

**Thursday 31 May 2012 - Estimates Committee A (David O'Byrne) - Part 2**

**CHAIR** - Thanks, minister, we will reconvene. Can I just cover one matter with you and that is we are required to formally resolve as a committee that we will sit beyond 5 o'clock and that is going to be the case, so we need to formally do that. We will go back to where we were and still on overview and then we will come to the specific line items. Ruth, did you have anything more?

**Ms FORREST** - No more from me on overview, thanks.

**CHAIR** - Anyone else?

**Mr HALL** - Two quick questions there, minister. One, I think you mentioned in your overview was the quadrupling of the wine industry in a decade. I thought it was doubling, but quadrupling?

**Mr O'BYRNE** - Yes, that is ambitious -

**Mr HALL** - It is very ambitious one would say. I am not going to argue with it, but I thought that I had misheard you.

**Mr O'BYRNE** - No, we think there are some tremendous opportunities. We have just hosted the International Cool Climate Symposium, which brought together over 300 delegates from across the world. Sometimes we get theatrical about it but there is a global conversation occurring about Tasmanian wines. We have just been in a highly regarded wine magazine in Europe. We have been referred to as the second-most attractive place in the globe to invest in wine.

**Ms FORREST** - What is the first one?

**Mr O'BYRNE** - China. Then there are parts of Europe, parts of South Africa, and parts of South America as well. We have been rated the second-most attractive place to invest in wine. We have also been in a *Guardian* article where they referred to Tasmania as the 'little Champagne' which really talks about the strength of our sparklings, which is a fantastic exposure. When you look at that, and also when you look at mainland wineries and wine production and New Zealand, there is a bit of a glut and prices are dropping; demand is outstripping supply for Tasmanian wines. Therefore our price point has maintained its position, so we are strong in our price point as well. There is potential for growth, not only domestically within Australia, but throughout the world. Clearly, the emerging middle class in China and India is part of the strategy. We have pulled together recently with Wine Tasmania and the Wine Invest Guide, which we launched a few weeks ago and has been received warmly by the industry. We have key players now who are getting national recognition for not only the quality of the wine, but the winemaker's production itself and how they go through it.

**Mr HALL** - When you talk about quadrupling the wine industry that would be per hectares planted not production at that stage, because it takes a fair lead time.

**Mr O'BYRNE** - No.

## UNCORRECTED PROOF ISSUE

**Mr HALL** - If you take the Marlborough area of New Zealand, for example, they have ramped up their production and they have had to discount a lot of their stuff now. So sometimes you can have that perverse effect.

**Mr O'BYRNE** - We are talking about sustainable growth, and under the economic diversification stream in the forestry agreement we have been able to fund some research around microclimates and understand where the best place is to plan the next expansion. We already have Brown Brothers investing in Tasmania. I do not think it necessarily will be new vineyards opening up as the way forward; it will be current vineyards growing. You talk to many of the winemakers and they say, 'We just want some more hectares. We want to get some more grapes in the ground because we know we can meet the demand once we lift the supply into the equation'. It is a very exciting time for Tasmanian wine - sparkling, pinots, and the whole range of cool-climate wines.

**Mr HALL** - Just before lunch we were talking about the TDB and all those matters and we are getting a fair bit of information tabled in regard to who has what, and why. With the Innovation and Investment Fund, applications are open, I take it? What are the time frames? What are the criteria?

**Mr O'BYRNE** - There are two funds. There is the one under the economic diversification stream of the forests agreement, and then there is a new \$5 million fund we have announced.

**Mr HALL** - I am talking about the innovation and investment one.

**Mr O'BYRNE** - Essentially the \$5 million from the state is expanding on the money from the forests agreement.

**Mr HALL** - What are the criteria for that? Has anyone received anything from it yet?

**Mr O'BYRNE** - For the current money we have allocated, the criteria is being developed but it would be on similar lines to the AusIndustry innovation fund under the economic diversification. That was \$8 million, but \$4 million out of the first year of the \$20 million. This is the fund that was established by the federal government with that economic diversification fund.

**Mr HALL** - So this will be in the form of grants?

**Mr O'BYRNE** - Yes, grants - essentially looking for a dollar-for-dollar or an input from the private sector to either expand capacity or a new piece of equipment that will lift production. It really is designed to drive job production.

**Mr HALL** - So it will go through a rigorous approval process?

**Mr O'BYRNE** - Absolutely. For example, Huon Valley Seafoods put in a submission for \$440 000, which it received and the total expected investment is over \$850 000, and that is to expand its processing, blast freezing and packing facility. That will lead to 30 new jobs. What we are trying to do is very similar to the north-west innovation fund where I think \$1 million or thereabouts, as an example of that fund, was given to Harvest Moon, to Neil Armstrong, to build a new broccoli and bean processing facility, which led to significant job improvement.

What we are trying to do is partner with existing businesses that have a plan for growth and expansion, where they put some of their own money in and we facilitate it. It may be that companies in five to 10 years have a strategy to grow and we are bringing that investment forward to make it happen so that at this time in the economic cycle we can drive that job opportunity.

For the economic diversification stream of the forests agreement, the Tasmanian Innovation and Investment Fund, I can give you a list of applicants that were successful across the state - and there were many. Out of the \$8.3 million granted, we leveraged more than \$20.5 million, leading to a potential of 261 jobs.

**Mr HALL** - If you could provide that, it would be helpful.

**Mr VALENTINE** - Just following up on the vineyards, and the fact that we are the second-most preferred. Do you know what factors make us that preferred? Is it soil type, sunlight hours, Mediterranean climate? Do you know what they are focusing on?

**Mr O'BYRNE** - I can probably get some more advice, particularly their rating system, but my understanding is that it takes in a whole number of factors: the quality of the wine, consistency, climate, playing to your strengths - so, the kind of viticulturists and wine producers we have here - available land, available water, biosecurity, government support for the industry. It ranges in terms of not only the natural advantages but also the industry strategy moving forward and we are working hand in glove.

**Mr VALENTINE** - Being an island, I suppose biosecurity is pretty important.

**Mr O'BYRNE** - When you talk to any of our agricultural producers, having the biosecurity advantage is crucial. Not only is MONA in the art scene important to Tasmania, but there is now a global conversation about all things Tasmanian. It has triggered a level of interest in this state in a positive way that has never been seen before. The effect in terms of our food, our wine, our liveability index, the quality of our environment, it has taken something like MONA to get into conversations where Tasmania has never rated before.

### **1.1 Business growth -**

**CHAIR** - I have one question, minister, if I might. We raised this with minister Green yesterday and he suggested we cover it here as well because of the economic development portfolio. That is with regard to financial support, or some consideration for the possibility of developing biofuel facilities around the state in the regional centres. Minister Green has had a briefing from Dr Russell Reeves -

**Mr O'BYRNE** - As I have as well.

**CHAIR** - Okay. There is some potential there, as we understand. The Legislative Council has been briefed by Dr Reeves as well. My question is whether there is in your mind as minister, from an economic development point of view in business growth or any form of seed funding, support and processes for such as that as an addition to productive use of residues from forests in particular and not just residues. There are some forests out there which are just no good for anything and they might as well be regenerated into something decent - knock down the bad stuff and put it through as biofuels and regenerate the forests into a diversified -

**Mr O'BYRNE** - There is a couple of things there. Ultimately, obviously the Tasmanian Development Board has a role to consider applications put before it as it did around the Triabunna facility and, in relation to this idea, these are the kinds of ideas that bubble up through. When we look at the governance arrangements of the economic development plan we established probably a two-tier process. First, all the key secretaries of the departments come together to discuss issues that happen across departments. We have established a subcommittee of cabinet, the Economic Development Plan Subcommittee of cabinet, and the work of that subcommittee is to not only drive the plan and any reports on activities, but also if there are issues that cross portfolios that we can create a single conversation and, potentially, once we have that discussion, a single point of contact for developers or people with good value propositions for us to invest in.

Broadly speaking, any economic development opportunity that creates jobs, that works to our natural advantages, that plays to the state's strengths will be considered by the government. We need to stack up the value proposition about where, how and if we fund that. I suppose the answer is absolutely we would consider it. We currently have a renewable energy loan scheme that plays some role in assisting some of these plans to get up. That may be a potential source of funds for it but, again, the process is pretty rigorous and the value proposition needs to stack up. Again, it is not purely the individual proposal but it is the contribution to an industry, a contribution to a community. It is very much a broad assessment of the value of any proposal that is put forward and the broader the value and especially in terms of regional Tasmania, the stronger the proposition.

**Mr HALL** - One quick question, minister. I had a quick flick through what you tabled there in regard to AusIndustry and I noticed most of those and they would all, it would seem to me, be home grown Tassie companies, which is good -

**Mr O'BYRNE** - Fantastic.

[2.15 p.m.]

**Mr HALL** - Yes. My question there was that I think some people get a little bit concerned if you do get people who come from interstate. They may well be even a multinational and they get grant money which consumes part of that budget and some of the other people are left out of the equation if that occurs. I am talking about some national companies and others who might come in and may already be here and then apply for and get cash and sometimes that does not go down well with the local business community.

**Mr O'BYRNE** - I can understand that. I suppose the criterion for us is driving economic growth in the state.

**Mr HALL** - I can understand that.

**Mr O'BYRNE** - You look at the Bell Bay industrial group and the vast majority of those companies and see that the nature of global organisations is now global capital. They have been acquired by national and international firms. We are not able to control that but we know that they drive hundreds of millions of dollars of economic activity in the state. They contribute significantly to the gross domestic product and also employ Tasmanians. I suppose the criteria for us is driving economic growth and providing opportunities for Tasmanians to have jobs in Tasmania.

