-island capacity in terms of COVID-19 testing through the private facility, but that has recently also been stood-up. We have been working quite closely between our amazing laboratory team led by Lou Cooley at the Royal, together with our private capacity. We are, in a surge, able to collect from 1800 to over 2000 tests, for example, in a day and the laboratories are working 24/7 to have teams of people coming in and changing over in terms of machines.

Ms FORREST - Are we doing some of the Victorian testing as well?

Ms MORGAN-WICKS - We have made the offer to Victoria and we have indicated we were able to do 300, for example. I think that was the number we indicated on top of our normal testing.

Ms FORREST - That is paid for by the Victorians, I assume?

Ms MORGAN-WICKS - I cannot comment in relation to the funding requirements. I think if it were in relation to 300 tests a day, we would probably assume it under our standard COVID-19 MPA requirements, but depending on the numbers we were getting to, if it was a long term, yes, we would talk to Victoria about that amount.

CHAIR - Are there any questions on the testing stations before we go off that?

Mr TUCKER - Minister, what is the current level of expenditure for the testing clinics across Tasmania?

Ms COURTNEY - For the testing clinics, the estimated cost in 2019-20 was \$7 350 000; that's through the Department of Health. Other agencies had \$1 744 000, so the estimated cost in 2019-20 for testing clinics will be \$9 094 000.

Mr TUCKER - What is the current COVID-19 testing strategy? Will it change in the short term?

Ms COURTNEY - What I might do in a moment is ask Dr Veitch to talk about testing strategies. With regard to testing strategies the entire time we have been within this COVID-19 period, we have always done our testing based on advice. I know from my discussions with Dr Veitch that this is a regular topic of conversation through AHPPC and obviously they take advice from the Communicable Diseases Network of Australia as well through that to ensure that the testing we are doing is appropriate.

PUBLIC

With regard to our testing strategy, we have continued to make sure we are following that advice to ensure we are keeping our community safe. I might ask Dr Veitch to talk a bit further about the testing strategy we have used thus far and also perhaps the future as well.

CHAIR - Just before Mark answers that question, I ask that answers be kept as brief as is reasonable in the circumstances. Otherwise we are not going to get too far; there are a lot of questions to be asked. The questions have been reasonably short so far. If we can, you need to answer the question.

Dr VEITCH - Testing is always a very important consideration in any pandemic or outbreak. As the minister said, we have taken advice from expert national bodies - the Australian Health Protection Principle Committee, the Communicable Diseases Network of Australia and the Public Health Laboratory Network, which is a laboratory expert group, which includes Dr Lou Cooley as the Tasmanian representative. Over time, testing strategy has changed a little. When you go into a pandemic, you are not necessarily quite sure what the right strategy is and you may take quite a broad approach to it. Over time, test strategy can become more targeted based on an understanding of how tests perform and the yield you get from testing in various strategies.

Where we are now, and where I think we're quite likely to remain for some time into the future, is a strong focus on finding cases amongst people who have symptoms who are either at risk - so people who are a contact of a case or people who have come from settings where they could foreseeably have been infected or people who have symptoms - but we're testing them in the population as we are in Tasmania, trying to test around 500 people with symptoms a day, so we have a system in place to pick up the infection if it emerges in our community.

We are moving quite a lot away from testing people without symptoms or asymptomatic people. There was quite a lot of that done fairly early on and a lot of the reason why people find the idea of testing people without symptoms attractive is because they're fearful that there is someone out there without symptoms spreading disease. We now know testing asymptomatic people is a very low yield exercise, unless they're from a setting where there is a reasonable chance they could have encountered the infection, so contacts of cases or coming from a high-risk setting. There are statements from those expert bodies publicly made about the importance of focusing your testing on people who have symptoms or are in manifestly high-risk settings.

We also review our testing. We measure where we're doing the tests and how that relates to the population of particular areas. That is done every fortnight with a view to see whether the places where people can get tested are reaching Tasmania broadly. If we see there are places that are under-testing, you can put publicity in those areas or in some instances move the bus there partly to do some testing, partly to publicise testing. There are strategies in place to ensure that we get widespread testing across Tasmania.

CHAIR - Thank you, very much.

Mr WILLIE - Just on testing, minister, the Premier provided some information around when the first testing kits were ordered. In the statement - or the answer says:

The Royal Hobart Hospital assay test was designed in-house in mid-January as commercial test kits were unavailable at the time.

PUBLIC

I am aware you were following the AHPPC guidelines early on, but the criteria for getting a test now is far more open. My question is: was the availability of the test a factor in the design of the criteria?

Ms COURTNEY - No. We were testing the people whom we were getting the advice to test and we were parallel ramping up our capacity. With regards to test kits, in terms of testing a whole lot of consumables are used along the way. At any time, a part of that can be a limiting factor, so this has been a big focus of Lou Cooley, who, through her expansion of capacity, was ensuring that all parts of the supply chain were able to have sufficient quantities to continue testing.

Part of that is actually the swabs, so making sure we've got sufficient swabs to actually go out and take the tests. A range of different chemicals are used and a lot of those chemicals are proprietary to the company that provides the lab equipment. Then there are also processes around determining once those tests are processed, of being able to analyse them.

I mentioned earlier that part of our procurement of expansion of capacity at the lab was procuring a different brand of machine. By purchasing a different brand, we were effectively able to purchase a complementary stream of supplies from a different manufacturer, which would effectively give us redundancy if, for some reason, we were not able to get supply of the proprietary chemicals from that company.

I have spoken many times to Lou Cooley about making sure we have sufficient suppliers, and she said that throughout the pandemic we have always been able to get the orders we need. The suppliers tend to monitor the situation because they are supplying to so many jurisdictions, not only around Australia, but globally. They monitor it very closely, and they do it in a way that ensures no jurisdiction is stockpiling vast amounts of chemicals, which would stop another jurisdiction being able to process their tests.

My understanding is that we have always had sufficient quantities to be able to do the tests we needed.

Ms MORGAN-WICKS - Yes, we have.

Mr WILLIE - Minister, at the onset of the pandemic, when the risk was probably higher to the state, the criteria for getting a test were more restrictive than they are now. I am trying to understand that dynamic. I do not know if Dr Veitch has something to add to that?

Ms COURTNEY - With regard to the symptoms?

Mr WILLIE - With regard to the criteria to be eligible for a test. We are in a lower-risk environment now. Earlier on in the pandemic, the criteria were more restrictive to be able to get a test.

Ms COURTNEY - I might get Dr Veitch to address that on the advice provided, but the way we did our testing - the guidelines - was always on Public Health advice. That was the way we made decisions around testing.

Mr WILLIE - I am not criticising; I am wanting an explanation.

PUBLIC

Dr VEITCH - The testing did change over time, and it was more limited at the outset. It was targeting people who were thought to be specifically at high risk of infection. That decision was not based on concern about running out of tests; it was based on really trying to make sure you were testing people with a reasonably high probability of having the infection.

It has become more liberal over time and landed where it is now, probably in the course of a couple of months. Now we would recommend that anybody who has symptoms in a place where there is no or very little infection, as in Tasmania. The idea is to do enough testing of those people, so that if there is a small number of cases - one or two cases of coronavirus for some reason in Tasmania - you pick them up, testing people with coughs and colds.

The other focus is on people who come back from settings where they are more likely to have the infection - someone who has recently returned from overseas, for example, or someone who has been in Victoria and for some reason is in Tasmania and has symptoms. We focus now on people who are at higher risk of having the infection.

There has been a gradual shift from quite specific recommendations early on, then expanding to quite broadly at one stage, with more recommendations about testing people without symptoms. Now it has contracted down to a more focused testing strategy.

I cannot remember all the individual steps and changes in between, but I hope that conveys the principles of our focus about testing at the moment.

Mr WILLIE - There was no discussion nationally around the availability of tests and concerns?

Dr VEITCH - There was always discussion about the availability of tests. As the minister said, not only the tests, but also swabs and consumables - and even the capacity of staff to do it.

We always had our eyes on what the critical threshold would be - when the number of tests we were planning to do might get close to our capacity to do them - but we never went past it. There was always an agreement between the states that if one state had a difficulty in the short term to meet their testing needs, other states would help out.

That was all part of the typical collaboration that goes on in these situations when you are working your way through the early phases of your response.

CHAIR - Minister, we have been able to pick up a bit of time. Would your team be in a position to continue past 12.30 p.m.?

Ms COURTNEY - Chair, that should be fine. I won't be able to do it much later than 12.45 p.m. because I have another commitment.

CHAIR - Thank you - provided that fits with your other members, of course.

Ms FORREST - This is one that has interested me. It relates to testing, and is probably a question for Dr Veitch. I don't expect you to know the answer to this one, minister. Do you know how soon after you have been exposed to the virus that you actually test positive?

PUBLIC

Ms COURTNEY - This is a good one, because this comes to a lot of the testing regimes we do.

Dr VEITCH - Yes, it is a good question. We know that once someone has symptoms, they are very likely to test positive. You are unlikely to have symptoms of COVID-19 and not have a positive test.

Ms FORREST - Yes, but those ones who aren't showing symptoms?

Dr VEITCH - The question is how soon before you get symptoms?

Ms FORREST - If I catch it from Josh with his terrible cough right now, how long before I would test positive?

Dr VEITCH - In the 48 hours before you get symptoms, you may test positive. You may even test positive 72 hours before you get symptoms. However, you become more likely to test positive as you move through that 'window', if you like, from before you develop symptoms - and because you haven't developed symptoms, you don't know when it is going to happen.

In that 48 hours before your symptoms start, you will become increasingly likely to test positive. There is a small amount of evidence that people may test positive as early as two days after becoming exposed, which could be, in a typical incubation period, about three days before you actually get your symptoms.

What this gets at, really, is the risk that people in the community pose from being infectious and undiagnosed.

The important thing is that people are most infectious in the day or so before they become symptomatic, and the two or three days after they become symptomatic. Their ability to infect people drops off quite quickly as you get five or seven days beyond.

Ms FORREST - As they get sicker and can't get out of bed.

Dr VEITCH - It is more a matter of the immune response to the virus. When you do tests on people sometimes two weeks, three weeks, even several months after the infection, you can sometimes pick up fragments of the viral RNA. That has raised concerns that people who have recovered can infect other people.

Mr STREET - By interjection, if Ruth gets it today off Josh, she probably wouldn't test positive until Monday at the earliest, but could infect people tomorrow and Sunday. Is that the problem we have?

Dr VEITCH - I think Ms Forrest would be most likely to infect people late Sunday and Monday if she were infected today. There has been concern about this persisting detection through these very sensitive RNA tests - but the evidence is that we don't see people getting infected by people much more than a week after they have had their symptoms start.

Ms FORREST - So if they have any residual RNA evidence of the virus, say a month later, they are not likely to pass on the virus?

PUBLIC

Dr VEITCH - No.

Prof. LAWLER - It highlights Dr Veitch's comment about the usefulness of the test being very much determined by the clinical situation and the prevalence in the community.

Dr VEITCH - People have tried to grow the virus from people five, 10, 15, 20 days after they have developed their symptoms, and it is just about impossible to grow the virus more than a week after people's symptoms have started.

Ms FORREST - Because of the body's immune response?

Dr VEITCH - You might find fragments with a sensitive genetic test for it, but you can't grow it, so it is probably not infectious at that stage.

Ms FORREST - This is one I wanted to ask the Premier a couple of weeks ago. I am interested in who paid for the cost of the deep clean of the North West Private Hospital. I am assuming the state pays for the North West Regional Hospital, but the North West Private Hospital is a private hospital.

Ms COURTNEY - I have the data here for that. I will check with the secretary because we had the single team providing the deep clean across both sites. I am not sure if we break it down between those two sites, but I will ask the secretary.

Ms FORREST - The second part of that question, minister, is: Who pays? Do you recoup that from the private hospital? The Premier was not sure whether it was under the MPA or how it was managed.

Ms COURTNEY - There are couple of things the secretary will go to. First of all, we had the MPA with the federal government around its provision of costs for COVID-19 so some things are covered under that. We also had taken operational control of the North West Private Hospital because of COVID-19, and there was a range of agreements between the private hospitals and the federal government that were effectively arrangements to ensure their viability throughout the period of time, particularly when elective surgery was stopped. There were federal government arrangements there as well. I might get Kath to answer that one because it crosses over a few different MPAs.

Ms MORGAN-WICKS - I might note the speed at which the private hospitals [responded?]. The collaboration we have had from our private hospitals has been amazing and very positive. Certainly, no request put to them was too difficult. We talked to them about bed capacity for surge and also elective surgery capacity. When our hospitals were triggered through our escalation levels, the support that we had for the LGH was excellent.

In terms of the actual cleaning cost, the estimated cost for the deep clean of the North West Regional Hospital and North West Private Hospital is \$1.8 million. I do not have a separated cost for the North West Private Hospital clean. I don't have one as at that stage because as State Health Commander I had taken over operational control of the North West Private Hospital. I did that for the purpose of outbreak management so that we had a single outbreak management team covering both sides; as you know, those sites are quite connected. It meant that we also directed the deep clean of the North West Private Hospital and we were able to make decisions as to what occurred in that deep clean. We did that in liaison with the

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North West Private Hospital, but it had to be done to the standard we directed as the controllers of that site.