**Mr HALL** - Thank you.

**Mr O'BYRNE** - Sometimes in some propositions you want global organisations to invest because they have a greater capacity to get projects up.

**Mr HALL** - The point I make is that they often have greater access to capital and everything else.

**Mr O'BYRNE** - True, absolutely.

**Mr HALL** - Then it saves local home grown business with the way -

**Mr O'BYRNE** - As you can see by the TIF fund and again the north-west innovation fund that was announced back in 2009, 2010, you can see from those programs that -

**Ms FORREST** - I think it was 2009, time flies.

**Mr O'BYRNE** - So when you look at both those funds and the recipients the vast majority are Tasmanian-based.

**Ms FORREST** - Minister, I was reading in the budget papers about Business Tasmania online last year; now we are going to add Invest Tasmania and budget paper 2, page 243, talks about the differences in each of those items. I wonder how much cost is associated with each of those. Couldn't those services be streamlined into one one-stop shop?

**Mr O'BYRNE** - They are different programs. Invest Tasmania is a specific activity within the department to drive investment in Tasmania, so from that side in Tasmania to support Tasmanian industries and businesses in growing.

Tasmania Business online is more of a web portal and assistance to small business to get access to government service, government forms, and small business regulation much easier. So Tasmanian Business online is more of a support to existing industries by way of a web portal and small business services. Invest Tasmania is really about driving significant investment from outside Tasmania into Tasmania to get developments up and assist Tasmanian business. So they are two different roles.

**Ms FORREST** - Do you have an idea how much each cost individually?

**Mr O'BYRNE** - The senior staff of Invest Tasmania are Mark Kelleher, Jonathan Wood, and Matthew McGee, and the unit has 4.5 other FTEs and also accesses staff from across the department when required to work on major project facilitation. For example, when we look at the VDL -

**Ms FORREST** - You do not give Mark's entire wage to that obviously.

**Mr O'BYRNE** - He is worth it.

**Mr KELLEHER** - Pro bono.

*Laughter.*

**Mr VALENTINE** - It is on *Hansard*.

**Mr O'BYRNE** - But also, for example, when you look at Invest Tasmania and the work Jonathan Wood is doing in major project facilitation for the VDL investment in Circular Head area. So Jonathan is working 0.4 for Invest Tasmania to pull together and assess VDL traverse the approval process including negotiations with various departments. What we are trying to do is establish a single point of contact because I know the most frustrating thing I came across when I was elected into this job, was the silo mentality -

**Ms FORREST** - Absolutely.

**Mr O'BYRNE** - and that is something which you can understand because in terms of the regulatory space with EPA they have statutory obligations they need to undertake. However, for someone who wants to invest in Tasmania, or to double in size or triple in size, they should not have to have the same conversation with four different departments.

**Mr VALENTINE** - No.

**Mr O'BYRNE** - What we are trying to do - and I think the Macquarie Harbour expansion was a good example of that, where we have industry liaison - we have DED in the room, we have DIER in the room for infrastructure and [?2.20.16] and Kim Evans in DPIPWE - we are working together in one sort of project management-style with a single point of contact, which facilitates a whole lot of conversations, because many people are not involved in government and they do not understand all the different elements of it. What we are trying to do with Invest Tasmania is to provide that single point of contact, to break down the barriers between an idea and moving it very quickly to an investment.

**Ms FORREST** - So as far as the VDL expansion goes, they have a range of issues to deal with, obviously, like land-clearing issues, Aboriginal heritage issues, a whole range of things. Are you saying you can deal with basically one person, one point of contact, and work through all of those processes with them?

**Mr O'BYRNE** - Not necessarily work through all the processes, because some of them are statutory, but we have Jonathan Wood as the key representative from Invest Tasmania to sit down with VDL to identify with them the steps they need to take, facilitate conversations and assist them in traversing those bridges, I suppose.

**Ms FORREST** - One other thing that has been raised in a recent debate in our House but which has also been an ongoing matter in my mind and that of others around this side of the table, is maximising the GM-free status and export markets of Tasmania. What is the Department of Economic Development doing in that area?

**Mr KELLEHER** - We have a range of programs supporting exporters. First, I suppose the brand level is the starting point. We cannot promote Tasmania's products without having a brand position, so we work closely with the Brand Council. We have an arrangement there for getting the message across and in particular their tradition of being on trade-related, export-related place-of-origin branding, and the stories and web sites and things going out from that, their membership which uses the Tasmanian logo. So that is that part of it. Then the other range of services that we provide, is things like the Export Marketing Assistance scheme; we have had 25 companies assisted this year as part of that scheme to help them -

**Ms FORREST** - Do you have a list of those?

**Mr KELLEHER** - We could provide that list. I do not have it with me now.

**Ms SUGDEN** - We do have it.

**Ms FORREST** - You are more organised than the secretary, obviously.

**Mr KELLEHER** - Yes, indeed.

**Mr O'BYRNE** - We are doing this pro bono.

*Laughter.*

**Mr KELLEHER** - An own-goal pro bono. There is the export educator program, outbound trade promotions - we lead one of those to China during the year, and, minister, you might want to talk about that.

**Mr O'BYRNE** - As part of the sister state province relationship with Fujian Province, we are celebrating the 30th anniversary, and as part of that there was a trade fair in Fujian Province. Fujian Province is basically on the Taiwan Strait, so it is the Chinese province closer to Taiwan, and with the improving relations between the Chinese mainland and Taiwan there are significant trade opportunities for Tasmanian businesses. We visited an Incat vessel that is now plying the trade with Pintan Island, and there have been billions of dollars spent on it in terms of infrastructure and improvements in housing and there are a whole range of opportunities there. We are supporting those companies in accessing that kind of opportunity, and we are in regular conversations with Incat about how we can potentially grow that linkage there.

Another company we took with us was Bill Lark from Lark's Distillery, and in conversations with Bill he said he was not sure if he was going to go. He said, 'I'm just not sure if China is my thing'. He went there and he was the star of the show, so he left that trade delegation of three days with three new suppliers, based on the visit, and we are now going through the paperwork.

**Ms FORREST** - You are selling in the GM-free status?

**Mr O'BYRNE** - Specifically in terms of the GM-free status, that is a part of the Tasmanian brand. I think we have asked consulting firm Macquarie Franklin to do an assessment of the market advantage relating to our state's GMO-free status. I am not sure when we will get that but we are doing a study to see if that is a market advantage that is seen out there.

**Ms FORREST** - We hoped that we would have that before the end of next year when we have the review of the moratorium.

**Mr O'BYRNE** - Absolutely.

**Mr KELLEHER** - Indeed. That was why we commissioned it actually, to have some evidence base for that moratorium. It is just about completed.

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**Ms O'BYRNE** - Both the Deputy Premier and I met with a consumer group from Japan talking about canola. WA has lost its GM-free status but Tasmania has maintained it so they were looking to purchase from Tasmania. I think the GMO issue is very important. It fits into the overall brand.

On the weekend we launched a new branding opportunity for Tasmania called Taste Tasmania, supported by the Brand Council. We know that a number of our companies have strong markets in both mainland Australia and also across the world. What we want to do where it is appropriate, and many of our growers and our producers are able to circulate their product locally, we want to remove the single point of failure. Some of our producers have one market and it is going very well but there is always a concern of having a single point of failure if something happens - if a market closes or if there is a change in some issue which causes a problem for that market. What we want to try to do is not only provide greater support for Tasmanian companies in having multiple points of distribution locally, we also want to be able to have Tasmanian companies and producers have their products identified as Tasmanian because we know from the increase in the number of farmers' markets and farm gate markets across Tasmania that Tasmanians want to buy Tasmanian produce.

What we want to do through the IGA stores and through a whole range of different outlets is to have products that have the Tasmanian brand logo on it. We launched a campaign on the weekend called Taste Tasmania. I am not absolutely sure but basically it is about advertising Tasmanian produce to Tasmanians so that they can identify it and we can build the base of Tasmanian producers within Tasmania.

The freight task is not as much. Instead of getting it to Melbourne or up to Asia you just have to get it to the local IGA supermarket. Then they have that local, very immediate income base within Tasmania. I can leave these with the committee if that is of any value.

**Mr WILKINSON** - While you have that one up there, the wine one, I understand there is an issue at the moment with wines that are sold at the cellar door in relation to rebates. In other states in Australia they have that, I understand. Tasmania has not. With the number of wineries now in Tasmania it would seem to me an ideal opportunity if it can be afforded.

**Mr O'BYRNE** - We did start off with wine, Jim, just at the beginning of the session so there is a bigger picture issue but that particular one has been raised with us. It is under active consideration, not in this budget but it is under active consideration as a way to support the Tasmanian wine industry as well.

**Mr WILKINSON** - And the rural areas as a result.

**Mr O'BYRNE** - We know that for vineyards the sale of the product is but one element of income, especially in terms of national and international markets. We know the cellar door drives tourism not only for that vineyard but also for regions. If you look at the Tamar Valley, the Coal Valley, the Derwent Valley now, or the east coast, and across the state down to the Huon and Home Hill, there are tremendous vineyards opening up because of the quality of the products. We know that supporting the wine industry does not just support the wine industry; it supports the tourism industry.

**Mr VALENTINE** - Bed and breakfasts, all sorts of things.



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**Mr O'BYRNE** - Absolutely, yes.