We had that expense, we also had - and that would be subject to the COVID-19 MPA - in terms of that cleaning expense which is 50/50 -

Ms FORREST - The cost of both the North West Regional Hospital and the North West Private Hospital come under the MPA?

Ms MORGAN-WICKS - Yes, as a 50/50 Commonwealth and state cost.

Ms FORREST - The 50 per cent that the state is responsible for, would you try to recoup some of that 50 per cent from the North West Private Hospital?

Ms MORGAN-WICKS - Yes, because the state has expended that amount.

Ms FORREST - The secretary touched on this, but I am interested in the decision-making and the necessity to take over the Private. In other cases they have had contractual arrangements to deal with surge; this was a full takeover. This is what I discussed with the Premier - you do not normally take over private hospitals, you just have arrangements with them. Could we have a description about the rationale behind that? Some of it has been touched on in that last response.

Ms COURTNEY - I might get the secretary to answer this one. I remember that weekend very well and the decision to be able to take operational control of it. One of the key contributing factors was the fact that we had staff working across both sites. We know that a lot of our clinical professionals work across both sites and as they work, they almost cohabitate in the way they operate.

In terms of the clinical decision, it was based on clinical advice as well as the outbreak. I might get Kathrine Morgan-Wicks to provide some more details on the operational decision behind that.

Ms MORGAN-WICKS - In relation to that decision, we were doing daily monitoring of the number of cases being reported, but working very long hours to make sure we had the staff in place to safely operate both environments. We have a very close and personal interest in the North West Private Hospital, given our maternity contract is in place there. We have a lot of staff who work across both, although we did stop the transfer of staff between facilities earlier that week, as I recall, as one of the escalation levels of our escalation management plan for the north-west.

Whilst I didn't know the identity of the staff who were identified as positive, we did receive reports of positive staff at the North West Private, as well as patients, and we had to make a decision in relation to their safety and also to extend our outbreak management team across both sites. Whilst we might refer to it as a 'takeover', I refer to it as a 'takeover for the purpose of outbreak management'. I was not there to take over and run their financials or their books or to look at what catering they were providing et cetera. I was there to ensure the outbreak management was appropriate and that we were able to make quick decisions, and I did that by making a decision to take over the North West Private, which was ultimately executed. It was done first by agreement with the CEO - I cannot remember now whether it

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was the Thursday or Friday, I would have to check that date - and then it was ultimately executed by an Emergency Management Act order by the State Controller.

Ms FORREST - The handing back of control, the whole operations at the North West Private, when and how was that decision made?

Ms MORGAN-WICKS - It was after we had completed several preconditions to the recommissioning of the facility, one of which included the deep clean. The second was the completion of a return to work program that we asked all of the North West Private staff to undertake. This included quite extensive retraining and also, again, building the confidence of the staff to return to a facility that had been closed and been subject to an outbreak.

In terms of those conditions being met and satisfied and getting the staff back in, it was a gradual process. Our main concern was in relation - as you will recall, Ms Forrest - the emergency maternity and the general maternity service, which was our first priority for the North West Private to reopen.

Ms FORREST - One of the challenges was reinstating public confidence too. It was not just the confidence of the staff. There was a lot of community concern. I had to reassure them it was probably the cleanest hospital in the country at the moment.

Ms MORGAN-WICKS - Very deep clean.

Ms FORREST - Yes, there was still a bit of concern. I wanted to ask you, minister: I am wondering what modelling has been done around the need and the impact on the Health budget, particularly with regard to additional supplies and staffing requirements? Then I will expand it out, but it is leading to the question about current staffing levels and the challenges of getting enough staff. We know what is happening at the Mersey - even Burnie, it seems that there have been significant challenges in staffing levels. Modelling around the Health budget, the impact on it and what we are expecting that to look like. I will come back to staffing more.

Ms COURTNEY - I might answer with some overarching comments, and then I will get the secretary to answer.

Originally, there was a \$150 million provision - I think it was across a couple of years - to be able to look at the additional funding required for COVID-19. With regard to the underpinning modelling or scenario testing for that, obviously in an uncertain environment, I will get the secretary to answer that. With regard to staffing, as we know, this has been a challenge in terms of some of the provisions we are seeing at the moment.

If we step back a little to when we were managing this earlier in the year, we had a very positive response from expressions of interest. I have the number here. I think it is around 171, but I will find them and correct myself in a moment if I am wrong. Clinicians put their hand up to be on that register. I particularly thank the ANMF - it played an enormous role working with its members to look at who was able potentially to come back on board. I have several in my office - nurses who are working in non-clinical settings, who ensured they were available to respond should they be needed.

Regarding the financial component of that, I might hand to Kath to be able to answer that.

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Ms MORGAN-WICKS - In terms of the provisions, there was a \$150 million provision in 2019-20, and I understand there is a \$100 million provision in 2020-21. The forecast cost at the moment for the Department of Health in 2020-21 is \$72.3 million. The department is also forecasting to reimburse \$21.3 million to other agencies for costs relating to COVID-19 in 2020-21. That brings us to a total of \$93.6 million in terms of forecast.

Ms FORREST - That will be done through a section 19 - it's not section 19 now it's another section; sorry, it was the old section 19. I was thinking of under the Financial Management Act where you shift funds around, because it has already been appropriated that funding, hasn't it?

Ms MORGAN-WICKS - I might ask the CFO to comment on the supply bill.

Mr O'BYRNE - I think we allocated that in the supply bill -

CHAIR - Craig is itching to tell you, I think.

Mr JEFFREY - The [inaudible] 2019-20, Ms Forest, was provided by supplementary appropriation and the hundred that is allocated provisionally for 2020-21 has been allocated to Finance-General, but that was done through the supply bill.

Ms COURTNEY - Ms Forrest, I might just provide some more information particularly with regard to staffing expenditure if that is helpful. The estimated salary and wages for the COVID-19 response in 2019-20 is \$10.7 million. This represents additional costs above normal staffing levels. It does not include the cost of existing staff who were redirected to the COVID-19 response. The estimated cost includes \$8.2 million incurred directly by the Department of Health; \$2.5 million incurred by other agencies and reimbursed by the department; it does not include costs funded directly from Treasury to agencies other than the Department of Health. I can provide a further breakdown of that, if that -

Ms FORREST - That is something you can perhaps provide to the committee later - some more detail around the split-up of that funding, what has been expended on what areas.

Ms COURTNEY - I am happy to do that now quickly. The estimated salary and wages for the COVID-19 response in 2019-20 is \$10.7 million. As I said, this includes an estimated \$8.2 million incurred by the Department of Health above normal staffing levels. This comprised \$749 000 for the Health Emergency Coordination Centre; \$1.1 million for the Public Health Emergency Operation Centre, \$307 000 for the AT Emergency Operation Centre; and \$6.1 million for the testing clinics. The \$10.7 million also includes \$2.5 million incurred by other agencies and reimbursed by the Department of Health which comprised \$1.5 million to DPAC for the call centre staffing; \$118 000 to DPIPWE for the public information unit; \$342 000 for the emergency coordination centre for DPFEM; and \$493 000 for DPIPWE for additional staffing at Border Control.

Ms FORREST - That is staffing and wages. What about other consumables and that sort of stuff? Do you have that? I am happy to have that taken on notice.

CHAIR - After this question.

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Ms COURTNEY - I can break down the funding. We talked about the provision of the cost for the preparation response to COVID-19, which includes \$71.1 million - this is 2019-20 - for the Department of Health. Included within this is \$1.3 million for hospital activity; \$2.2 million for capital expenditure; \$3 million for hospital and ambulance equipment; \$44.2 million for PPE; \$3 million for rescheduled elective surgery; \$11.1 million for the Public Health and operational response; \$637 000 upgrades in IT for telehealth; \$1.2 million for paramedic and ambulance services; \$9.4 million for primary care and community health services; \$182 000 for patient transport; \$4.4 million for additional non-clinical costs; and \$13.8 million for quarantine and Border Control costs, and that includes the health agency spending as well as other agency spending.

Ms FORREST - Just on the staffing at the Mersey and North West Regional, I had a question on notice, but I didn't get a response back this week in parliament. I am really interested in the number of positions that aren't filled in terms of nursing particularly, but the other medical professionals and the departments of emergency medicine in both hospitals in the north-west. All the overtime is something you want to go to as well.

Ms COURTNEY - If they are questions on notice, we will make sure that we get responses for them.

Mr O'BYRNE - My question relates to aged care, and we are seeing some pretty horrific and heartbreaking circumstances on the mainland in terms of the response there. On 7 August the National Cabinet agreed to a paper on aged care preparedness and it committed to some actions around the aged care emergency response capability of the states. My understanding is over the following two weeks, a number of elements and plans need to be developed. Two of those are of interest to me at the moment. One of the elements of those plans was about 'preparing for the establishment of coordination centres similar to the Victorian Aged Care Response Centre, including identifying key staff who will be deployed', and the other element is 'the audit of state and territory aged care emergency response capabilities'.

Could you update the committee on the progress of that? Also, are there any results known yet from that audit?

Ms COURTNEY - In a moment, Mr O'Byrne, I will ask the secretary to talk about some of the detail.

If we look back at the aged care response from the Government, DPAC has led the engagement with aged care throughout the pandemic but in terms of the health engagement with aged care, up until the decision you noted there from the National Cabinet, Public Health has a longstanding relationship with aged care. As part of our winter plans each year, because we see a lot of particularly elderly people who are impacted by the flu and often need hospitalisation, we have good relationships with aged care facilities. Infection control at aged care facilities, because of the vulnerability of the cohort that resides there, is critical. We have continued to engage through Public Health. In terms of the implementation of those recommendations from National Cabinet, the pathway, there is work going on through DPAC, as I mentioned, but also with the Department of Health and we are looking to raise an aged care EOC to ensure we have the necessary functions around that. I will ask the secretary to answer that a bit further.

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Ms MORGAN-WICKS - Our Department of Premier and Cabinet has been facilitating, coordinating, from a state response, the relationship with the aged care sector and in particular the evolving nature in terms of the actions that are under way by the Commonwealth regulator but also the Commonwealth Department of Health and Aged Care.

In terms of the state response, residential aged care is offered to approximately 4000 people by 29 organisations across 77 sites in Tasmania. Aged care is funded and regulated by the Australian Government. As State Health Commander, I am responsible for the state health response which includes - and for a long-time aged care has been nominated as one of those vulnerable areas - starting the preparation for outbreak management.

Our Director of Public Health in the PHEOC has been leading that outbreak management preparedness for aged care. We have had Public Health physicians working through in terms of an outbreak management framework and a toolkit that has been published to assist our aged care centres in Tasmania to prepare in the event of a positive case. We did have one positive case in an aged care centre in Tasmania as part of the north-west outbreak and we quickly moved through in terms of that outbreak management, the testing and the escalation of that centre, stopping the transfer of staff. That was all done in close collaboration with the Commonwealth, given its responsibilities for aged care.

In the Department of Health, we are in process of establishing an aged care emergency operations centre under our Health Emergency Coordination Centre. It will sit the same as our THS, our hospitals' EOC, our AT EOC and our Public Health EOC; we will have an aged care EOC that will be led by our Chief Nurse, Francine Douce.

In terms of the engagement with aged care in Tasmania, we have undertaken pilot visits to provide a health support visit to really engage from our perspective, using specialist infection control and Public Health resources to go and talk to the clinicians on the ground in aged care. To understand their preparedness and what assistance we could provide, whether it is in relation to PPE support, we maintain the Commonwealth pandemic stockpile, for example, and have pre-positioned parts of our stockpile to assist in terms of aged care.

Ms FORREST - To clarify that point: we hold the stockpile that needs to be used in aged care?

Ms MORGAN-WICKS - We always maintain a Commonwealth pandemic stockpile in addition to our own state pandemic stockpile.

Ms FORREST - The Commonwealth stockpile relates to some of the Commonwealth medication or pharmaceutical products, but PPE for aged care?

Ms MORGAN-WICKS - I might ask the Chief Medical Officer to expand.

Prof. LAWLER - On the stockpile issue, as has been mentioned, we have established a state of emergency management stockpile. There has always been a pre-positioned national medical stockpile, part of which can be released only by the Commonwealth Chief Medical Officer and part of which can be used in Tasmania, and that is under my authority as the Tasmanian Chief Medical Officer.

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If there is a request to use some of the Commonwealth element of that for provision of PPE to aged care, that will be replenished from the centrally held Commonwealth stockpile.

Ms MORGAN-WICKS - With regard to the pilot visits undertaken this week, we will finalise the tool and checklist we are going to work through and offer to each aged care centre in Tasmania. We will stand up three teams of appropriate resources to visit all 77 sites over the next four weeks to undertake that health support visit.

Mr O'BYRNE - You have answered the first element of the question, which was the establishment of the coordination centre that was the EOC. With regard to the key staff to be deployed, have you identified those?

Ms MORGAN-WICKS - Yes, we already have key staff within the aged care EOC, including the resources that have been working in the outbreak management area of Public Health - for example, various clinicians who have already been engaging really closely with the aged care centres to talk to them about their preparedness - and we will also introduce some nursing resources under our Chief Nurse. She is very convincing when it comes to actually corralling our nursing workforce.