**Mr WILKINSON** - Sorry, I did not want to stop you but I saw you holding the wine photo up.

**Mr O'BYRNE** - That is right. It is always a good visual reminder.

**Ms FORREST** - He was feeling thirsty.

**Mr O'BYRNE** - Feeling thirsty? It is after lunch after all. Do you want me to table these?

**Ms FORREST** - There was the other list too.

**Mr O'BYRNE** - The list.

[2.30 p.m.]

**Ms FORREST** - This probably crosses both 1.1 and 1.2. In your performance information that is listed on page 2.10, I notice you have rolled a few in together, such as investment, exports and import replacements facilitator are wrapped into one now. These targets vary a little from previous targets - I guess that is a reflection of the economic times.

**Mr O'BYRNE** - They were created five years ago, as well.

**Ms FORREST** - Do you think the targets are now realistic? There is still a fair bit of ground to make up in some regard if you look at the actuals to the targets, particularly in the economic climate we are facing. I know it is a target and what you would hope to get to but how realistic are we here?

**Mr O'BYRNE** - It is going to be tough, given the global economic environment, the strength of the Australia dollar, and being an export-orientated economy. We know the environment we are in is tough but what gives me confidence that we are going to give it the best shake is that we now have a plan; we now have a strategy and the department is lined up to the outputs of the Economic Development Plan. We have a subcommittee of cabinet driving this. I am very optimistic that we are going to be able to get some results here. We may not reach the goals but we are going to do everything we can to try.

**Mr WILKINSON** - In the work you have done, can you see an increase in focus on Tasmania? We are doing wine well; we do beef well; we have done cheese well, and the salmon industry. It would seem we have a niche market for icon-type products, and we do not want to be amongst the rough; we want to have products over and above most of the others.

**Mr O'BYRNE** - That is the value proposition. When you look at those industries; all of them compete, especially now, with dairy and the powderised milk plant in Smithton. We are competing at a much stronger value proposition, at the higher end of the market, because we know that with freight competing nationally, labour costs and other feeding costs internationally, we are probably at the higher end of the market.

We cannot compete with some Asian countries in labour; we are not going to pay people \$1 per day - that is not how this community works. We know that if you compete at the higher price point and compete on quality, it is very hard to knock us off. With our salmon industry, we have 80 per cent of the domestic market. We cannot meet demand at the moment, not only with wine

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but also with the salmon industry. We known through Petuna, Tassal and Huon Aquaculture - and Huon Aquaculture particularly are pushing into the Asian markets. With the Macquarie Harbour decision and with investment we have been able to achieve through the intergovernmental agreement on forests and with the infrastructure spend in the Channel and the Huon areas, that lifts production, opportunities and jobs. We know we have something which is of international standard, and they are the ones we need to back. The value proposition needs to stack up; we can no longer compete. If you look at the potato industry, it is at the whim and is the victim of some very ordinary behaviour by some large multinationals. We have to compete at a higher-quality end of the market and I believe we are trying to play to those strengths, while supporting the broader-based commodity agricultural industry.

**Mr WILKINSON** - Are we able to see, as a result of the work you are doing, an increase in the interest and purchase of these products in places such as China and places where hopefully there can be huge increases?

**Mr O'BYRNE** - Our exports are increasing; the value of our exports is increasing, which is very pleasing to note. Invest Tasmania is an organisation within the organisation and has really only just started to click into place because we had to reorganise the departments. We are looking at a whole range of things such as market facilitation and inward investment to drive that growth. It is not necessarily organic and the industry needs to play a role as well. That is why, when you look at the role of Brand Tasmania, as one example looking at Tetsuya and his support for Petuna and our salmon industry - as part of Savour Tasmania we recently held the black box with the meat and livestock industry - they were a big sponsor of an international competition for chefs to use Tasmanian products. They are raving about our produce, our meat, seafood, and fresh vegetables.

**Ms FORREST** - I have talked to people who have been to that. It was at Wrest Point; it was incredible.

**Mr O'BYRNE** - It was tremendous. I wasn't able to make it on the night.

**Mr KELLEHER** - It is the first of those international events where they have only used local produce for that competition.

**Mr O'BYRNE** - Also, there was a Savour Tasmania event on Saturday night - the Festival of Chefs, which was a fantastic and I was able to talk -

**Ms FORREST** - There are more of those around the state, too; there is Burnie next weekend.

**Mr O'BYRNE** - And it is important we disperse it to the regions where the products are grown. If you talk to Frank Camorra who owns MoVida restaurant, a very famous restaurant in Melbourne, he is saying Tassie produce is amazing; it is fantastic. Also about the way we did Savour Tasmania, he said you wouldn't see this anywhere else. You would not see the level of collaboration between the producers, the government and the private sector facilitating and advertising Tasmanian products. You would not see it anywhere else and he was really impressed. With events like Savour Tasmania, and others, we are really getting our branding right. It is tough times because they are not cheap these things, but it is important.

**Mr WILKINSON** - It is important, and it is interesting because in a number of places and a number of markets around Australia, the Tasmanian product is on the label, or on the boxes - if

you are in a market - of Tassie strawberries or Tasmanian scallops, or whatever it might be. People are selling it on that basis - the brand basis, as you say.

**Mr O'BYRNE** - That is exactly right. You have an organisation like Costa's, a massive company; it is buying land and growing berries and their produce in Tasmania. It is partly for risk mitigation for some other areas where they grow - floods and other sorts of pestilence. They see Tasmania as a way to produce not only high quality products but to extend their growing season. That is the other thing about Tasmanian produce, especially if it is the kind of produce that we can snap-chill. If we cool it down a bit and slow down the ripening process, we can get it into the northern hemisphere out of season at a high value. That is the other proposition we are looking at as well.

**Mr VALENTINE** - You talked about value of exports a minute ago. How does that sit with the rest of Australia? They are actually going up in comparison to other states in that sector?

**Mr O'BYRNE** - Absolutely. The issue is that some of the numbers are grouped and if you look at the minerals industry out of WA, their exports are exponentially growing. My understanding is, and I can clarify this, but in the areas we want to compete in, we are doing extremely well. I can get those statistics for you.

**Mr VALENTINE** - I would be interested in getting the statistics on the value of exports in those particular sectors we have been talking about.

**Mr O'BYRNE** - We can get that.

**Mr WILKINSON** - Have studies shown that what you do at the high end of the market flows onto other things, such as boat building, or other industries that Tasmania can do? Because you are doing well with an icon wine, an icon fish, et cetera, is there a flow-on to other industries that can be tracked?

**Mr O'BYRNE** - Yes, I think people underestimate the MONA effect in the conversation about Tasmania. As I said before, it is not just in the art world, but all of a sudden we are being discussed around tables and rooms where the word 'Tasmania' has never even passed people's lips; but now they are talking about us. All of a sudden it is the tip of the iceberg.

I was having a conversation with Phil Clark, head of our Infrastructure Advisory Council. For many years he was studying in the United States and he had some friends who occasionally come to Australia. They hire a jet, so they are pretty well coined up. They flew to Sydney but they did not stop to say hello. They refuelled and flew to Hobart, stayed in Hobart, Henry Jones, MONA, Saffire, did some stuff in the wine regions, and then flew back to Sydney. They didn't stop but refuelled and went back to New York. I know that is an amazing story and it is something beyond my lifestyle. I believe that something like MONA has triggered it and this is a real moment in time for Tasmania.

The International Cool Climate Wine Symposium brought 300 delegates from across the globe. We were rated the second-most attractive place to invest in wine. People in Dom Perignon know about our sparklings and we are being referred to as the 'little Champagne'. If you look at the Antarctic Program, for once, our geographical location is our competitive advantage. When you look at talking to the Chinese, they currently have about 100 researchers in Antarctic and southern oceans and they want to expand that to over 1 000 and they are building a new

icebreaker. Let us get it to Tasmania. I believe through the economic development plan and in this moment of time in Tasmania, for the first time in the state's history we actually understand our strengths and we can play to them.

**Mr VALENTINE** - Mind you, strategically, China does not recognise Australia's holding in the Antarctic so we have to be a little bit careful.

**Mr O'BYRNE** - Defence Minister Smith will have something to say about that. We are negotiating a memorandum of understanding between Australia and China about our operations but, of the five Antarctic gateway cities, Hobart is the only one with such a strong science and research program - the highest concentration of Antarctic and subantarctic researchers in the nation and that means it is globally significant. Again, when you talk about economic development, it is not just about waiting for one project to come and save us. It is about diversifying the economy, playing to our strengths and it has come at a perfect time.

**Mr WILKINSON** - It is a story we should be telling not only here but also in other places, and no doubt you are. By having that expertise and knowledge, people in other parts of the world should realise that you are producing a top quality product, a high-end market product. Also that should flow on to the university which would be having courses that are sympathetic to what we do well to get people to come here. Is that what is happening?

**Mr O'BYRNE** - Jim, that is a great point. Through the new Vice-Chancellor and the new leadership team, the Pro Vice-Chancellor researcher Paddy Nixon and others, in my understanding, the relationship between the state government and the university has never been stronger. You have a vice-chancellor in Peter Rathjen who comes from a background of Melbourne University which commercialised a number of its research projects and got IBM to invest millions of dollars not only into the university but also into the research program. Every conversation we have with him is about the single university in the state; we do not have competitive tensions, and that can play to Tasmania's strength.