An important element of that is that we actually have a nursing deployment from Tasmania working in aged care in Victoria at the moment. They are coordinating and collaborating with the Victorian response centre and we are getting daily learnings from that experience. Certainly, anecdotally, they have been very pleased with the PPE packs that were sent over with them, and the support and logistics providing that protection around that Tasmanian team.

Mr O'BYRNE - The final element around the audit - I understand visits are being undertaken, but that is different from a formal audit. Are there any results known of that audit about the preparedness?

Ms MORGAN-WICKS - I am aware that various audits have been undertaken by the Commonwealth regulator. The Department of Health in Tasmania is not the regulator of aged care so we do not have a statutory power, for example, to audit in a regulatory capacity. We are offering health support visits to work through our own outbreak management framework and to ask questions to gauge their readiness from a public health perspective of that aged care centre and to offer the assistance and support, whether it is in organising further face-to-face donning and doffing training, which we have a lot of experience with, running it through our hospitals.

Mr O'BYRNE - To clarify that. This is an outcome of National Cabinet where there is a joint Commonwealth-state plan to be developed, including four elements, and a key part of that plan is the audit of state and territory aged care emergency response capabilities.

It seems the state Government has signed up to work on that and to complete that. I got from your answer then that you are not doing that?

Ms COURTNEY - With regard to the elements signed off by National Cabinet, DPAC is leading the collaboration with the Commonwealth around that side of the response to the aged care facilities and ensuring that we comply with the decision of National Cabinet.

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What Kath or the secretary is describing is the work the Department of Health is doing through the establishment of an aged care EOC. As a department of Health, we do not have a regulatory role when it comes to aged care facilities. However, we have all the people within the aged care facilities and who work there are Tasmanians so we also know it is a particularly vulnerable cohort.

We are strengthening our already good relationships with aged care facilities, using our capacity to ensure that our plans and our escalation plans link robustly with the plans at each of these sites to ensure so that if we do get cases, we can manage them appropriately and support those aged care facilities.

Mr O'BYRNE - It was a decision on 7 August, and the commitment was that over the next two weeks, state plans would be developed. I understand it is probably not within the Health department; potentially you are saying it is DPAC. One of the key elements of that joint Commonwealth-state plan is the audit of state and territory aged care emergency response capabilities. Could you update the committee on how that is going?

Ms COURTNEY - I would have to seek further advice from DPAC on that, and I will be able to provide a response for the committee.

Ms MORGAN-WICKS - If I may, minister, it may be also in the interpretation of the word 'audit'. From our perspective, and from a legal capacity, we have termed them as health support visits. We have a very good relationship with our aged care centres, and they are voluntarily providing the information to us so that we can help them in their outbreak management preparedness.

I cannot comment on exactly what has been arranged via DPAC and the Commonwealth, which have also been undertaking self-assessment audits of the aged care centres. I understand two rounds of that self-assessment audit have already been undertaken to help prepare for that outbreak management.

Mr O'BYRNE - I understand the assistance that the department is providing, but I think the joint Commonwealth-state plans indicate something different.

Ms COURTNEY - I would be happy to take that on notice, Mr O'Byrne, because the engagement with the federal government around aged care - particularly looking at where we are up to - has been led by DPAC. I don't want to verbal what DPAC has done thus far and what its plans are.

What we are outlining is the component that is underneath Kath as the health commander in the state with regard to COVID-19.

As I said, I am more than happy to take that on notice, and seek further advice from DPAC on the collaboration they are doing with the Commonwealth.

CHAIR - I think we need to leave it there. There are many more questions. I have a number, and I think just about every other member has as well, so I think the committee will be asking you to come back again with your team at a future time convenient for all.

As we know, this is a long, drawn-out process, with no end at this stage to the current COVID-19 position, unfortunately - and the emergency is about to be extended as well, we

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understand. It still has a long way to go, so there is no doubt we will be asking you to come back.

Thank you all very much for being here today, passing on the information and answering our questions.

Ms COURTNEY - May I make a short statement, Chair? I would just like once again put on the record my thanks for Tasmanians and the health system broadly. We have had learnings from the north-west, but Tasmania can be very proud of our response to COVID-19. If we look at other jurisdictions around the world, it is very clear that COVID-19 is incredibly infectious. I think Tasmania stands as one of the safest jurisdictions in the world, and that is a credit to all Tasmanians and also our Health team.

I also thank the staff for coming along today and preparing. There are many senior Health staff here, and at the moment we are still continuing very hard on planning and preparation. I do want to thank you because I know you are incredibly busy at the moment.

CHAIR - We all thank them very much for what is happening, and what you have all done. It has been absolutely magnificent, there is no doubt about that. We appreciate that.

Thank you very much.

THE WITNESSES WITHDREW.

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Mr RAYMOND MOSTOGL, CHIEF EXECUTIVE OFFICER, TASMANIAN MINERALS, MANUFACTURING AND ENERGY COUNCIL WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR - This is a public hearing. It is streamed online. It will be produced in writing in due course and also available in written form. You have given evidence to these committees a few times?

Mr MOSTOGL - I have.

CHAIR - You have made a submission to us. We have a submission here. Did you want to add any further statement and then we can go into some questions.

Mr MOSTOGL - I might make a few comments, if I can, consistent with that. Thank you for the opportunity.

From a review of COVID-19, one little bit of context that may have been overlooked is that before it actually started in Tasmania, our industry was already starting to experience the disruption to shipping out of China because of what was going on there, the Chinese New Year. We also had an industrial dispute in Melbourne.

We had already disruption with containers and movement. So our industry was already a bit shaky. On top of that, previous to that Toll had had a cybersecurity issue at Burnie.

We already were somewhat on the position of instability when it comes to the members relying on freight and containers.

Notwithstanding, I think, when it did start, the headline positive for us was the communication which came out from the Government. One of [inaudible] of crisis management is to be really clear and unambiguous, and that was the case. There were many examples in our industry where shift leaders were actually reading out the Premier's statement at their shift start meetings. It was totally relevant and that certainly helped.

I have to give credit to the core parliament. The cooperation from the Labor Party, the Greens, throughout the initial phase helped in terms of -

Ms FORREST - And the independent members.

Mr MOSTOGL - And the independent members, yes. The whole parliament. It kept a clear air and really allowed them to get on and do the things they needed to do. I think that was really powerful.

The Government obviously mobilised a lot of resources and that is a real credit to the bureaucrats. I know I was receiving phone calls at 10 o'clock on a Sunday night from some of them. While I have lived in a world like that, maybe some of those were not used to that, but they rose to the occasion, and again, really helpful.

From an industry point of view, the Minerals Council of Australia and all the state bodies worked pretty quickly, recognising mining was an essential part of the Australian economy. We took it upon ourselves to establish protocols over and above the Health department

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requirements because we really wanted to avoid getting caught up in potential closures of our mining operations with that.

The Government certainly gave us clear air to allow us to do that and I think that played out pretty well.

From a recovery point of view, we have this great opportunity to reimagine Tasmania now and it is really important we actually take the opportunity to do that. Within our membership base, the sovereign capability to produce goods here in Tasmania is a really important opportunity.

My final comment in terms of some of the legacies that are still a bit tenuous at the moment are on apprenticeships and traineeships and the disruption to these, with the reality we will not see that for a few years unless we can turn things around quickly. That will affect our ability as an industry in three to four years time if we are not able to keep up on top of that. They are my opening comments.

CHAIR - Thanks, Ray. We will to questions.

You mentioned on page 2 of your submission, Ray, one of the weaknesses which did not result in any known issues was how to communicate these industry-specific protocols to companies that are not members of the Tasmanian Minerals, Manufacturing and Energy Council - TMEC. Are you able to expand on that?

Mr MOSTOGL - We were concerned we were only communicating the protocols - these are the additional safety standards put in place in mining industries. It came down to how many people were in a crib room and how many people in a ute. It was a very detailed level of hygiene control and separation. We were concerned as an industry that if we had a few outlying businesses that were not part of that communication network and performed poorly, the whole industry would be dragged down by that. We were really trying to protect the industry and then we ran into that block because not everybody who is in the minerals industry or manufacturing are members of our organisation.

The question was asked about how we could tap into that, but, as I said, it just got lost. People had so much on, we did not pursue it. We accepted that was a risk we were prepared to take. That is the relevance of the comment.

CHAIR - Roughly, how many would not be members and sit outside TMEC?

Mr MOSTOGL - I would not have a clue in terms of small business, but we have about 120 members, and I guess in the sector there is at least another 100 manufacturers. We have obviously most, if not all, the mining companies, but we do not have the full spectrum.

One very large buyer who is no longer a member of TMEC is Nyrstar. I took the opportunity to ring Nyrstar directly and communicate with them throughout that, even though they were not a member.

Ms FORREST - How long have they not been a member?

Mr MOSTOGL - About three years. They used to be an active member.

Ms FORREST - Alright. You can't get them back in the fold?

Mr MOSTOGL - That is for the Minerals Council of Australia to work on. They are a member of the national entity of MCA and many of the issues they were dealing with three or four years ago were at a federal level, so it was more Commonwealth so they needed the influence in Canberra rather than here in Hobart.

Ms FORREST - Ray, I know we have had some discussions about TMEC's role in dealing with trying to reduce the number of essential workers coming to the state because the state has relied on FIFOs a lot in that area.

Can you tell the committee about the actions taken to minimise the numbers you are aware of that were coming in? Things changed in terms of the arrangements for essential workers, but I would appreciate your take on that.

Mr MOSTOGL - Thank you. That was obviously seen as a real threat, particularly with border closures, but also with the threat of bringing in the disease, so we as an organisation spoke to our members and said we really need to bring the list back to only essential. We did not really have a starting point. If somebody needed to do a job over on the west coast, they would ring up an interstate contractor and say, 'Bring in 50 people; go and do what you need to do', and that was business as usual, so under this circumstance that was not possible. We had a list, originally around 30 or 40 essential roles and we challenged and pushed that back. We ended up getting down to 11 roles we felt you could not operate your business without. This is what we submitted to the Government to say, 'From an industry point of view, these were the critical roles for us', except that it was a case-by-case assessment by the State Controller and that movement is where we held our ground at. It has probably increased a bit from there since then because work was deferred to achieve that list of 11. That was okay for a couple of months, but there were some things businesses could not operate without having a statutory inspection or having some of those things done.

Ms FORREST - In broad terms, Ray, what areas were the 11 positions in?

Mr MOSTOGL - They were mainly mining. There was wire rope testing capability which is very specialised and not something you need all the time here. It is not a role that would be 100 per cent occupied in Tasmania. Some of the businesses shared roles. Where it was a geotech, it was a little bit generic, and businesses were able to share expertise to try to keep the borders secure.

Ms FORREST - In terms of the requirements for those essential workers who came in, the State Controller put in restrictions, but did TMEC because you do not want to take your whole industry down? What did do to try to reduce the risk on site?

Mr MOSTOGL - The protocols put in place was the big consideration in terms of this were the hygiene standards. Very quickly most of those businesses were putting in thermal vision cameras to detect those high temperatures and what have you. Bringing down the numbers was critical to that process and really just keeping the communication up and letting everybody know it would only take one business to let the whole side down if they did not follow those things to the high standards. It was really just reinforcing those standards.

Ms FORREST - Did your members have trouble getting things like hand sanitiser and that sort of stuff?

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Mr MOSTOGL - It did not really rise as an occasion. There was a bit of a flurry at the start. The Minerals Council of Australia sought an exemption from the ACCC so businesses could share products and potentially overstep some of the anti-competition-type practices in terms of sharing resources and things like that. We had a number of Tasmanian businesses sign up to that. We had an interim authorisation for that. TMEC were part of putting that submission through to the ACCC.

Ms FORREST - That is time-limited?

Mr MOSTOGL - Yes, it is. We are waiting to get the formal one in. As I said, it is still an interim one. It is due this month and I think it will be for 12 months, to carry that through.

Mr WILLIE - In terms of the protocols, were you working with government or were you employing your own infection control specialists to give the industry that advice?

Mr MOSTOGL - Many of them were flying in from the Commonwealth. The Minerals Council in Canberra were directly working with Commonwealth Public Health and the advice was coming through from that point of view. We were sharing what we were doing, we were sharing the documents. They are on the internet and publicly available. It was pretty clear we were in excess of what the Public Health requirements were right from the start. We never really sought approval. I did send it through to say this what we are doing so the State Controller was aware of the standards we had set internally, but I was not asking for approval for that.

At the National Cabinet level and the resource ministers, we were initially seeking from the Commonwealth the essential service type classification category. We did not really get that, but we have enough of an endorsement to say, 'Look this industry needs to keep going', and provided the protocols were being followed and applied, it was generally seen as an acceptable position.

Mr WILLIE - How have some of your mainland counterparts fared throughout this time?

Mr MOSTOGL - I cannot speak for all of them. Obviously, there are some examples where it was not done very well, particularly on some aircraft charter flights. Although is the norm to sit crammed in a cabin, a lot of the mining companies with their charter flights had people spaced so planes were flying with a third of the people to their sites.

Most of those businesses have applied the protocols. You get a virus in a mining camp and you have lost the whole camp.