They support the economic development plan. They think it makes sense and they are lining up a number of their research programs, their investment programs and all of their activities to play to Tasmania's natural strengths. If you start Peter Rathjen talking about Tasmania and the strength of Tasmania, five hours later he is still going strong.

**Mr VALENTINE** - Almost like you.

*Laughter.*

**Mr O'BYRNE** - We should all do it, because this is a real moment in time.

**Mr VALENTINE** - Sorry, that was not meant to be negative.

**Mr O'BYRNE** - No, I know, and I will take it as a compliment pro bono style. I think the ducks are lining up for us and it is a wonderful time given that there is a lot of pessimism about the economy, and I can understand that. There are some industries that are struggling but in terms of our strategic advantage and for the next 10, 15 or 20 years - it is anecdotal, I have no research to say this - this is probably the first time in Tasmania's history where more people want to move here than leave, and for the community's confidence that has to do something.

## UNCORRECTED PROOF ISSUE

**Mr WILKINSON** - That is outside the shores of Tasmania. Often you have to leave it to realise how good it is.

**Mr O'BYRNE** - Exactly.

**Mr WILKINSON** - Is anything being done to improve the psyche of people within Tasmania who are often walking around with their tail between their legs, which is a bad look. It is a bad look for people who do come here with all the enthusiasm they can muster to be watered down as soon as they get off the plane by people saying, 'What a bad place it is to live, nothing is happening. Whatever you do people are knocking it', and that is something that should be looked at as well.

[2.45 p.m.]

**Mr O'BYRNE** - I agree, and it takes the community to do that and we all have to take a leadership role in talking Tasmania up. I am not going to make any political points. Obviously, the opposition needs to do what it thinks it needs to do. Unfortunately, people have confused the state of the state government budget as a state of the economy. Yes, some of our industries are struggling and going through a transition and we acknowledge that, but there are so many positives that are happening in the community and the more we talk about it the better. I am not going to criticise the role of the media; they have a role to play. However, in some of the current debate in the media, they are taking the easy line and they need to play a part-responsibility. It is too easy to blame the media. It has to take community leadership around the regions - and the *Mercury* has run some really good positive stories recently. We have our regional reference groups coming together and, as Mark referred to earlier, we have had a number of conversations - 38 community conversations, 38 forums, with over 700 people coming along and they are talking positively about the future of Tasmania. Those strong regional reference groups are very positive about the future of Tasmania.

**Ms FORREST** - Do you have a list of the people who are on those reference groups?

**Mr O'BYRNE** - Yes, we can give that to you.

The north-west chair is Mike Buckley, the northern chair is John Pitt, and the southern chair is Elaine Stratford from the university, so three very good-quality people. Around them is a mix of industry, community leaders and local government leaders as well.

**Ms FORREST** - On the information you provided on the export marketing assistance scheme grant payments I am interested in what North O'Blinds (TBC) is exporting as it has a couple of allocations here.

**Mr O'BYRNE** - Who is that?

**Ms FORREST** - North O'Blinds.

**Mr O'BYRNE** - No relation.

**Ms FORREST** - Nearly \$17 million.

**Mr O'BYRNE** - We might have to come back to you on that.

**Ms FORREST** - Premier Travel - you are talking about exporting there.

**Mr O'BYRNE** - So you want some more details about what the grants were for?

**Ms FORREST** - Yes, and what exports we are supporting here.

**Mr O'BYRNE** - We can get that.

**Ms FORREST** - North O'Blinds - I think they make blinds.

**Mr O'BYRNE** - What fantastic branding.

**Ms SUGDEN** - Interstate not international.

**Ms FORREST** - I thought they were blind makers on the mainland as well.

**Mr O'BYRNE** - It takes all sorts.

**Mr VALENTINE** - Is this under business growth we are talking about?

**CHAIR** - We are ranging across 1.1 and 1.2 so we will not spend too much time on 1.2 at all.

**Mr VALENTINE** - With respect to business growth, something I would like to see grow in Tasmania is industrial hemp. I know there is some industrial hemp being grown in the north of the state. I think it is a Queensland company that is doing some trials in that area. Has the Department of Economic Development had much contact with that, and what is happening in that space from your end?

**Mr O'BYRNE** - We are working on that. We are trying to create a bit of an industry association like the poppy growers have. I think potentially it can occur. We are working through a couple of the guidelines to enable it to occur. It can happen really now but you have to get to the size to start getting the land, start planting the crop, and -

**Mr VALENTINE** - It is obviously very beneficial to us though. It ticks all the boxes, doesn't it?

**Mr O'BYRNE** - Absolutely.

**Mr VALENTINE** - I know there is a committee looking at it in the House of Assembly, and I know all parties agree with it so it is obviously not going to have too many political barriers.

**Mr O'BYRNE** - It is really about making sure the value proposition stacks up for the proponents and they have to make sure they have markets for it -

**Mr VALENTINE** - That is right.

**Mr O'BYRNE** - and they are able to process the product as well. So growing it is probably the least of the issues.

## UNCORRECTED PROOF ISSUE

**Mr KELLEHER** - I don't have a lot of detail but I know from discussions we have had that it is more likely to be the hemp oil from the seeds that will produce something that is competitive in price -

**Mr VALENTINE** - What about clothing?

**Mr KELLEHER** - We could not compete-price wise in that market but there is potentially -

**Ms FORREST** - Biomass is another opportunity though?

**Mr KELLEHER** - It could also be in the biomass pending on our energy supply demand situation. The hemp oil seems to be the main opportunity, so that is where it is going now.

**Mr VALENTINE** - Insulated building bricks is another avenue that someone needs to look at. You can create insulated blocks and the glue that holds the blocks together comes from the plant. That is a potential industry for someone who wants to grab it.

**Mr O'BYRNE** - Again, if someone wants to come up with those sorts of value propositions, and if they need some sort of support, we would have a look at it.

**Mr VALENTINE** - One other aspect is the Antarctic gateway. I have pushed this barrow down the road quite a lot in my time. I am conscious of the Macquarie Wharf development and I am keen to make sure there is space for the expansion of the Antarctic gateway. I hear what the honourable member for Nelson is saying that it is important to have jobs being created in Tasmania that people can grab hold of rather than what is going on down south, but there is a real potential to grow that business, as you pointed out, with China and the like. Are we making sure that we can quarantine a certain portion of that site for the Antarctic Gateway development?

**Mr O'BYRNE** - We recently were successful in getting some funding of \$110 000 from the federal government to work up the business case and work up the data and information we need to assess what that 8.4 hectare site is going to be. From my perspective it needs to play in with the current activities around the wharf and our strengths. I do not think we will have a single site. It won't just be university, or just be education, or just be commercial activities. A range of things will be proposed there. It is important that people live there, that they can work there, and also play there a bit and have a good time. The Macquarie Two redevelopment through Tasports is a purpose-built facility for logistics for the Antarctic division and also for the cruise ships. I am working extremely hard with federal minister Albanese around the Macquarie Point rail yards redevelopment. This is not just about livable cities and having a plan for the city, but this is a once in 100 years opportunity for such a large site in such an amazing location to drive economic growth in the south.

**Mr VALENTINE** - We can't forget that it is the second deepest port in the world. Huge cruise ships are being built, and soon it is going to be 'where can we go safely?' We do not want to cut off our opportunities.

**Mr O'BYRNE** - And Hobart presents that opportunity, absolutely. There will always be a working port element to Hobart Port so, when you look at the actual space, the 8.4 hectares shadows the Cenotaph area there, and there is still plenty of space to maintain those working ports.

## UNCORRECTED PROOF ISSUE

**Mr VALENTINE** - As long as we keep our options open. I am interested in a couple of aspects of industry development. Business incubation for small to medium enterprises is one we just touched on briefly. Is there much work that you are actually doing with smaller enterprises, which create jobs in smaller communities around the state?

**Mr O'BYRNE** - Ninety-five per cent of Tasmanian businesses are small. They employ over 100 000 Tasmanians. We launched as a part of our economic development plan a small business strategy, which talks about providing a whole range of services. First of all, Business Tasmania Online is trying to establish a single web portal where people can access government information. We have also announced a compliance burden review as we know that we want to try to reduce the time that small businesses spend on regulation and compliance activities. We are also working through the Business Ready program, which is predominantly provided to small business capacity building activities around being digital-ready, understanding e-commerce and taking advantage of the NBN opportunity. Also Energy Ready, how they reduce their energy bills and deal with that side of the equation, and Market Ready, how to actually get their product to market. There is a whole range of activities in the small business area.

In 2011-12, we committed over \$2 million in that area to drive support for small business. I was at the launch of the Digital Ready project in Launceston where we sat down with about 30 or 40 small businesses and talked about understanding the importance of a web presence, taking orders to sell their product online and understanding the importance of social media in marketing your business using Facebook and Twitter, et cetera. So we are providing practical advice to small business in that area, and also provide support to business enterprise centres across the state so they can sit down with small to medium size businesses.

**Mr VALENTINE** - One other area I want to get a bit of a feel for and what you are doing, is the companies that are out there doing innovative things. Some years ago, I was involved in facilitating some work with what is called a marine science cluster when I was down the road. I brought together a few players in the IT industry, and we looked at the possibility of small companies coming together to be able to bid for those larger tenders, which on their own they could not possibly do. It was a marine science cluster. With NBN coming on line and the possibility of research into what can actually run across that line - that is the important thing, not the fact that we have the highway, but what vehicles we are going to run across that highway to our best advantage - what work is happening from the economic development bent to capitalise on the NBN, that highway, and possibility of developing up some clusters? We do have many people out there with innovative thinking.