Ms FORREST - Crew and catering.

Mr MOSTOGL - That is right. The whole lot is gone. Stakes are high and you shut down an operation like that - the reality is not a ship missed its schedule throughout that period in exporting minerals out of Australia. Not a single shipment was missed.

Ms FORREST - So there was no plan to have a clean team you could bring in?

Mr MOSTOGL - No, with the sort of specialised skills, people separated crews and the sites have put in extra crib rooms so you try to keep people apart on sites. Staggered shift times, start times so you do not have everybody coming through the gate at the same time and all those measures. Additional toilets and facilities as well as heightened cleaning. They were all the measures put in place and they are still in place now.

Mr O'BYRNE - Ray, you touched on training and apprenticeships in your submission and in your opening piece, I am keen for you to expand on this. It would be good to have your views on the Premier's Social and Economic Recovery Council as there were a number of recommendations talking about training and access to either free TAFE or subsidised vocational training. It would be good to have your industry's perspective on what that looks like. Obviously, business as usual cannot continue, but it would be good to have your perspective on what you think is going to really support that area of your business.

Mr MOSTOGL - If you look at the stats are, there are 700 and less apprenticeships started in Tasmania in the last few months compared to this time last year. If you use that as a measure - that might be reduced if there is a heightened pick up in the next few months so you would not want to make a decision based on one month or two months of data - that will create a hole. That is going to create 700 less trades people or qualified people in three or four-years' time.

From an industry point of view, one of the areas of reluctance is the insecurity looking forward. Most people will not want to take on an apprentice unless they know they have three to four years of work. That is admirable because they are not looking for them as just cheap labour for a year or two. In the absence of knowing they have stable work there is some reluctance to do that. Why is there that instability? The global supply chain is still all over the place, continuity of work for Tasmanian manufacturers, particularly if they are relying on some overseas goods, there is a question mark over that. You only need one component not to turn up and you cannot finish assembling something so that is certainly part of it.

That lies in front of anything the Government can do. The business has got to want to take on a person, the Commonwealth obviously providing some good incentives on apprentices and that is not promoting new apprentices, it is just retaining the ones we have and has kept a lot of apprentices in work.

Mr O'BYRNE - What about the payroll concessions that are there for young workers?

Ms FORREST - Payroll.

Mr O'BYRNE - Yes, payroll tax concessions.

Mr MOSTOGL - It depends if you are qualifying for it or not but anything in that area is obviously help at the moment. Some businesses have done really well, they have not seen any reduction in demand because of the market sector they are in and they have gone flat out, others have cut back significantly. It really depends on the business and the market they are in and their ability to diversify. It is a moving target, what I say today might be very different in a months' time to what people are going to need. We are going to live in that world for a while yet.

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Mr STREET - From David's question, Ray, with the shortage of 700 is that industry not being confident enough to offer the places or is that also people not looking to get into the industry because they have no confidence in the industry looking ahead? Which way is it driven?

Mr MOSTOGL - I have to give an opinion on this because the date does not highlight that. I suspect it is the employers not wanting to take them. I have just come from a session and know some of those employers have had 400 applications for an apprenticeship, so there are plenty of people out there looking for work and that is not an abnormal number for that employer to see that many applications. I think it is just the lack of the work driving it.

Mr TUCKER - That was the question I was going to ask before about the apprentices. Moving on to the next question about the goods. You mentioned about the supplier of goods coming into, like you said before and finishing a job off, there is opportunity there in Tasmania to try and manufacture those goods. You have also mentioned there with the repurpose of the factories to do the things, your company sees opportunities there to manufacture more in Tasmania. Is there anything you believe the Tasmanian Government should be looking at to facilitate that to happen?

Mr MOSTOGL - Great question. From a manufacturing point of view - and I will be crude here - there are two classes of manufacturers. There are those to whom someone gives an engineering design and says please go and make this, and that is great. But there are those who actually design their own products. It is those who can design their own products who were able to pivot and create new products in response to the shortage. Tasmania needs more businesses like that. We need both, but we need more business that have the in-house capability to design things. It does not matter what it is. It is not about picking where the winners are in terms of the sectors. A product you are capable of designing - and Tasmania has lots of businesses that are world leaders in the product they design, whether it is a boat winch or whether it is another widget, but they are out there.

Ms FORREST - Oyster grader.

Mr MOSTOGL - That is right. There are some innovative things. From our point of view, we are encouraging the Government and our members to invest in trying to upskill themselves so they can design products and become an exporter in their own right, which would help Tasmania. It lifts up the level of sophistication of those manufacturing businesses and I would argue that is what advanced manufacturing is. It is not just making things and making them at the right price. There is a skill in that, but making things, designing, innovating, improving, research and development and the university/college linking in with all of those, our start to bring all of those things together.

Mr TUCKER - When you mentioned that, a bloke at Triabunna I went to see not so long ago was saying that we tend to channel apprentices in one direction, instead of having them multiskilled and in his business, he was looking for more multiskilled. Do you think that is something we could be looking at?

Mr MOSTOGL - I have to declare a conflict of interest because I run a business trying to do exactly that, which is a group training organisation. Twenty years ago, if you went into an engineering shop they did not look that different. Everybody had lathes, millers and looked the same. Today someone has this laser thing. Someone has this thing from Germany and they

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are so different, so what is happening is people who are working in their apprenticeships in one place, it is the old inch-wide, mile-deep - so extensive knowledge, but really narrow. Take them out of there when they finish their time and they are almost not capable of being a tradesperson. Being able to move between businesses is the way we can grow superior tradespeople. Group training organisations do that by moving people around. Businesses are reluctant to let their good people go because they will think they will lose them and this is what I have just come from in terms of the building/construction where it is the same issue. You get somebody good and you do not want to let them go, but you are training them on a really narrow perspective and it is detrimental to the sector in the long term when that happens.

Ms FORREST - Ray, if you were to name three things that would be the most important things for the Government to now progress in terms of economic recovery, what would they be?

Mr MOSTOGL - I am going to change your question a little bit because you said economic. I think the social is important, that we do not pull this society further apart as a result of this. If anything, we could try to bring it closer together. That is important and I was pleased the Premier's committee had economic and social as part of that.

Ms FORREST - I take that as a given in my head.

Mr MOSTOGL - Yes, but not everybody is seeing that. It is important we are making that because it will not be a pretty sight in 10 years time if we allow that to get further apart.

From a TMEC point of view, it is around enabling the upskilling of industries to become more manufacturers. That is going to open the door to more schoolkids because a lot of that will be exciting, high tech work. It will be seen as more interesting from a career point of view, it will look more attractive. It will provide some aspiration for people to want to do the career. That is an important one. Maintaining the values of Tasmania's business culture and Tasmania's community is really important, so the businesses that come to Tasmania need to fit the Tasmanian brand and image. That is something we take for granted when we are here but we have to make sure we do not lose sight of the values of Tasmania in this.

Ms FORREST - I hear you say high value, niche, premium product, low volume.

Mr MOSTOGL - High volume.

Ms FORREST - That is what you are talking about?

Mr MOSTOGL - That is what I am talking about.

From a Government point of view, and they demonstrated this through the COVID-19 - or I felt they did - it is keep out of the way. Set the context, set the boundaries that we can operate in, but let business get on with things and we will always argue for that.

Those businesses that choose to do the wrong thing should be pinged, but that is generally a minority and if we make rules for the 1 or 2 per cent that are going to push the boundaries, we are actually going to cramp the style and potential for every other business.

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Ms FORREST - If you had to then focus some energy into improving all the social recovery that is business - we have seen it creates employment and hopefully puts money back into small businesses and things like that - what area in terms of social fabric and social recovery should we focus on? What do you think is going to have the biggest impact?

Mr MOSTOGL - Employers keep saying we cannot find good people and even in today's session we are going to have to start bringing people in from interstate at some point to supplement the workforce, yet we have all these people in Tasmania who are not working, who are underutilised. It is about helping those people get ready for work. For lots of reasons they are not work-ready, but if we are able to help people get to the start line and give them a fair chance because many of them are staying so far behind.

Ms FORREST - On that point, Ray, a lot of people are unemployed and this is a predominately male-dominated space. Are you aware of the Stepping in Program we ran in Burnie recently?

Mr MOSTOGL - Yes.

Ms FORREST - There is an example of getting 20 women job-ready in this sector.

Mr MOSTOGL - That is right and a great example where you spend some time off to the side and equip people with the terminology which is - what does this and the tickets mean? You create a safe environment for people to grow, so when they apply for the job at the starting line they are equal with the other people because of the background and really important.

I just ran a trial with migrants in the Bell Bay area. They have moved from seasonal picking to now working full-time in engineering workshops.

Ms FORREST - That was a small trial project you ran up there but hopefully you will do it again.

Mr MOSTOGL - Yes. It is a great thing. That picked up an award in the Women in Resources Awards 2020.

Ms FORREST - That is right.

Mr MOSTOGL - That was exceptional.

Mr WILLIE - If you look at surveys of young people, they often do not know what career opportunities are available to them. They might not be aware of government programs.

How do we get people from your industry more involved in schools working with young people, exposing them to the workplace and mentoring them into a great career?

Mr MOSTOGL - Again, good question. This besets all industry sectors. The same things I will say are they need to get to the school early - like almost at the end of primary to start sowing the seeds about - what is a career?

The teaching cohort probably still has a lean towards going to university as a preferred career path rather than a trade, so that is an area of change, and then the parents who want their

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kids to just have a better career than what they had which is aspiring people to go to a higher level, a higher tertiary education.

That is what we are up against and the industry just needs to present itself a lot better. It needs to also show you might start as a tradesperson, a carpenter, fitter or boilermaker but if you look at who is leading a lot of those organisations, that is where they started. You might be in HR, you might be the ship boss, you might be the general manager, and I think we do not tell people that. People think if they are going to swing a spanner that is what they are going to be doing for ever and a day. This is something the industry needs to do in schools.

The school agenda is so cluttered. I know that from my son's work. Just to get some airplay in front of a school and try to get a program going, boy, there is a lot of competition.

Mr WILLIE - The Government needs to prioritise –

Mr MOSTOGL - There are more opportunities than what there are school hours and they are there to learn, so you have to balance that up.

Mr WILLIE - How do we attract people from the industry to cross over and become teachers? It is a different area. I was at Jordan River the other day and there was a qualified chef who had become a teacher and was running amazing programs, lunches for the kids and a whole range of things. You talked about boilermakers before. How do we get a boilermaker to become a teacher at a school?

Mr MOSTOGL - That is the classic from a TAFE point of view, the most credentialed teacher you could have is somebody out of the trade doing that job as a living. TAFE has done some work with the Teacher under Supervision work to try to make it easier for people to step through. Jenny Dodd was speaking at the forum I was at this morning and outlined that again, you can go under supervision into that process and get your teacher's credentials to do this. That is what we have to do more of, but we have to be able to rotate people back out of there.

The other thing is we should not expect TAFE to have every bit of high-tech gear that every industry has in the state. We have to start using those industries as classrooms and the students and teachers have to go to the facilities that have state-of-the-art welder or state-of-the-art cooking or whatever it is and be able to compensate the owner for making part of their work space available for teaching.

That goes to the point about the inch wide, mile deep, if you start to go out and look at others you will broaden the knowledge.

Ms FORREST - I believe the Finns start at grades 5 and 6. They get all these different professions in and the kids have a week of developing the economy.

Mr MOSTOGL - By the time they are in grade 9 or 10, they have almost made their mind up or they have decided what they are not going to do.

Ms FORREST - If they have direct exposure to a vast range of professions.

CHAIR - You raised in the last part of your submission in (4), the number of the pilots working from TasPorts is very small. You go on to say this pandemic could have impacted

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where we would have seen a lot of our foreign persons engaged in that occupation not being able to continue and we would have been left in a very bad position and situation. Can you expand on that, Ray?

Mr MOSTOGL - There are only so many pilots and a ship will not move without a pilot. We were concerned because there is literally a dozen or whatever in Tasmania and if one or two of those pilots became ill, what would the impact be on the shipping movements in and out of Tasmania? That was our concern and the fact they were interacting with foreign crews potentially coming from other countries. The argument was a lot of the voyages were greater than 14 days so they were effectively in isolation being on the boat.

Ms FORREST - Not to mention the ones who could have caught it on board during that transit. If only at sea for 15 or 20 days, it potentially could have been crew members who were not symptomatic when they joined.

Mr MOSTOGL - At that time the logic was 14 days was the window and provided the voyage was longer than 14 days then that, by itself, was a form of quarantine. It was more the reality that we had an exposure. TasPorts said they were managing it in terms of the way they kept their crews, but it was a red flag to us about how vulnerable we could be about bringing pilots in if we had to.

CHAIR - It will be interesting to what sort of an impact this sort of statement has, it raises an issue and could have been a real issue.

Mr MOSTOGL - Any position that is vital - only a small number - from a pandemic plan point of view, businesses need to have a look at that and say, 'Well, how would we keep going?'

CHAIR - You would have the capacity to impact business enormously, mining in particular as just one of them.

Ms FORREST - Freight generally.