**Mr O'BYRNE** - You are right, the NBN presents us with a unique opportunity. Whilst I think Macquarie Point is once in a hundred years, the NBN is a once in a generation opportunity to really deal with the issue of geography. If there is one thing that can overcome the issue of geography it is high speed broadband. If you are not connected to anywhere geographically then you can do business in Tasmania. It is not only important for attracting businesses to move to Tasmania because of our liveability advantages, and the kinds of things that we can offer to do business in Tasmania, it also acts as an enabler for existing industries and existing companies to grow and build their market. In terms of the ITC sector more broadly, I will ask Mark to add on that.

**Mr KELLEHER** - The big change was a couple of months ago when finally the full Tasmanian NBN rollout tender was fully announced and committed. We will definitely be fully connected, fibre, wireless and satellite, 100 per cent, by 2015 - six years before that will be the



case anywhere else in Australia. That is what we have been waiting for. For the previous two years we had some initial rollouts, but it was hard to go out and create the momentum and focus on this because there were not enough connections. We have that now. We are currently supercharging the whole digital future strategy that we had in place because now we can deploy it. It is deployed in a range of areas. It is those sorts of programs that the minister talked about around being digital-ready. It is now enabling our small businesses to take advantage of that from their own point of view and be educated on how to do that. The research opportunities are going to be huge. SenseT Program -

**Mr VALENTINE** - Sorry?

**Mr KELLEHER** - SenseT is a joint program, a statewide network or federation of sensors being jointly funded by the state government, CSIRO and the University of Tasmania. A \$45 million program over the next few years that is going to have Tasmania as a unique - again one of these iconic things that Tasmania will stand out internationally because it happened to be just the right sort of size -

**Mr O'BYRNE** - It is big enough to show something can work, but not so big that if it doesn't work it is not a waste of money, so we are also trying to attract some private sector capital investment.

**Mr VALENTINE** - Like a pilot in a way?

**Mr O'BYRNE** - Essentially, and that is what has the university so excited and people like Paddy Nixon, who has recently moved to Tasmania from the European Union and Ireland. He sees the natural advantages that Tasmania has. It is not only good for driving inward investment in research, but again another example of the university of linking that to Tasmania's natural advantage, which is our agricultural industries and understanding soil content, moisture content, temperature, in real time so that smart farmers, can make through this technology

[3.00 p.m.]

**Mr VALENTINE** - So it is developing product to run across.

**Mr O'BYRNE** - Absolutely. It is practical in being on-farm and on-product in Tasmania but it is also about Tasmania's understanding the opportunity to provide and build the applications and to get to that space - basically building on the work you started.

### **1.3 Social and environmental sustainability -**

**Mr VALENTINE** - This is where Dr Sirolli comes in - he is being funded under this section. I do not know how much of the funds are going to his corporation, but I am interested in what sort of support services there may be in place to back up once he has left. It is all very well to give opportunities for towns to create business but what is the plan once he has left?

**Mr O'BYRNE** - We have been having a number of discussions with TasCOSS and a whole range of other organisations about enterprise facilitation at that micro-level. Through microloans and other sorts of activities we have tried to support that enterprise facilitation - smaller business and collaboration. The Sirolli Institute has already started to deliver community briefings in the areas we have allocated to it - Smithton, George Town and Scottsdale. There will be a briefing in Huonville very soon. TasCOSS is assisting in forming the project management teams in each of

the regions, and these will be made up of local business and community leaders. The institute is responsible for training the project management team members, that is, building the community infrastructure and assisting in the recruitment of these genuine community facilitators. Once established, the project management teams will incorporate and receive grant funding from us through the program and manage a contract with the Sirolli Institute and employ the facilitator. It is about getting the Sirolli Institute to come in and help us establish these. It will be about supporting the facilitators and some of these micro-businesses coming together.

The Sirolli Institute is a very institute-specific role but it is really designed to pull people together, facilitate a conversation, and facilitate collaboration in regions that are struggling in some respects economically. We know that a community that can grow organically from itself will be much more sustainable than buying something off-the-shelf and trying to pop it in and giving out handouts. It is trying to build the capacity of the local community to understand its advantage, understand the opportunities that are there and collaborate in that decision-making, and collaborate in a way that provides economic opportunity for those regions. It has worked in a number of regions across the globe where the Sirolli Institute has been doing this work.

**CHAIR** - The good doctor briefed us last week.

**Mr O'BYRNE** - Yes.

**Mr VALENTINE** - Clearly you see the funding expands up in 2012-13 and 2013-14, and then goes down again into the out years. Presumably you are expecting that most of the work will be done in those two years.

**Mr O'BYRNE** - Absolutely. It is also important to note the government's mantra is we cannot rely on one company or one industry to support the economy. We need to diversify and support Tasmanians in fulfilling their dreams. There are so many people out there with great ideas but they just need some assistance and collaboration to get it to the next level.

**Mr VALENTINE** - What other projects are happening in that social, environmental and sustainability area that you can tell us about? Sirolli is one thing.

**Mr KELLEHER** - That is a very specific one aimed at the communities that are under the most pressure at the moment, I guess from the forestry areas. There are activities going on with the micro-business loans program we have had going for a couple of years - a no-interest loan scheme.

**Mr VALENTINE** - How big are those loans? You have been talking micro.

**Mr KELLEHER** - Up to \$3 000. In 2010-11, 85 loans were approved, with a total value of \$247 000. That was significant and a 26 per cent increase on the previous year.

In the other area, going on to social enterprise, there are two other interesting ones. There is a targeted pilot in areas with high youth unemployment - a pilot out in the Brighton-Bridgewater area - to try to break that intergenerational cycle. We have some a pilot going on there to see how we can make a difference. Our department has a particular role for interface with the business community, that is, to have a link between the business community and these areas where we have the most difficulties in trying to break that cycle, and that is another example. We have run a major forum on the role of social enterprises in Tasmania where we brought all the various

groups in for a collaborative approach to what can happen and we have a series of forums happening over the next few weeks bringing in opportunities for people who are interested in working in social enterprises or getting them going. That has two roles: one is the successful establishment and operation of a social enterprise for its role in the communities in which they operate, but it is also a fantastic way to build leadership and entrepreneurialism in these communities.

**Mr VALENTINE** - Could I get a list of those projects?

**Mr KELLEHER** - Sure.

**Mrs ARMITAGE** - Still on the same issue and following on from what Rob was saying about forestry and Sirolli's project, areas such as Launceston have also been greatly affected and we might not have forestry as such right in our area but many of the workers actually live in the Launceston area. What are you doing in looking there to try to provide employment for people who have lost their jobs? Is there anything particular you are doing in the Launceston area?

**Mr O'BYRNE** - As a part of the normal everyday work of Economic Development working with industries, we provided a grant to the Tamar Valley Dairy to increase their job levels from around 100 to close to 200, almost doubling in size, is that right?

**Mrs ARMITAGE** - They got the Coles contract.

**Mr O'BYRNE** - Yes, but also we facilitated the purchase of a piece of equipment that means they could actually meet the demand with their supply. We are also working very hard and have done so for a number of years, and we are very supportive of the pulp mill because, if that development goes ahead, that will drive significant employment within the region.

**Mrs ARMITAGE** - That will not be the great panacea, though, that it is perceived to be.

**Mr O'BYRNE** - No, I am not saying it is. We are sitting down working with BHP and Rio to maintain their operations in the Bell Bay industrial area and working with a whole range of businesses. Under the TIIF through AusIndustry, a number of businesses in the north of the state have been able to receive some funding out of the forest agreement. For example, Tas-Fab is based at Invermay and we have helped them expand their workshop and install equipment to increase their capacity and services. We have supported them with a grant of \$353 000 and they have put in the rest to make a \$1.2 million investment for eight new jobs.

There are a couple of others more broadly around the northern part of Tasmania: Roadside Products - the purchasing, installation and commissioning of a 120 litre blow-moulding system to increase production to meet market demand and there are extra jobs there. Out at Scottsdale, a number of businesses have been given some assistance and again, under the Tasmanian government element of the TIIF we will hopefully be able to see some Tasmanian firms in the Launceston and the north-east region receive support.

**Mr HALL** - Just on the back of that, none of that was out of the Tasmanian government's Innovation and Investment Fund, was it? Is this a separate fund?

**Mr O'BYRNE** - No, that is the federal money, but are you talking about the Tasmanian one?

## UNCORRECTED PROOF ISSUE

**Mr HALL** - Sorry, minister, you tabled something there before but none of those things that you were reading out were on that table.

**Mr O'BYRNE** - Yes, they were.

**Mr HALL** - Not that I can see.

**Mr O'BYRNE** - With the TIIF, the original TIIF was out of the economic diversification stream three, which is what you have there, the AusIndustry one. We have announced in our budget some extra money to continue that program. We have not taken any decisions on that as yet.

**Mr HALL** - Just to get that straight, are you tabling some of that information that you read out?

**Mr O'BYRNE** - You have it in your hand.

**Mr HALL** - But you talked about Tamar Valley dairies for example.

**Mr O'BYRNE** - No, Tamar Valley Dairy received funds under the previous innovation fund back from 2009.

**Mr HALL** - I see.

**Mr O'BYRNE** - There was a general question from Rosemary about what are you doing in Launceston and so I gave a broad brush statement of what we are doing and then went to some specific examples from that fund. That is not the sum total of our work.