CHAIR - Any other questions? You mentioned business here and we need to be doing more in producing and members, and I think you have heard about Definium, which is one of those very organisations. The only one in Tasmania. It is one of the very few in Australia where they produce these high-tech computer boards. You go to them with an issue or difficulty, they will come up with a computerised plan to fix it. Amazing work.

Mr MOSTOGL - It is. Mike Cruise. Absolutely, very clever. A very clever guy; a very clever team.

CHAIR - Absolutely. I suggest to members, if you are ever in Launceston, call in and have a look at Definium. Have a look at the work they are doing.

Ms FORREST - Lots of good things going on around the state in the advanced manufacturing space.

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CHAIR - Ray, we are out time. Thank you very much for coming in. We appreciate it very much. You have a huge background in a lot of these areas, your previous position was with Bell Bay Aluminum.

It is important for the committee to listen to you. We may not come back again in the time that we will be looking at the COVID-19 issues.

Mr MOSTOGL - Thank you.

THE WITNESS WITHDREW

PUBLIC

Ms PATTIE CHUGG, CEO, AND **Ms CYNTHIA TOWNLEY**, POLICY OFFICER, SHELTER TASMANIA WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR - It is okay to refer to Christian names, if you prefer. I do not think any member will take offence.

Ms CHUGG - Thank you for asking us to appear. Our submission is quite brief. We have a few things to add, so maybe open for questions.

For people who do not know who Shelter Tasmania is, we are a peak body for housing and homelessness in Tasmania. Our members are all the homelessness services, all the community housing providers. We represent a broad set of interests around housing homelessness. We meet regularly with all of those members, whether it is in Burnie, Devonport, Launceston or Hobart. We have a good regional spread of members across those regions, so we are interested in issues across the state.

Since COVID-19 hit in March we have been having more regular meetings via digital means. We have put into place a lot of emergency meetings. As you would understand, these services are essential services. They never close down. They are an important safety net to our community. There are over 49 sites to deliver services and 17 of those are homelessness services.

The thing that COVID-19 showed clearly, and it is outlined in our submission, is the inextricable link between health and housing. There were a number of initiatives we did in a timely manner. They might be the things you would like to talk about today. It showed the public health measures to defeat or work with COVID-19 or to make sure it is defeated or dealt with properly must take into account housing. You cannot self-isolate, you cannot maintain social distance if you are living in overcrowded conditions or you don't have a secure roof over your head. That was highlighted. I think the Government took account of that quickly and some good measures were put in place that we support.

Now that we are at the next stage, six or seven months down the track, we have to make sure that those measures put in place - we are still facing a pandemic - are reinforced and in some cases extended. We also now need to look at the next steps. We know there was a quick response around emergency relief funding, putting people in hotels, looking at a range of issues on the homelessness front, but now where is there next step for them to go? The other important thing is to stay vigilant and look at preventing a second or third wave. We know that what is happening with retirement villages could happen to our sector as well. Vigilance, preventative measures, another thing we have highlighted in our submission is the importance of income as well as housing costs. So we are looking particularly at JobKeeper, JobSeeker. We are concerned about people with mortgages who may lose income that could fall into our sector. That needs to be targeted.

The role of this committee is to look at the timeliness and effectiveness of what has happened since COVID-19. That is a great idea. It needs to be monitored and effectiveness of those measures looked at. Maybe you want to ask us about some of the things rather than me talking longer?

CHAIR - Thank you for that.

PUBLIC

Mr WILLIE - There has been a bit of talk today about extending the rental eviction amnesty. Has Shelter some numbers around the impact if that is removed in September, the number of people that might be facing homelessness?

Ms CHUGG - We don't have any specific data. We know there are over 8000 people living in housing stress. There are lags in the data. We don't really know the numbers who could default on mortgages. We know there is increasing unemployment. We do know that there are 120 000 families living in poverty, so all of those people are at risk we would say. No, we do not have the data for that.

Mr STREET - The 8000 who are in housing stress, how do you measure that?

Ms CHUGG - That's done through ABS and AIHW data. Housing stress means when you pay more than 30 per cent of your income and are in the lowest two quintiles. That is a standard stock measure for the Commonwealth Government and the state governments. There is quite a lag in some of that data. We knew that before COVID-19 a lot of people were living in housing stress and at risk of homelessness. The public health response has been very much about people on one tier of homelessness and maybe people living on the street. The measures put in place, like what they call a brokerage, were extended extensively to get people from unsafe situations and put them into temporary accommodation. What we are saying now is that we would like to see where those next steps are after that.

There is a list of things in the submission that we see are really positive measures. One of those, Josh, was about the freezing of evictions and rent increases. We were very concerned when that first hit and we were very appreciative that the state Government acted in a very timely way. We think the crisis is still with us and we believe that should be extended, at this stage, to the end of December. We are monitoring that, of course.

Mr WILLIE - Have you got any comment on the Government's construction program and investment in social housing?

Ms CHUGG - From what we know, we do not know the inner details, but we certainly welcome the \$100 million stimulus package to build more houses. We found that before COVID-19 there was a huge housing shortfall, not for everyone in Tasmania but particularly for that bottom end. So that was very welcome. We know there needs to be an ongoing pipeline of building and investment. We know that the money that came from the public housing debt relief has to be also implemented.

There are about three or four different tiers to look at when you are looking at the building program. We support that. We are supportive of the link between jobs and housing. We are also aware that employment opportunities in that area are very male dominated. We think that in the social housing welfare area attention needs to be given to the workforce - building capacity, making sure a surge workforce is possible.

Mr WILLIE - So the services that come with the houses?

Ms CHUGG - Yes, all of that. I think they are complementary. That is when we are going into that next stage. The emergency response has happened and now a few months later we need to start thinking where the next strategies will fit with that.

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Mr WILLIE - Just on that construction program, are we likely to see some reduction in waiting lists and times, or is that going to remain?

Ms CHUGG - At the moment we are waiting for the next data around the waiting list. When people are in times of insecurity and facing unemployment and a whole range of issues, they look for more security. That would imply that the public housing or social housing waiting list may increase. As you would all be aware from your constituents, a lot of people are in very temporary employment and very concerned about payments.

Mr WILLIE - Housing is almost the number issue in my office.

Ms CHUGG - The big one for people who know the housing market, very roughly about 30 per cent of people are buying their homes with a mortgage, 30 per cent have paid them off and about the other 30 per cent live in rental or private rental, or community or public housing. The majority of those, about 39 000 households, live in the private rental market. They are the ones we are really concerned about. They are only as secure as their income and their lease. We are very concerned about the queuing of people who may be evicted if that moratorium on stopping of evictions is not extended. I think the social and economic impact of that could be quite significant. Today, with a group of other organisations, we very much support the continuation of that moratorium.

Mr O'BYRNE - We heard this morning, and it is really obvious, but it is important that we make the point that economically there are billions of dollars coming into Tasmania as part of JobKeeper and the improved JobSeeker payments. I know it is obvious, but what would be the impact if there were a hard finish? There is a soft finish, but they are going to end at some stage, what impact do you think that will have on the lives of many Tasmanians?

Ms CHUGG - There are two key things to understand. We work in housing and homelessness so what is crucial to what makes affordable housing or an affordable home to live in is your income. The importance of having increased JobKeeper and JobSeeker cannot be understated. Many of you would know people who are currently on both of those benefits. We think it would be catastrophic if those were decreased or abruptly stopped.

There are two levels. There's the JobSeeker. We found the increase in money for the unemployed or people on the youth allowance has averted a lot of things. One of the things that our members are telling us is that they're not seeing people as much because they have the means to be able to afford their housing or other services.

JobKeeper is another issue. For 30-something thousand people that is putting a real safety plank underneath a whole lot of things. That's keeping people in their housing; it's keeping people employed; it's giving people the confidence that they can get through this because, as you would have heard through this inquiry, there are a lot of mental health issues around insecurity for people.

David, it's really important that those issues are supported through the Commonwealth Government. We know that it's not your responsibility, but I don't think you can extract the impact of those income supports from the impact on the state level.

We're fully supportive of raising the rate and keeping JobKeeper going.

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Ms FORREST - From what I've read of the submission and what you've said, you seem fairly satisfied with the Government's initial response to this and the need to continue JobKeeper and JobSeeker, which is a federal government matter. Our Premier says that they've been lobbying to continue it longer. Are there any other areas that you believe our state Government should invest in to really address this? There's probably less housing stock pressure at the moment because a lot of people aren't travelling and using a place that was being used by Airbnb, for example. That could change. It won't change overnight obviously. Are there other priorities that you see?

Ms CHUGG - I suppose we can always submit to you our budget submissions and the other submissions that we did.

The pressure hasn't stopped just because of COVID-19. We tried to make that clear in our submission. This is another layer on top. The pressure of housing affordability hasn't been solved. Taking off the pressure from Airbnb is only a very minimal impact. We still have 3500 people on the waiting list. We still have people in insecure situations.

All of our submissions say we need to ramp up and to continue building more stock at the affordable housing end. We still think 10 per cent of the stock should actually be social and affordable housing. We think that needs to continue. We also think there are a lot of things that need to be done at the next stage. We always want the scaling up of a lot of those issues. The emergency short-term responses need to be backed up with a pathway from them. That needs to be really stepped up.

If you have someone in a short-term housing situation or someone who has received additional benefits or support or emergency housing for one, two, three, four weeks, they still need to be able to transition through that. We know from our members, from the short-term accommodation places, that's where the blockages are.

We're very happy with the measures that are being taken. We want those to be extended. A lot of those are time-limited. We've talked about those. We want to see them furthered, but we also want them integrated into the other initiatives.

Ms FORREST - Become the new normal.

Ms CHUGG - Yes. We don't want to see us go back to the situation we had before. The government or parties reacted really quickly to an emergency situation - for us it was an emergency situation before, it's just been recognised through the health crisis. We would really encourage all those things not just to continue but also actually to be ramped up.

CHAIR - I have a couple of questions which partly deal with what Ruth was raising with you.

First, the package that's currently in place - you referred to that in your submission - the Tasmanian Government COVID-19 new initiatives include rental support, moratorium on evictions and freezes, etcetera.

Have you looked at what the likely impact is going to be when that all finally closes, because a lot of it will have to close?

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Ms CHUGG - Some of it may have to close, but some of it could continue.

CHAIR - Rental freezes and things are going to change.

Ms CHUGG - What we do with all good policy and decisions, we look at the evidence and the data that comes from that. What we would be looking for is the number of people who have been helped through these programs. We are not privy to that data. Sure, you could ask for that through this inquiry and that will be counted as we go through. The first thing you would be doing is looking at the impact they have had. Also look at that as a preventive measure because a lot of these are stopping people entering our system that we see. They are not necessarily falling into emergency accommodation or being picked up, which is much costlier. If we are giving people a rent subsidy that stops them from being evicted and making sure they can stay where they have a roof over their head, as people like to say, it is a sensible social, health and economic decision.

My advice is we need to assess how efficient these are, the impact they have on people, the timeliness of them, because this is very much about this inquiry, and the realistic continuation where they need it or what are the next steps to help those people. If the eviction comes off, what have we in place to ensure people are not put into our sector, homelessness shelters, because it is not a good outcome?

CHAIR - I am not quite sure if you answer this question. Of the people who have been assisted, those who were homeless, on and below the poverty line, out of all of these programs, is there any idea or indication how many will, or are likely to, get back on their feet as a result of the support they have had in the meantime?

Ms CHUGG - I suppose to give you an idea of scale, I do not know, and this is part of the inquiry. We have not got the data because it is too soon about having the actual numbers, but we can seek those and feed them back or you could seek them through your authority to ask the Government for those and then you could tell us, which would also be good. It is inestimable just how important these things are, but to give you inches of scale - about 40 000 people come through Housing Connect a year, that is 6500 through our homelessness services. We have 3500 people on the waiting list for public and social housing. We have about 13 000 stock of public and community housing, so we are not talking about small numbers here. We are talking about a sizeable proportion of the Tasmanian community, the importance of this safety net system, and through COVID-19 these are essential services that need to have ongoing support and monitoring. The role of this group would be monitoring those, getting the evidence and we are happy to come back and discuss that again. If we had not done these things, we would have been in a worse situation.

CHAIR - Some of the question I am asking probably dovetail across to TasCOSS. They may get the same questions. You also referred to the Jobkeeper and the JobSeeker programs here and you are saying that if they are reduced and possibly phased out, the underlying fragility of household budgets involving housing hardship across Tasmania will be exposed and more and more Tasmanians will be unable for the first time to pay their rents and mortgages. I notice in the paper today, or it might have been the media yesterday, where people were coming forward and saying we cannot pay our energy bills and it looks like some of the energy bills have increased. One in the *Mercury* yesterday was \$1800-plus bill. That is increasing and have this happening now. With the support that has been given, how do you see it eventually turning out? What is the outcome here?

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Ms CHUGG - They are very hard questions to answer. When people live in poverty and all costs, you are on the line, not living on wages where there is a lot of surplus anywhere, so any changes to that.

The whole raising the rate has been about giving people a liveable income. We have seen through our sector, for instance, that people having increased JobKeeper has stopped them actually coming into our system in many ways.

So that also allows them to pay their costs of living. Obviously, in a situation where people have to self-isolate and be at home, their power bills are going to go up and is just another cost. The biggest cost for us is always the rent. Of course, in Tasmania energy costs are essential.

When you have those equations, it is so important people have that sustainable level of income and that is very much a Commonwealth issue that is going to affect everything else.

They call it falling off a cliff. If they stop, all the other measures stop, and people are being faced with this incredible difficulty and in particular Tasmania, with all those thousands of people on JobKeeper. For the first time, they are often low paid workers, but if they are facing unemployment, or loss of part-time income. We have seen a lot of people lose that extra income. That puts all those other costs really much front and centre.

Ms FORREST - You mentioned the benefit of JobKeeper, but anecdotally I hear many stories about JobSeeker payments. Giving people an income that actually enables them to access housing they had not been able to before. That is anecdotal. Do you have any information on that?

Ms CHUGG - Yes, and the data will come out about that. We have no doubt, and will get the evidence, that just the raising of that rate has been such a great measure, because it actually has stopped people coming to the system. We have also heard through the front door services, Housing Connect, that people are not actually asking for rent arrears as much. So, all of those sorts of services have not needed to be in place.

Let's face it, when you are looking at it, poverty is such a hard thing for people. It is about how much money you have. If you have more money to be able to do more things, it takes the pressure off applying to go to 10 different places to get a supplement here, a food parcel over here, bit of rent relief here, chase something else over here.

If you actually have that sustainable level of income, which is not that much, it stops all those other measures. It is a very important measure to have in place.

Ms FORREST - I am not sure if you can shed much light on this and maybe TasCOSS can later.

The anecdotal, again, the fear of increases in family violence and women and children seeking to escape family violence. Much more difficult during a lockdown, but we are not in such a hard lockdown now.

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Do you have much experience of this? Do you have any light you could shed on that? There are indications of lower reports during the lockdown. My view is it is much harder to report when you cannot get out.

Ms CHUGG - Once again we are waiting for the data on that. That was really interesting, especially up in the north-west coast, because we were having weekly meetings with the services, whether that was Warrawee, Wyndarra -Anglicare up in your electorate was saying it went particularly quiet. That was very concerning, because we know there is a lot of pressure on people and with people being at home.

There are a lot of national reports saying it has really increased rapidly. We have yet to see the Tasmanian data, but after a few weeks, there were more reports. So, we are very concerned about that. We think there definitely is an impact.

Ms FORREST - Do you have any concept of the unmet need, particularly in relation to women and children escaping a violent family situation?

Ms CHUGG - It is the second largest reason why people are homeless in Tasmania, all of those thousands of people going through. We can look that up for you.

Ms FORREST - If you have a bit of a breakdown of people who come through your doors.

Ms CHUGG - Yes, we can do that. We can do that breakdown. I can give you fact sheets on that. But post-COVID-19 data, our data for the homeless and the women's shelters is Australians' health and wellbeing. We will not get that, because that shows. We have last year's data.

Ms FORREST - It will be interesting to see what the data shows. Obviously, it is going to take time for this to actually wash through.

Ms CHUGG - I think it was 31 turnaways a day across the state. People who just could not be accommodated -

CHAIR - On that point Pattie, take it on notice, we will write to you to prompt you in relation to that matter.

Ms CHUGG - Another one with that too is the women without any form of income. We wrote directly about that and it was a good outcome, Ruth. You would be aware that people on spousal visas were not eligible for anything. That showed how these COVID-19 measures have reacted very timely to a lot of the situations that have been there before. We really would not want to see those wound back.

Mr O'BYRNE - Pattie, this is maybe a little early to speculate, but in times of crisis the things that were deemed impossible and not able to be done, all of a sudden can be done. In other jurisdictions across the country are you seeing any sort of programs the Tasmanian Government should look at that might start to go to the heart of some of the issues around homelessness and how we confront that challenge?

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Ms CHUGG - Yes, I think that Tasmania does things well too. We were the first ones around things like freezing evictions and some of the supports. We are aware in Victoria there is a \$10 million package given as a funding boost to the homelessness services. We can send details of that back to you, which would be something we would like to do.

We are still concerned there could be a second or third wave and we want to assure those essential services on the front line are adequately funded. Often they are a one-worker model and do not necessarily have the space or the facilities. They are not a retirement home. They are not a hospital, so we think we need to make sure they are supported, not only is there work plans and safety plans in place, but there is also a realistic response around them. Often their response is to call the 1800 hotline when they have a situation. Luckily, to date, we have not had anyone with a COVID-19 positive case in any of those communal living centres but we need to be vigilant around that.

Mr O'BYRNE - Just one question. We sort of touched on this earlier on in the hearing. The Government announced the Tourism Voucher Scheme and from my understanding of it early days, it looks like it will include Airbnb. Do you think it will have an immediate impact in terms of the housing stock available?

Ms CHUGG - What sort of impact do you mean?

Mr O'BYRNE - That fact that some people who may be considering moving themselves from short stay accommodation into a longer term rental market may see this voucher scheme as something to encourage them back into the short stay.

Ms CHUGG - I would not have thought so for \$50 or how much is it?

Mr O'BYRNE - It is \$100; \$500 for a family.

Ms CHUGG - I do not think \$100 would make a big economic decision for something like that. I think Airbnb needs to be monitored. There are over 5000 properties in Tasmania. We have to look at what part of the market. The market is segmented. What might affect the market somewhere is not necessarily freeing up stock for low income people.

CHAIR - If we look at the Tasmanian Government's COVID-19 new initiatives, it includes a list of things in dot point. There is one there, a new health screening program for people experiencing homelessness - where would we get the detailed information on how many homeless people may have accessed that program?

Ms CHUGG - We are being briefed on that this week, Ivan. Some of it is virtual. That is something good to monitor and see how it goes because we know there is a high shortage of professional mental health workers and we know people experiencing difficulties, vulnerabilities and often homelessness do have a need for specialist mental health. We know through our Shelter members that there is not any ability to pay professional health workers in those facilities, so we see something like this as a good initiative and we would like to know more about it. We are being briefed on it Tuesday.

Ms FORREST - Is that both the health screening and the mental health screening?

Ms CHUGG - Yes.

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Mr TUCKER - Before JobSeeker and JobKeeper and then coming into this, have you seen a decrease in the mental health issues?

Ms CHUGG - I would not say there was a decrease. I would say, because we represent such a full range of services - there are all those thousands of social housing properties - but we know people who are put at risk and do experience homelessness, especially the younger that happens, the more likely they are to have mental health issues and be exacerbated. No, we have not seen a decrease, but we have seen the need for services with specialised skills to help those people.

Mr WILLIE - You have made some correlation between secure housing and health today. Have you ever had a look at secure housing? You talked about the number around poverty and education outcomes and whether you have ever quantified that.

Ms CHUGG - There would be studies we could find on that. All those things are linked in the link between housing stability. We know often it taken for granted in Australia and Tasmania about housing, because most people are either paying a mortgage or living in a mortgage and we are only talking about those people who are really at risk of housing stress or in housing stress. You need a stable foundation base to be able to stay securely housed with your children. You can then pursue education and if you take away that bottom plank, all of the things around educational outcomes will be much lower and much more put at risk.

Mr WILLIE - I asked the question because through remote learning some housing was overcrowded, it was very difficult for students to participate in remote learning because they did not have space in their house and a number of those issues became apparent.

Ms CHUGG - Between the last census and the census we have all our homelessness data we rely on because we have to rely on those larger census counts. Our last census was in 2016, it is going to count in 2021, next year, and everyone knows that is a basis for our understanding, and those are a bit out of date. One of the things that has increased around the homelessness data in Tasmania is overcrowding. Obviously, COVID-19 has highlighted that and the poor conditions of people being in overcrowded situations.

When you are looking at people who are bound to isolate, work from home, study from home, all of those things are put at risk or exacerbated if they cannot have a proper space. We are really concerned about those people in a private rental market, those 40 000 households on much more short-term leases. They could need to move at any time, that lack of security and especially now in a COVID-19 environment is a really important issue to think about and the importance of why we need more community and public housing, where once people are there it is linked not only to their level of income so that makes it affordable to them but also gives them security.

We are finding one of the biggest things when people are experiencing housing, security or homelessness, they have to keep moving, moving for six-[month] term leases.

Mr WILLIE - The kids have to move school, too.

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Ms CHUGG - Some of the Airbnb properties that have been freed up are short-term leases, only six-month leases; they are waiting for the market to improve again, then they have to move on again and that has a detrimental effect for education, training and stability.

Ms FORREST - The dot points the Chair was referring to there - and you talked about it earlier, Pattie - was the extended brokerage for homeless people living in temporary motel/hotel accommodation. Were you aware of how many people were placed in that sort of accommodation and how many are still there?

Ms CHUGG - We are getting a briefing about that on Monday. It will be interesting and I know some Airbnb properties are being utilised. There was a brokerage fund before the COVID-19 extra measure, so there will be some data from that. What we are interested in is where they will move on from there, because you can imagine it is not a great environment for people to be in for a very long time. The important thing, as I was saying before, is now it's been five, six, seven months since the outbreak, we really need to be going into that next stage. But where do we go next? The biggest hurdle pre-COVID-19 - and now is optimum - is where can we put people? Step them into that longer term accommodation. They call it HousingFirst. There are lots of different names but the latest iteration of it is HousingFirst. We make sure they are housed first and then we can give them the appropriate support. We still do not have enough housing to make HousingFirst foolproof. That's why all those other measures need to be ramped up and continued.

We can get back to you on that, if you like?

Ms FORREST - That would be helpful. We are going to have Communities Tasmania in at some stage too.

Mr TUCKER - I will follow up again with you, Pattie.

With what we have gone through and everything the Government's put in, has more housing been provided for people or not? Am I reading what you're saying here wrongly?

Ms CHUGG - The measures that we talk about we kept to COVID-19. A lot of those were about stopping people from becoming homeless. The moratorium on rent increases, the \$4.3 million was for immediate responses. Underneath all that we are having properties being built through the - there's quite a few different [inaudible]. There are ones around the Affordable Housing Strategy. Also, there are ones around debt relief. At the same time our population's growing, the demand is growing. As you're looking at the blunt numbers of the number of houses being built, there might be some that are being sold or there are other circumstances. It's a bit of a moveable feast. The RoGS data is the best way to be looking at that.

Yes, there are more houses being built but the demand for housing is increasing. That's why we always talk about the proportion of housing. We like to say there needs to be 10 per cent as social housing in Tasmania to give that safety net and that real plank of affordable housing because everything else changes in the system. It's got to be the right sort of housing, so it's not just housing it has to be affordable and in the right location.

CHAIR - We are getting to close to time, Pattie, but I have one question for you.

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The state of emergency is likely to be increased for a further eight-week period, till the end of October.

Ms FORREST - Extended.

CHAIR - Yes, extended to the 8 October, that's if the Premier signs off on it. I am not quite sure if he has signed off on it yet.

Mr WILLIE - He just announced at lunchtime.

Ms FORREST - He was off to do it after he talked to us.

CHAIR - It has been extended to the end of October.

The rent freeze is scheduled to conclude at the end of September. Do you see it as vital that they continue it until at least the end of the state of emergency period? There will be a quite severe impact on all of us until that concludes.

How do you see this and have been talking to the Government about this? TasCOSS will probably get the same question.

Have you been talking to the federal government, your counterparts here, our members here, about JobSeeker and JobKeeper, those programs? What have you done?

Ms CHUGG - We talk to everyone, Ivan. We certainly have been talking to the Government. There was a joint letter signed with TasCOSS and Shelter Tasmania that's been sent to the Premier on extending the moratorium and the rent freeze until the end of December.

We work with our federal colleagues on JobKeeper and JobSeeker.

As far as jurisdictions go, the Commonwealth Rent Assistance, which is about \$123 million a year, comes in from the Commonwealth. That goes to people in the private rental market. We are looking at those continuations. As far as state jurisdictions go they're responsible through the Residential Tenancy Act, so they're the appropriate people to lobby on the moratorium and the rent freeze. This is a really important preventative measure to stop people falling into insecure housing.

CHAIR - Pattie, within a minute is there anything you'd like to leave us with?

Ms CHUGG - I suppose, one you just mentioned, we did write to the Government initially about that. It is important to extend these measures that have been put in place. We have to be prepared for a second or third wave, so we want to that support for our housing and homelessness services. They are an essential service. They often get left out of the thinking on that. We need those stages. We need the timely emergency response. We may need some transitional measures on housing support. We also need to keep that emphasis on where do people go in the long term, where can they stabilise with their families and employment. We would like to see an overall goal of 10 per cent of social and affordable housing in this state.

CHAIR - Pattie and Cynthia, thank you both for being here today and the way you have answered our questions and the information you have provided the committee. Thank you for

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the submission. This committee has a long way to go, I can assure you of that. We hope to present interim reports on the way through.

Ms CHUGG - This is the standing committee that we'll be revisiting?

CHAIR - It is a Public Accounts Committee.

Ms FORREST - It's an inquiry under the Public Accounts Committee

CHAIR - The Public Accounts Committee is a standing committee but you are right, there will be an end to the inquiry some time. I am not quite sure when it will be.

Ms CHUGG - It is important to keep monitoring and keep the Government accountable and keep transparency around these issues. If there was anything we couldn't answer, please write to us and we will supply it, especially after we have had that briefing on Tuesday.