**Mr HALL** - Okay, so we will have a sum total across that? It would be handy.

**Mr O'BYRNE** - In terms of the innovation fund you have the sum total but the department's activities supporting businesses is from sitting down with a company and talking to them, like the Digital Ready program - building their web presence and being able to take bookings or take orders over the web. Every day of the week we are doing things with Tasmanian businesses. Some are business-specific, some are industry-specific, and some are about the Tasmanian brand.

**Mr HALL** - What confused me there was that Rosemary asked a question and you talked about Tamar Valley Dairy. That announcement was only made last week. Then he talked about a piece of machinery, which was provided.

**Mr O'BYRNE** - No.

**Mr HALL** - That was provided some time ago, was it, before -

**Mr O'BYRNE** - Yes. Rosemary's question was what are you doing as a part of supporting the northern economy, more broadly.

**Mrs ARMITAGE** - Basically, many of the people have lost their jobs over to forestry because a lot of them actually live in the Launceston area.

**Mr HALL** - I know they do. There are 400-odd people who work in furniture in Launceston for example.

**Mrs ARMITAGE** - Yes.

**Mr O'BYRNE** - That has been happening since 2008, so over a period of time we have provided support to the northern economy to provide opportunities. Out of that 2009 fund, we enabled them to purchase a piece of machinery which could build their capacity which meant they could tender for that Coles job and they have made a subsequent decision to expand their facility from where they currently are to the new building. That was a million dollars, was it? We can get the exact figure but it was not insignificant.

**CHAIR** - We will move then to Science, Innovation and Technology and that will wrap this area of economic development.

**Mr O'BYRNE** - We have touched on that with the Antarctic Division in science and research.

**CHAIR** - I am just leaving it there in case there were questions. There are not as I look around the table so that completes as I see it Economic Development. Thanks minister and everyone involved.

**The committee suspended from 3.13 p.m. to 3.18 p.m.**

## **DIVISION 8**

(Department of Police and Emergency Management)

**Mr O'BYRNE** - I would like to start by commending the efforts of all staff and personnel in the department. Day after day these people do an outstanding job often in extremely difficult circumstances. It is because of all the efforts of these people that we are living in and building safe communities and maintaining community confidence.

Confidence is fundamental to successful policing and improving public safety in Tasmania. Let us be clear we do live in a safe place. Recorded crime has continued to decrease from 35 824 total offences in 2006-07 to 27 165 in 2010-11, a reduction of 24 per cent. The current figure of 20 280 total offences for this year to 30 April is showing similar trends to previous years. It is not just statistical trends that prove Tasmania is a safe place in which to live. Anecdotal evidence also suggests that people feel safer in public places, at home and on the streets. This is backed up by results from the national survey of community satisfaction with police in 2011. It has continued to show that Tasmanians feel safe both in their homes and in public places. The percentage of people who feel safe at home is 96 per cent in the daytime and 90 per cent night. The number of public order incidents and public place assaults reported to Tasmania Police is the lowest for five years. It is important to note that Tasmania continues to rate higher than any other state for these measures. The result highlights the excellent work of our frontline police as well as the role of management in continuing to provide policing solutions that deliver strong results on the ground.

## UNCORRECTED PROOF ISSUE

Contributing to these trends is a 24 per cent decrease in property offences and a 28 per cent decrease in assault offences, including a 20 per cent decrease in public place assaults. The overall clearance rate continues to improve. The percentage of Tasmanians who agree or strongly agree with the statement 'I think the police perform their job professionally' is at 87 per cent, which continues to remain above the national average. The national survey showed that 68 per cent of Tasmanians interviewed were satisfied or very satisfied with Tasmania Police's management of public order problems. The Tasmanian result shows an increase from 60 per cent in 2010, which is also reflected nationally.

Road safety efforts and initiatives such as vehicle clamping, high-visibility patrolling and targeted traffic operations have helped to reduce both the number of fatal and serious injury crashes, and the number of people who were fatally or seriously injured to the lowest in over 40 years. This is an outstanding result, and I will continue to work with the department to reduce this number even further.

The state continues to meet challenges posed by the management of the urban and rural fire risk through the strong work of the Tasmanian Fire Service. TFS continues to provide emergency response training and equipment for all fire-related matters, and I particularly commend the members and volunteers who worked hard to contain a severe bushfire in the Derwent Valley during the summer this year. It was their efforts in extreme conditions that resulted in minimal property loss and no loss of life.

While these results reflect excellently on all members of the department, we are not without our challenges. You would be more than aware of the significant budget challenge that the Tasmanian government has at present, and the Department of Police and Emergency Management is not immune from these. Whilst being spared from any further budget reductions, the department will be required to meet the \$4.014 million in additional savings required in the 2012-13 budget as identified in the 2011-12 budget. The commissioner advises me that he has undertaken a review of the structure of Tasmania Police in order to meet these financial challenges, and to better position the organisation for future years. I am confident that through strong leadership the department will continue to operate within its budgeted allocations.

With those opening words, Chair, I am now ready to take questions.

**CHAIR** - Thank you. In the overview, Tony has a question, so we will just go with overview first and then we will come to the line items as usual.

**Mr MULDER** - Thank you for that overview, minister. I, and I am sure, the rest of the committee, will commend you on the performance of this agency, which trains its people well.

My question relates to an issue that we were dealing with last year, and that is the issue about section 7 of the Police Service Act, the ministerial direction. Last year, you said you would look into the proposal that there perhaps ought to be a more confined structure around what the nature of that direction is, and in fact at this stage it just says 'direction'. Commissioner Hine indicated that there was a paper circulating. I am just wondering whether you would give us a brief update as to how that particular process is going?

**Mr O'BYRNE** - It is under active consideration. Discussions are continuing and the matter is now, I understand, still with the Department of Premier and Cabinet as a policy decision matter. We are waiting to hear back from them about their view of the next steps that need to be taken.

**Mr MULDER** - So that is now 12 months under active consideration?

**Mr O'BYRNE** - Yes. It is appropriate that when you make a decision such as this you undertake appropriate consultation with other key government departments and, whilst of course it would be nice to have a quick process, as you know there are a lot of balls in the air for the state government at the moment and, while this is important, it is also important that we need to allocate the resources across the activities.

**Mr MULDER** - You also indicated to me in discussions and, I think, in the media too, that the current arrangements were based on some advice from the Solicitor-General that they need not change. I notice the previous minister Cox in March 2009 indicated publicly that that information would be released to the public. Are you aware of that statement, and do you intend to honour it?

**Mr O'BYRNE** - To be honest I am not aware of that statement. In due course, once we conclude the consultation with the Department of Premier and Cabinet, and a recommendation is made to Cabinet as a part of the legislative process that may need to be undertaken, I am sure those things can be shared with the community, but I believe we are still going through a discussion at the moment.

**Mr MULDER** - In the circumstances, are you still open to the idea of sharing the Solicitor-General's advice to the committee?

**Mr O'BYRNE** - Ultimately the Solicitor-General's advice is to the Premier as head of Premier and Cabinet. Through that cabinet process decisions are made about which pieces of information are shared. There is a view in many circles that advice to the government on any legal matter is advice to the government and not for sharing, but we are still going through that process.

**Mr MULDER** - What is your view on the capacity of the minister to give directions to the commissioner of the day?

**Mr O'BYRNE** - We are going through a consultation process with the Department of Premier and Cabinet. It is probably not appropriate that I give personal views.

**Mr MULDER** - What is your current view? If some issue props up tomorrow what would you do?

**Mr O'BYRNE** - My personal view is immaterial. The law and the current arrangements are quite clear. There has been some suggestion of change and we are going through a process with the Department of Premier and Cabinet to establish if any change is needed.

**Mr MULDER** - You say the law and the process are quite clear. Are you referring to advice that the DPP has given on oath that he believes that the Premier and the minister can direct, and with a former Premier who said the same thing, can direct on any matter? The former Premier responded under oath that he would demand answers without qualification.

**Mr O'BYRNE** - Based on my interactions with the commissioner there is a line between policy and operation. We have debates regarding policy. Ultimately, the operational matters are

## UNCORRECTED PROOF ISSUE

with the commissioner. If there are any recommendations through the consultation process with DPAC, and if there is any legislative requirement, we will go through the normal process.

**Mr MULDER** - The concern comes that the whole issue, which has caused all this to come to the fore, related to a briefing by a commissioner of a minister of an investigation that involved members of the cabinet. Would you class that sort of a briefing as a policy, or an operational briefing?

**Mr O'BYRNE** - Ultimately, under operation activities of Tas Police, it is a matter for Tas Police. The commissioner and I have debates on broad policy.

**Mr MULDER** - You would not demand or request information in relation to operations?

**Mr O'BYRNE** - It is hypothetical. My discussions with the commissioner are at the policy level.

**Mr MULDER** - Quite clearly you would not take the course taken by the former Premier.

**Mr O'BYRNE** - You can put words in my mouth, but what I have said is we have debates over policy. I do not get involved in operational matters with the police; that is purely a matter for the commissioner.

**Mr MULDER** - As part of that, I am asking whether you would concur with the judgment of the court in that particular case. The basis of that was really that the release of information relating to an investigation would be in breach of the police and the public service codes of conduct where that information breached principles of investigation, including maintaining confidentiality over the existence of an investigation. Another principle was not alerting suspects, especially where such an alert could lead to the destruction, falsification, thwarting of evidence, and collusion of witness intimidation. I ask that to really get in your mind of what helps you separate from the idea what is operational and what is policy. Would you concur with that judgment?