CHAIR - If there was any new information coming your way there is no reason why you can't provide a copy of that to the committee. The committee would make a determination on that. I would be very surprised if the committee didn't receive it if it was new information.

Ms FORREST - Well, if it answers those questions that we've asked, it would be perfect.

Ms CHUGG - Also, Communities Tasmania will have some of that data.

Mr WILLIE - And some of the information around education outcomes.

Ms CHUGG - Yes, and the Victorian initiatives.

WITNESSES WITHDREW.

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Ms ADRIENNE PICONE, CEO, AND **Dr CHARLIE BURTON**, MANAGER POLICY, TASCOS, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR - Thank you both very much. In as much as you have both given evidence to these committees previously, there are two or three things I do need to say. While you are here, parliamentary privilege applies to any evidence you give us; however, once you walk out of here, it is different. We are not sure where it stands, but you are on your own. It applies in here we know that. It is being recorded, it will be transcribed by Hansard, streamlined and open to the public. That is all I need to say. You are familiar with the processes and you should have been given some paperwork so hopefully you had a look at that also.

We will start by giving your positions if you do not mind for Hansard. We have a submission from you but there is an opportunity for you to add to that with a further presentation if you wish and then we will go onto questions.

Ms PICONE - Adrienne Picone and I am the CEO of TasCOSS.

Dr BURTON - Charlie Burton, policy manager at TasCOSS.

Ms PICONE - From TasCOSS's point of view governments, businesses and community sector, every Tasmanian, we believe is really to be commended for the outstanding job we have all done following health advice to keep each other safe and to support each other during the extreme circumstances of COVID-19. We all felt the Premier's anguish back in March when he spoke about businesses collapsing and the sacking of tens of thousands of Tasmanians with one stroke of a pen.

What COVID-19 has shown us is that every single Tasmanian is only one pandemic, one crisis, one government decision or one stroke of the pen from being made vulnerable. The reality is that every Tasmanian is at risk of being made vulnerable through no fault of their own every single day and not just because of an extraordinary crisis. The reality is also that every day, 120 000 Tasmanians are experiencing vulnerability from trying to live on inadequate incomes or incomes actually below the poverty line. They are unable to afford the essentials such as fresh food and paying the bills.

The reality is also that every day somebody could be impacted by illness, injury, a policy decision or a stroke of the pen that places them in a situation of vulnerability. Financial stress, insecure housing, mental ill health and family violence are all on the rise due to COVID-19 and will make it harder for many Tasmanians to start or stay in education, training or employment. In our endeavours to built a stronger Tasmania, we must ensure all Tasmanians experiencing disadvantage or at risk of vulnerability are supported, as well as those impacted by coronavirus.

We must ensure our income support system lifts people out of poverty instead of entrenching disadvantage. We must ensure Tasmanians are supported to live healthy lives and have safe affordable places to call home. We must invest in skills and training that support young people, women and the long-term unemployed into stable and secure jobs, and we must better insulate our state and our economy from future shocks, whether they be health economic social or environmental.

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We must ensure we build resilience by investing in flexible community services that meet the needs of Tasmanians facing new and increased hardship as a result of COVID-19. What we have seen during COVID-19 is what we can achieve when government, business, industry and communities pull together. By harnessing that same spirit of connectedness and collaboration, we really can create secure jobs, build resilience and help to reduce disadvantage that will lead to our recovery from COVID-19.

CHAIR - Thank you, Adrienne.

Ms FORREST - Thanks, and I could not possibly disagree with what you have just said. I was not intending to, anyway.

I am interested in how COVID-19 has impacted on your capacity as an organisation to meet the needs of the people that you represent and work for.

Ms PICONE - Yes, and I think I can talk a bit broadly too, about our sector, because obviously one of the key roles for TasCOSS is representing the community services industry. Really, what we found when COVID-19 hit hard, back in March, when a lot of announcements were made about keeping people safe and those sorts of arrangements, was that the community services industry was able to act in a very nimble and agile way.

What we really saw was our industry was thrust into the front line. We were not just sitting on the sidelines. We really were essential workers as part of COVID-19 in helping to keep people safe. We really saw many services had to adapt very quickly, often sending people home, to work from home; letting volunteers go - they were not able to keep the volunteers safe. Also, then having to adapt their services to put them online, or over the phone. They were able to act very quickly and able to actually also address some of the emerging issues, and address some of those for people needing help.

Ms FORREST - One of the vulnerable groups I had a number of representations about, particularly during our outbreak in the north-west, was people with a disability.

There were fears on every side. Fears the worker might bring the virus to the person with a disability. Fears the person with a disability may have the virus and give it to the carer or the person seeking to assist them.

Some services, actually, completely stopped services, even some of the more basic services like cleaning the house for a person and things like that. What was your experience of that? Do you think we needed to do better in that area, or could we have done better?

Ms PICONE - It is fair to say there probably was not any community service organisation that had global pandemic in its risk register.

Ms FORREST - There were some.

Ms PICONE - That is great, and there are definitely some now. What we found is it took time. It came as a shock to a lot of people. We were all in that sort of state of shock and grief for some time. It really took time.

What we found was we certainly have not had feedback that people were not able to access services during that time.

Dr BURTON - Yes, I would probably nuance that a little bit. As Adrienne said, our sector did remarkably well to mobilise quickly so services could be delivered online, for example, or in other ways where they were not necessarily always face to face.

I guess where people perhaps did not receive all the services they needed was where there were existing vulnerabilities - and we know what COVID-19 did more than anything else was highlight the cracks in the system.

Some people with disability are already highly vulnerable if dependent on carers. We know in the food space, people with disability are now presenting for emergency food relief, particularly during the height of the crisis and the lockdown. When supermarket shelves were stripped, someone comes in. That is why Woolworths and Coles had the sort of priority opening hours to allow some people access food.

What it really did was point to cracks in the system where people do not have a Plan B, basically, or it was not that they did not have a Plan B, but that no Plan B had been set up for them. I suppose, what that really points to is the need, just as we do with natural disasters like bushfires, to have immediate plans in place for communities, governments and the community services industry to work together, so no-one needs to go without food, medicine or care needs, even for a day.

Ms FORREST - Do you think since this first became a really evident problem for the world, for Tasmania in particular that your organisations now have themselves in a position where should there be or maybe we should say - when there is - a second outbreak in Tasmania, they are ready to respond, and that people with disability, for example, who have caring needs you cannot deliver online, that they are ready to deliver those?

Dr BURTON - I think we know a lot more than we did six months ago.

Ms FORREST - I am glad to hear that.

Dr BURTON - As a society we are now much more aware of people who do not have enough support around them, but we still have a fair bit of work to do to make sure everyone is as supported as they can be. This goes to the larger question of ensuring no-one is living in poverty, for a start.

Ms FORREST - What role then do you think the Government has in assisting in that, to make sure if we have another outbreak in Tasmania those organisations are ready to go and the people will be supported in a way that does not force them to go out and get food themselves when it is really risky for them to do so or they have COVID-19 themselves?

Dr BURTON - I am going to come with a simplistic response and then hand over to Adrienne.

The word is overused at the moment, but it is really about community and individual resilience. If communities are strong, connected and resilient and people are not living in poverty, when they are disconnected from their supermarket for a few days or a carer or

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something, there are other supports that step in to support them. That is the work for all of us to do; it is not simply for governments.

Ms FORREST - We will go to your comment, Adrienne, in a minute, but your comment really highlights the need for ongoing financial support for people to ensure they do not slip into poverty or fall back into poverty.

Dr BURTON - Absolutely, and one of my colleagues sitting behind me, Liam, has been doing interviews with people receiving JobSeeker payments over the last few weeks -

Ms FORREST - JobSeeker?

Dr BURTON - Yes, JobSeeker - and resoundingly they have reported that now, where before they could not on the low Newstart, they do not save it but they can now afford to pay the petrol, get their health care attend to, have enough food on the table.

Mr WILLIE - Get a hair cut.

Dr BURTON - That kind of thing, yes. It has made a massive difference to their life.

Ms FORREST - That work will be released at some stage by TasCOSS?

Dr BURTON - It will.

Ms FORREST - You will send a copy to the committee when it is released?

Dr BURTON - Yes.

Mr STREET - With community connectedness, have you had feedback from your organisations that perhaps this has opened people's eyes a little bit, that people who perhaps were not engaging with the people around them are more engaged now and more interested in what is going on, or not?

Ms PICONE - One of the things that happened during COVID-19 was the community really pulled together, so it was industry, government and the community services industries which were really pulling together for the greater good of Tasmania.

Mr STREET - It might be the one benefit that comes out of this whole thing.

Ms PICONE - Yes. If I can just add to what Charlie was saying about the second wave, one of the things our industry is considering is one, a second wave of pandemic, but also bracing ourselves to what will happen when the coronavirus supplements and other support systems are taken away - that is as concerning as a second wave. We talk about it being a cliff or a ramp when in actual fact it is going to have a significant effect on Tasmanians and their ability to be able to live effectively and comfortably.

Ms FORREST - In many respects if a second wave occurs, the financial support will probably continue, but if it does not happen, it won't so it is a bit of a vexed problem.

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CHAIR - You have two other questions on that point. I will take those because John was next on the rank.

Mr O'BYRNE - We have sort of danced around it, but you mentioned in your opening piece the importance of JobKeeper and the improved JobSeeker payment. It is stating the bleeding obvious, but for the benefit of this committee, if you want to put on the record, how important that is because billions of dollars are coming in for wage and income supplement for people in Tasmania. It would be great for you to put on record how exactly you are positioned on the maintenance and the continuance of those programs,

Ms PICONE - I think it's a great point. What we have to consider is the impact these supplements have for individuals. As Charlie mentioned, what we have been hearing is that for the first time people don't have to make those insidious decisions about whether they feed their children or feed themselves or whether they can heat their homes. For the first time they are able to afford fresh food and go to the doctor. Charlie also mentioned the work we have been doing at TasCOSS. I would like to read you at least one of the quotes we have from people with lived experience. One of them is -

What they are giving us now is an amount of money you can live on. It is not making anyone rich. For people on JobSeeker, if they have extra money that goes straight back into the economy. It goes straight back because we are living on the edge. It doesn't go into a bank account, it doesn't make us rich, it just means we can live like decent humans, not like an animal.

That makes a good dual point, not just about the impact it has on individuals and on families, but the impact it has on the economy.

Ms FORREST - And society generally.

Ms PICONE - And on society generally. When those supplements are reduced at the end of September, there will be \$8 million less going into the Tasmanian economy every week. We have to think about in both those ways.

Mr WILLIE - I have seen some concerns at a national level around heading into an economic downturn and the pressure on families in terms of family violence and also child safety. Are you able to talk about that? What are some of your members' thoughts on what might happen and a potential spike?

Ms PICONE - One of the things that Shelter mentioned earlier was we have little evidence in this space. It is something we need to build up. One of the things we have seen in the PESRAC report is the need to get that clear evidence base so we understand the issues and we can start to address them.

Mr WILLIE - Your members aren't reporting an increase in demand yet?

Ms PICONE - One of the things we are hearing is that there is an increase in demand, but what people are expecting is once the supplements and the other support systems are withdrawn, there will be another increase. In a lot of these areas, particularly in mental health

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but also in family violence, some of the impacts probably won't be seen for months or even years to come. It something we need to brace ourselves for but also gather the data as we go.

Dr BURTON - I'm not sure if Pattie mentioned it before we arrived, as you said, Ruth, with people in houses with perpetrators, it is difficult to make that phone call. With financial insecurity, it is hard to flee dangerous situations even if there is emergency housing available.

Ms FORREST - It's dangerous to make the call.

Mr TUCKER - I think we might have discussed this with the housing inquiry, the community stuff. One thing I have found with COVID-19 is that people have realised what is important in the community. It is the one thing that has shone through. Coming to my question, on page 4 of your report, you are talking about the PESRAC report and you say -

the Government's recovery plan needs to enable locally based service providers and communities, particularly in the regions, to continue to lead community-based recovery'.

Where do you think the Government should be targeting? Governments are there to help communities but communities drive things. We might have discussed that with you in the housing inquiry. It has to come from the community to drive something.

Ms PICONE - We are on the same page with that. We shouldn't be making assumptions about what communities need. The solutions are there within the communities and what we need to be doing is asking communities themselves.

Mr TUCKER - Each community is different in what it needs. This was something, we were talking about, suicide or something like that in different areas and where the issues were, but in other areas it wasn't that, it was something else.

Ms PICONE - I guess just emphasising the importance of community-led but also place-based services, which is exactly what you are saying, around making sure those services fit that community and are right for that community.

Dr BURTON - Can I add a little flesh to that? We do talk a lot about place-based, person-centred, and sometimes it is hard if you are not working in the area to know and envisage what that looks like. I have a couple of examples. We know when COVID-19 hit and there was lockdown, the first thought people had was, 'What will happen to those families whose kids' only meal is the one they get at school?'. The first thing that one teacher at a school did when they heard of the lockdown was start ringing round organising food for all the families they knew were going to be short of food. While there was wonderful support from the Government in terms of coordinating an emergency food relief network, the actual work on the ground was done by communities. They knew which families were going without, which kids were vulnerable and then there were local networks already - churches, neighbourhood houses, schools, parents' associations - which swung into action and supported many people in their community. That is a wonderful base and PESRAC has talked about the need to move from emergency food relief to food security and there are already networks on the ground for that.