**Mr O'BYRNE** - You are reading from hand notes, but that judgment seems fairly reasonable to me. Reflecting on my discussions with the commissioner over my time as minister, it has been very much about broad policy. In fact, all we talk about at the moment is budget and trying to work through some of those budget decisions. Ultimately, I do not get involved in operations.

**Mr MULDER** - I appreciate that. I take some comfort that should that situation arise tomorrow your particular view would result in a different outcome. The whole issue, too, is not only just the use of the word 'policy' in the directions that can be given. Much of that particular case was around the issue of what the secretary of the department had a duty to do as a public servant versus what a policeman with information relating to an investigation had to do. . I just wanted your views perhaps on the way this is tackled in many international jurisdictions and at the federal level - it is the creation of a separate role for the minister and secretary.

[3.30 p.m.]

I do that in the light of a previous commissioner's comments, Commission McCreadie in particular, who is quite clearly on the record as saying that he thought the two roles were inseparable; that they were as one. Is that a position that you would agree with?



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**Mr O'BYRNE** - No, I think it is important that there is a level of separation between debates of policy and discussions regarding operational activities. Operational activity is very much, in my view, in the hands of the commissioner and his staff and, ultimately, my personal view is immaterial. This is a matter that may very well be considered by cabinet in the coming months. It is probably not appropriate that I speculate on it because my view is immaterial. The cabinet may very well make a decision but I believe the principle of having that separation between operational activities and policy is extremely important for the integrity of Tasmania Police.

**Mr MULDER** - There are two ways of achieving it; one is to have two different people, and can I suggest that the other jurisdictions actually have a requirement for a written direction or else they limit the direction as to policy, or neither. Have we looked at those particular jurisdictions and models?

**Mr O'BYRNE** - You have asked me the question about the process; you asked me about it last year and we informed you that it was under active consideration. I have repeated that it is under active consideration and is now with the Department of Premier and Cabinet to discuss and I do not want to speculate on that process. Once we have concluded that process and it is either referred to cabinet for a decision around legislation or not, then I will be in a better place to be able to answer some of these more detailed questions. I really do not think it is appropriate that I start to speculate on the outcome of what is essentially a multi-departmental review and it would obviously involve the Premier as the employer of state servants.

**Mr MULDER** - I am just putting some of the views on the table. I am also suggesting that it is not a future process; it is one that could happen tomorrow. In those terms, I think the community deserves some satisfaction as to how you would approach the particular issue. I think you have basically done that. As an overview, it is a very important issue and I am somewhat disappointed that it has taken 12 months to arrive at a point not too much further down the track than we were last year. I would really encourage you to expedite that.

**Mr O'BYRNE** - Okay.

**CHAIR** - Except to say that the minister has indicated to us just now that he sees a distinct separation between the two. Anything else, Tony, on overview?

**Mr MULDER** - That will do for overview.

**Ms FORREST** - Minister, you said that there is still \$4 million of savings to be made. Is that from savings not made last year or what was budgeted?

**Mr O'BYRNE** - No, the budget last year in the forward estimates outlined a stage level of saving \$8.4 million. We have got through the first year and now we are looking at the second year.

**Ms FORREST** - Saving your \$8 million?

**Mr O'BYRNE** - Yes.

**Ms FORREST** - But you still have to save the \$4 million.

**Mr O'BYRNE** - Yes, there is still more to go.

**Ms FORREST** - How is that going to be achieved?

**Mr O'BYRNE** - There is a range of strategies.

**Ms FORREST** - As opposed to the process of the commissioner working pro bono.

*Laughter.*

**Mr O'BYRNE** - We made immediate budget savings in economic development in our last session and Mark said he just does it pro bono. It is tremendous; his commitment to the state just knows no bounds.

**Ms FORREST** - The commissioner did have a different reaction, however.

**Mr O'BYRNE** - There is a range of strategies; 80 per cent of the department's costs are in wages, so that is a part of it. We will have a reduction in sworn officers and public servants, and there is a range of savings that we are undertaking - redeployments and some activities not being undertaken.

**Ms FORREST** - If the commissioner could address his mind to the number of sworn officers that will be reduced.

**Mr HINE** - Obviously, we had the \$8 million for this year and there is the further \$4 million plus the \$4 million after that. For the next financial year and the \$4 million, most of the savings there are the 25 sworn positions which we announced quite some time ago when we had the forward estimates. In the state service, there is the number of motor vehicles as well. There are salaries and non-salaries, but I am not sure if you want to go line-by-line where we are getting that. In the sworn positions there were 50 for this financial year and 25 for the next financial year.

**Ms FORREST** - It would be helpful to know where they are coming from, what areas?

**Mr HINE** - I can go through those. As to the positions out of this financial year, there are two corporate services, one executive support, five cold case, four human resources, one north, one south, one east, one west, one operation support, and five inspectors. The next financial year includes one human resources, five north, four south, four east, six west, and five operational support.

**Ms FORREST** - Six west?

**Mr HINE** - Yes.

**Ms FORREST** - What sort of positions are we talking about coming out the west? It is a big area geographically but not in terms of numbers.

**Mr HINE** - The PORT - public order response team - two from the victims safety response teams, where we amalgamated some of those duties; one [TBC -3:36:13], and two traffic. That is this financial year and next financial year to get those positions

**Ms FORREST** - Do you believe there will be an impact on response times or service to the community? There is a lot of stress in these rural areas - the west coast, north-west and other areas, and the north-east where there is higher unemployment. Many people are under pressure and domestic violence can often increase at times such as that - I am not saying that is the cause of it, but anecdotally one could expect that when people are under pressure. Do you believe you are not going to be put in a position where there is inadequate resourcing?

**Mr HINE** - If there was an easy answer, I would give it. It is in relation to looking at where the resources are put across the state and where we need to make our budget savings. Between sworn and unsworn positions, that is 81 per cent of our budget. When we have to do an \$8 million and then \$4 million, that is where the majority of our savings are going to come from. We have looked at all these issues. We have looked at all the non-operational positions we can save. Then, moving through this financial year and next financial year, there has been an impact on some operational areas. With that, we know some of the outputs - and when I talk about that, some of the things we do will be affected - need to be monitored carefully so as to still provide a good policing service to the community. The last thing I want the public to assume is that because we are reducing some of our workforce, we are not going to be out there still doing the job and providing a good service. Is there going to be some impact? Yes, there will and we want to try to minimise that as best we can as we go forward, but we also have a budgetary requirement.

**Ms FORREST** - As the minister has mentioned previously, and in his overview today, regarding the reduction in crime rates, road trauma and fatalities, I think we all accept that a higher visible presence of police on the roads has a positive negative impact -

**Mr O'BYRNE** - A deterrent effect.

**Ms FORREST** - Yes, a deterrent.

**Mr O'BYRNE** - Historically, resources have ebbed and flowed, based on needs and data and the intelligence-led policing that is now being undertaken. For example, in the Cygnet region we have traditionally had one person and now we have two. It has based on the information and need for the local community. When you list the reductions, it is important we put it in context. In terms of head count, in the eastern district we have 194 people; in the northern districts we have 259 people - these are sworn officers. In operations support, we have 156 people; in the southern district we have 302, and in the western district we have 237 people. That is not including commissioners, corporate services, and those sorts of roles. When you look at that in terms of our head count, we have a lot of people across the state. You could always do with more, but within the budget that we have, we still have high levels of people on the front line.

**Mr WILKINSON** - Are we able to say how we are faring per head of population compared with other states?

**Mr O'BYRNE** - It is a hard one because our population is so dispersed. When you look at many of the mainland states, for example in Sydney and Melbourne, there is a high concentration of population. We do okay but because of the dispersal and geographical nature of where the population is in Tasmania, we have to go to a range of areas where you cannot aggregate a lot of the services.

**Mr WILKINSON** - Can we have those figures per head of population to see how we are going?

**Mr HINE** - Per head of population we are probably around the middle and as we go forward we will drop down but in the last figures we were about the middle. It is fair to say, as the minister said, having a dispersed population sometimes they can be a little bit skewed. When you have a Sydney you have a large number of police compared with a rural area like Tasmania which has a very dispersed population.

**Mr WILKINSON** - A dispersed population but a fairly small land mass compared to say Western Australia and all the other states and territories.

**Mr HINE** - Yes, I suppose it is one of those things that can vary in Western Australia. There are not many police stations compared with the population travelling times - all those things come into account.

**Mr O'BYRNE** - Very rarely on the mainland would you have close to 50 per cent of your population living outside the capital city.

**Ms FORREST** - On another point, minister, violence against police has been a major issue on the north-west coast particularly in the media. I know that the *Advocate* is taking a positive approach to this which is a good thing to see with Show Some Respect. Is that a growing problem, or is it that it has become more public at the moment. What is going on in that area?

**Mr O'BYRNE** -It is important that we acknowledge that any violence against state emergency services workers in the broader use of the term is unacceptable. Any violence in the community is unacceptable and we know that the officers are in positions where they do open themselves up to greater risk of that. I want to make it very clear we have a zero tolerance for it. We have penalties under the current statutes that are specifically designed to deal with offences against our sworn officers. I will get the commissioner to talk about the particular statistics.