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The other example is a project you may have heard about through other committee appearances from TasCOSS - the Sorell South East Employment Hub is being heralded as a success and emerged from some work that TasCOSS did.

Mr TUCKER - I have been there a number of times, Andrew. They are very good.

Dr BURTON - That is a community-led project. With some funding, TasCOSS facilitated the community to come together to look at what the problems were and design their own solutions, and it has been a terrific success. That is the kind of thing we would like to see more of.

Mr WILLIE - Are TasCOSS involved in the Glenorchy one?

Dr BURTON - No, we have been speaking with them about it, so we would like to think we are helping inform the design of that. It is not one of ours.

Mr TUCKER - I was going to say the Sorell hub has been held up. I have had a conversation with a couple of other councils and they are working on it.

Mr STREET - The Huon Valley.

Mr TUCKER - Really good program, really good people.

Mr O'BYRNE - I have a couple of topics. One is connected to income supplements, JobSeeker, JobKeeper and COVID-19 has exposed the nature of labour force in terms of precarious employment and the proportion of workers who are highly casualised, contract-based, that are piecemeal; particularly, in some of the industries, how much you pick is how much you get paid. Could you reflect on what that looks like in the Tasmanian context and how exposed we are to this kind of disadvantage?

Ms PICONE - It has highlighted that is what happens when we rely so heavily on tourism and hospitality, because they are the areas most impacted. Again, I have some great quotes that would be good to share with you. One person says -

I was struggling to find jobs before COVID and I have certificates in management. I have management experience in hospitality. I have retail experience. I have a first aid certificate. I have my Working with Children check, my Police Check. I have all of this experience and all of these things under my belt and I can't find work. On paper my Resume is great. I have been working since I was 15, as well as studying. If I can't get a job that should be saying something. People aren't just sitting there not wanting to work.

What it highlights for us is the situation we find ourselves in here in Tasmania with the number of job seekers in comparison to the actual jobs available and the impact that has. It is not that people do not want to work, but through no fault of their own, they have been put in a situation where there is just not the work available.

Ms FORREST - Can I follow up on that? How do you then see the role of government here in creating some of that employment to pick up some of those people? There may not be

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jobs that were there six months ago or 12 months ago, but now there are other jobs in terms of community support or community engagement, or even ground maintenance and things like that. Do you see there is a role for government? Prior to this, some people viewed government as something that should get out of the way and let the private enterprise go and work, but there is not that much confidence in some areas of private enterprise. I would like you to reflect on that.

Ms PICONE - What we would say is that we need to think of areas of growth. The community services industry is the fastest growing industry in Tasmania. We have already touched on the fact that there will be an increased level of demand for our services, particularly in areas like aged care, in mental health but also other allied health. How can we actually invest in the community services industry? This is about Tasmanians actually having access to the services they need, when they need them, and we have demonstrated how important they are and they are going to be even more important as we move into the future.

Ms FORREST - Not just in aged care and disability care, but even in general health care. We have seen the ED in the Mersey have to close or reduce hours again, sorry. Part of that is medical, but there is also nursing staff. I hear there are lots of double shifts up in the North West Regional Hospital; if you are doing a roster with gaps in it at the outset, you do have not enough staff, bottom line. Surely there is work to do here, too?

Ms PICONE - Absolutely. It is about how we see these sorts of jobs as career pathways of choice. One of the things we see with the hospitality industry or tourism, they have a lot of skills that would actually be really transferable to community services, so it is about investing in this industry and making this a career pathway of choice.

Mr TUCKER - In regards to employment, something raised with me in the last few months is the truck industry in particular. One of the obstacles they are finding - one trucking company said to me, 'I advertised for six truck drivers; I got one who replies to the advertisement.'. The problem was people do not see the advantage to step up and do the training, because the training would cost \$3000 before they can get into that licence. Do you see that as an issue with some of the jobs?

Ms PICONE - I wonder if it is the advantage of doing the training or about being able to afford and having access to the training perhaps.

Mr TUCKER - What he was saying to me was because people were paid the same for driving with a lesser licence, there was no advantage to moving up to a higher licence in the truck industry, because they were still paid at the same rates and the \$3000 cost for training to go up to the next class. There was no advantage to it so they did not want to do it.

Dr BURTON - I can imagine there would be a few barriers and truck driving is not for everyone for a start. The initial up-front cost is something TasCOSS will be doing some more work on, around barriers to training and education more generally, particularly accessing VET courses that will be central to our recovery because many thousands of Tasmanians cannot access \$500 or \$2000 in an emergency. If you are living on a very low income, if you have a job and it is doing something for you, then, yes, forking out \$3000 for a certificate or another accreditation that will not bring you more money probably -

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Ms FORREST - This is the role of government - to step and subsidise these courses to assist those people.

Mr WILLIE - That was the recommendation of PESRAC.

Ms FORREST - So it is a rhetorical question.

CHAIR - In this time of COVID-19, one would think they should do that.

Dr BURTON - In the absence of private investment and individual consumer's ability to afford much, there is only one player left.

CHAIR - You are right.

Mr O'BYRNE - We are hearing more and more stories of Tasmanians suffering from bill shock. We know Tasmanians pay some of the highest bills in the country. Could you give us your experience and feedback from your members about the impact of bill shock, given we ask that people stay home? We said stay home, stay safe, keep out of the way, home schooling, working from home, but spending more time at home has also had a massive impact on people's bills. Usage is one thing, but in terms of the structure of the bills, do you have a view on how governments should respond to what is a significant issue?

Dr BURTON - The Government and utility companies did the right thing during COVID-19 by extending hardship programs and committing to no disconnections and that kind of things, so we welcome those measures. We would actually advocate for those sorts of measures to continue; there's no reason to cut anyone's electricity off.

Given the essential nature of internet connectivity now, telecommunications concessions should be added to the suite of concessions that low-income Tasmanians receive. Many people are working from home now; many services are only delivered online.

Ms FORREST - Or being educated at home.

Dr BURTON - Yes. I think a continuation of those existing hardship measures would be the right thing to do.

Mr O'BYRNE - Has TasCOSS got a view on how the regulated price is arrived at in terms of the wholesale price and the nature of how the market plays in Tasmania?

Dr BURTON - We will. My other colleague sitting behind me is currently doing some research work on this.

Mr O'BYRNE - The fact you're doing research on it indicates it is a clear issue for a number of your members and, therefore, a large proportion of the community. Can we take that as a given?

Dr BURTON - Yes, it is an issue for people across the board - small business as well as individual consumers - with interest in what kinds of measures could be introduced to make electricity more affordable.

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Mr WILLIE - I can't remember off the top of my head, but before the pandemic the number of customers on payment plans was astronomical as a proportion of the bill-paying base.

Dr BURTON - Yes. Am I allowed to ask Steve the figure? He's not sworn. We can give it to you.

CHAIR - He can take the declaration if he wishes to come forward. That is not a problem.

You will need to take the declaration if you would, thanks.

Mr STEPHEN DURNEY, SENIOR POLICY OFFICER, TASSCOSS WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

Mr O'BYRNE - Accessing energy concessions and some of the questions around the structure of those bills, if you could.

Mr DURNEY - Energy affordability is obviously a key issue, especially for people on low incomes. Energy bills are usually the second-highest expense households have after their housing costs. It's a big portion of their income. People struggle with paying their bills from time to time. It's important that there are supports in place to assist those people. There's the electricity concession available. There are also hardship plans and different payment plans available to households.

Not everybody on a payment plan is necessarily in hardship. They may just need an extension for one particular reason or they may have a plan in place with their electricity supplier to make a number of payments. The way that some of these things are counted does not always give you an indication of levels of hardship. What is important is that there is flexibility available to customers to help them manage their bills.

Mr STREET - Is it also the case that the bill shock that's going on at the minute isn't just about the price of power - it's about the increased power usage from people staying at home longer. Also that the bill shock relates to the fact that meters weren't necessarily read for the previous quarter - it was an estimate - so there's a catch-up element to the bill that people are getting now. It's obviously caught out low-income earners more because they don't save the difference between what their power bill would have been and what they got charged in the first quarter. Now when the catch-up comes, that's when they're being caught short.

Mr DURNEY - Yes, that's right.

As you've said, meter readings were estimated so people may have had a bill that didn't reflect their usage, especially if it was based on last year and they had a different level of usage then. Now their meters are read, they're getting that catch-up and they're getting some bill shock, as you said, in addition to the extra time being spent at home. The figures vary but there's generally around a 20 to 25 per cent increase in consumption that's been noted across the country and in Tasmania from the peak of that COVID-19 period. Naturally, that's going to increase people's bills.

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One of the other measures the Government introduced was a COVID-19 fund. That existed to help people who experienced some bill shock and had difficulty paying their bills to be able to access some extra funding.

There is extra support available through the energy suppliers if people have bill shock, or higher bills than they were expecting.

Mr O'BYRNE - We could go for a long time on this, but I think we have touched on it and have raised it as an issue. I think that is important for the community, and we can do some more work after. Thanks, Stephen.

Ms FORREST - I am sure you are aware that the Liquor and Gaming numbers are out for gambling in Tasmania. We have seen, since the machines recommenced, that there has been probably a 26 per cent increase in figures for July from last year to this year.

Obviously that is a concern. That money is not going into the local community as such. Would you like to make any comments about this and how we respond to it?

Ms PICONE - The harmful and addictive nature of pokies have obviously been well documented and well researched. It impacts more heavily on areas where there is low socio-economic disadvantage.

From TasCOSS's point of view, we think there needs to be a greater investment in harm minimisation and education measures regarding the pokies. The education and early intervention, we think, is the best way to reduce the harm.

Ms FORREST - The areas that seem to have the most significant increases - Glenorchy's always there - but the north-west coast, central coast having the highest increase. Interestingly, Dorset had a drop. The member for Lyons might be interested in that.

The increased losses to our community have occurred when, notionally, there are only half the number of machines in operation. If that is the case? That was the commitment for social distancing purposes. Is this particularly concerning, if people are using perhaps their JobSeeker, their JobKeeper, their withdrawn superannuation, to go into this? People seem to be conservative in their desire to spend money at the moment anyway. Do you have any awareness or insight into where this money is coming from, based on past figures?

Dr BURTON - No. Stephen and I were talking to the company contracted to do the next social economic impact study of gambling.

Ms FORREST - The South Australian company, when Tasmanians could possibly have done it.

Dr BURTON - We were talking to him about something else. As in many important areas, data lags what is actually happening on the ground, so it often means intervention is too late for many people.

It does highlight the need for very solid data on who are the users of poker machines, and who is most at risk. I think, as Adrienne said, enough research has been done on this. We have

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a general idea of who is most at risk, and it is often those who can least afford to lose that money.

Ms FORREST - Roughly \$19.5 million went into machines in that July period. That is a lot of money that has gone down that hole. You might not be able to comment on this, but I am interested in whether they will use the data that extends beyond the period of last year before the shutdown through this period now the machines have reopened. Will that be factored in, do you know?

Dr BURTON - Yes, we did talk to him about methodology, because of exactly that question. I think they are designing it so that the closure during COVID-19 won't be counted. We won't have skewed results because of three months of no poker machine use.

Ms FORREST - They will look at the figures now they have reopened. It will include this period.

Dr BURTON - It is my understanding but we -

Ms FORREST - It would be interesting to look at what happened when they were closed, and when they were opened.

Is there any desire from TasCOSS to look at those periods? They couldn't spend it when they weren't open. That would be zero.

Dr BURTON - No

Mr O'BYRNE - There is evidence also that other gaming forms increased.

Dr BURTON - Other research has shown poker machine users do not tend to use the online environment, but that is when poker machines are always available. I suspect there will be some excellent gambling researchers who will be starting to do their research applications now.

Ms FORREST - There is money set aside for that through the Community Support Levy.

CHAIR - We are getting close to time. You have included recommendations in your report to us which is good and I take it you have made a submission to PESRAC and included those recommendations. It is important they go forward and are considered by another group and by the Government. They are good recommendations and if we can see some of those being implemented or certainly considered, it would be a great thing. I notice you have their household energy efficiency upgrades and so on, all very important matters.

Having said that, we are out of time, but is there anything you would like to leave us with?

Ms PICONE - We believe there is a real opportunity right now to think about reshaping our economy here in Tasmania and making sure it is resilient to shocks in the future. Also, we have an opportunity now to focus on wellbeing and putting people front and centre of everything we do and making sure we are creating employment opportunities, pathways and

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opportunities for training and education, but making sure all Tasmanians have access to an adequate standard of living and that nobody in Tasmania is left behind.

CHAIR - A very important point. Thank you for that. Thank you all very much for being here today; thank you for the way in which you have given the evidence and answered our questions. It is wonderful and there are one or two things you will follow up.

Ms FORREST - It is really just sending through that data when you get it.

CHAIR - If you could send that through to our secretary, that is the right way to do that. Thank you all very much.

THE WITNESSES WITHDREW.