**Mr HINE** - It is quite commendable of anyone to take up an issue of that -

**Mr O'BYRNE** - The *Advocate*, yes.

**Mr HINE** - I commend them for that and it is always a two-way street as it was explained as well. Assault on a police officer or any emergency service worker is not acceptable in any circumstances. Our people, as I said in that article, are well trained to diffuse a situation. I said it then and I would say it again, I am utterly amazed at how much tolerance they show before they have to act -

**Ms FORREST** - Capsicum spray was shown on that YouTube clip - it was quite interesting.

**Mr HINE** - Yes, and it just sheds a different light on various circumstances. Having worked with many of the police officers in the field, I know they show a lot of restraint in dealing with what they have to put up with. In regard to the responsible drinking of alcohol, we would much rather see someone being looked after by their friends than for us to have to step in and spoil everyone's night but, obviously, when we have to, we do.

## UNCORRECTED PROOF ISSUE

Offences against police: we have 252 charged with assaults on police compared to 179 last year. Resist arrest: 285 compared with 279 last year. There were 93 obstructs police this year compared to 114 last year. Abuse or intimidate police was 310 this year and 310 last year. Criminal code offence: there is a specific offence about assaulting a police officer in the criminal code - we have had nine charged with that this year compared to five last year.

**Ms FORREST** - It is still significant obviously.

**Mr O'BYRNE** - Each incident is significant.

**Mr HINE** - If you are that police officer being assaulted or dealing with someone resisting arrest, it is quite significant and we do not want to have to see that but that is what we train police officers to do. They have to be able to defuse a situation and deal with that situation and also have the tools to deal with it if it does escalate. With de-escalation we can move the situation on so no-one is under threat and people can go on their way. That is our much preferred response but if it gets out of hand then the police officer does and has to take action.

**Ms FORREST** - Is there any other program being proposed to raise awareness of that issue? The *Advocate* one was initiated by the *Advocate* wasn't it, or was there an issue after a couple of incidents up there?

**Mr O'BYRNE** - There are a number of programs we have across the districts for community policing so getting them into schools, neighbourhood houses, there is a whole range of programs and there is a number of our sworn officers who are, in their own time, going into communities and getting involved with community projects to break down some of the perceptions in some communities about the role and attitude of police. The broader community policing approach is showing some benefit. In my own electorate, I was having a cup of tea in the Rokeby Neighbourhood Centre with the local sergeant and constable and chatting to local community members about broad issues and ways we can improve the relationship.

**Ms FORREST** - One of the things with tight budgetary conditions with officers doing it in their own time, that is very commendable.

**Mr O'BYRNE** - Sorry, I will be clear on that: when I was sitting down in those neighbourhood houses they were on duty and that is part of their role, not only in terms of intelligently policing, but also building relationships with locals and understanding the key issues so that they can respond more strategically.

**Mr TILYARD** - Minister, I was just going to add in relation to the issue of the increase in assault on police, in particular, we monitor a statistic like that very closely. When we noticed there was a bit of an increase compared to last year we had meetings with management groups of each of our districts to see whether there might have been any trends or patterns arising, or of concern, or whether the severity of some of the assaults might be increasing. Feedback from all the districts was there were no significant issues they felt in terms of more police being assaulted per se and the severity wasn't increasing, so we are monitoring it very closely and continuing to do that.

**Mr O'BYRNE** - Also with activities like the Launceston Liquor Accord, working with local businesses on local issues and finding better ways to respond to various incidents and trying to

change behaviours has been highly successful. It is a model that is being mirrored across the state.

**Mrs ARMITAGE** - It has now started in Hobart too, hasn't it?

**Mr O'BYRNE** - There is some discussion -

**Mr HINE** - The accord has started with the Hobart City Council as well, and it does work, very well. It is like those Adopt a Cop programs as well a lot of police officers do it in their own time as well as work time. So if you can get into those interactions with a school then when they start to get a little bit older it breaks down the barriers as well. It is also like Operation Unite. We are trying to get people to say we cannot arrest our way to the problem. It is a matter of taking responsibility for yourself and your own actions, so therefore we don't have to get involved and people can go about their business without interfering with anyone else. Again, we very much have a discretion about when we act and when we have to take action, but we would much rather people look after each other and not get themselves into that situation.

**Mr WILKINSON** - May I ask a supplementary here. Would you agree with me that it is not just a matter of respect with police, but it is a respect with teachers and it is a respect with anyone it would seem in authority? Would you agree that the police should not be singled out for this because for anyone in authority, if you speak with teachers, if you speak with nurses, let us say, when people come to the hospital, they are experiencing the same type of problem from those people as opposed to just the police?

**Mr O'BYRNE** - You are right that is a broader societal issue. It is also respect for politicians as well. There is a bit of change in that and we need to understand that there is. I do not want to generalise, it is not a generational difference, but in some respects there is a different conversation occurring and we need to maintain. I talk in a positive way to many students in various schools in leadership groups about their understanding of authority, and respecting other people in their community and their peers and others. It is a constant battle or a constant role of community leaders, political leaders, police, nurses and teachers, et cetera, to ensure that there is a climate of respect for other people and respect for the role.

**Mr HINE** - I couldn't agree with you more, minister. During that article it was discussed that it is police and emergency service workers. I know they have highlighted hospital workers, ambulance, SES and fire, but it is the whole broader community and sometimes there is respecting yourself as well. The respect is a two-way street and it affects many categories of people, so these are general respect issues. Obviously it affects police and that was what the article focused on but they have focused on emergency service workers, those who are trying to help, teachers and all those other people.

**Mr O'BYRNE** - In Tasmania overall, I think there is a healthy respect for the community leaders, the police and emergency services workers. When you see the ambulance heading up the road people quickly get out of the way, but if you travel around the country you probably do not see them. In big cities you see people getting out of the way of emergency service vehicles going to emergencies, and showing respect in letting ambulance and fire and the police do their work.

**Ms FORREST** - And getting out of the way of the police with their lights and sirens.

**Mr VALENTINE** - Sometimes they want to follow you.

**Mr O'BYRNE** - I have never had that, Rob.

**Mr VALENTINE** - No. I haven't either actually.

**Mr MULDER** - That is only of concern to those with guilty consciences.

**Mr WILKINSON** - Those people who may not show respect, if they are in trouble go to the police, the medical practitioners, nurses or emergency services. Then the boot is on the other foot, isn't it.

**Mr HINE** - That is the sort of thing we want to encourage anyway. If there is an issue, no matter what their attitude, they should be able to come to us for that assistance. The fact is that the majority of the public and the community show great respect for police. We are only talking about a minority so let's hope it is always the minority. Whether it is the motoring public or the general public, 99 per cent of the population are fantastic and get about their business in a great way and that is the sort of state we live in. It is a pretty safe state compared to a lot of other places.

**Mr HALL** - Minister, the media has been full of stories in the last couple of weeks with drug busts and some very interesting weapons being seized, and cash as well. Do we have a growing problem perhaps related to organised crime and bikie gangs, for example? If you speak as quickly as your sister you can get the answer to me in 10 seconds.

**Mr O'BYRNE** - No.

**Mr HALL** - You cannot?

**Mr O'BYRNE** - No, I can and the answer is no to the first question. There have been a couple of incidents recently but when you look at statistical data over a longer period of time there is not a peak but we acknowledge there have been a couple of incidents over the last few weeks which, in a small community when it happens, is big news. In other parts of Australia, it is just another event.

I will let the commissioner talk more broadly about the activities of motorcycle clubs, et cetera, but it is important that we acknowledge that we have a small group of motorcycle clubs. There is no evidence to say that there is an organisation of their activities. There are some individuals that have had charges laid and they have appeared before the courts. It is important we do not make assumptions or jump to conclusions on what they are.

The fact that we have been able to identify and seize drugs and guns and pursue alleged activity before the courts means that we have a fantastic police service that is intelligence-led and that is working well with other jurisdictions.

**Mr HINE** - There is some great work going on at the moment right around the state in relation to drugs whether it be OMCGs or whatever. We want to focus at the high end of the drug market, on those who are supplying drugs.

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There should be zero tolerance on the use of firearms in a public place and on possession of firearms for criminal activities. In the last couple of days there has been an example of where our operations have been quite successful in a getting a number of drugs and firearms off the streets.

**Mr HALL** - The quantum of those weapon cases would have been quite disturbing to you. There seemed to be -

**Mrs ARMITAGE** - SPS, assault rifles.

**Mr HINE** - Yes. The AK47 assault rifle. Any rifle that is in the wrong hands and especially in criminal hands is quite concerning. It is just nice to be able to seize them and get them off the street. There are many things happening nationally as well. We are working with the Australian Crime Commission.

There has been a recent review of the intelligence and the picture of firearms in Australia. The minister is getting briefed at the next ministerial meeting in June in relation to the outcome of that activity. Victoria Police is leading a working group in relation to firearms and criminal activity as well so again that is coming back to the meeting. We obviously feed into that. We work with the Australian Crime Commission, the Australian Federal Police, Customs and, obviously, locally as well to look at the OMCG issues, the firearms issues and drug issues. So it is a concern, but it should be more of a concern to those who are actually involved in these activities, because we are achieving success. We will continue to target it and we want to get these firearms and drugs off the street, and it is a major focus of ours.

**Mr O'BYRNE** - Also I met with the federal minister, minister Clare, last week talking about these very matters and issues, and obviously he is dealing with some much bigger issues in New South Wales and other jurisdictions. I don't want to pick out jurisdictions as some competition, but there are some bigger issues. In firearm-related offences by members of the public, the four-year average has been 13 a year, and we have had 14 this year so, whilst there have been a couple in a row in a short period of time - and they are concerning, I am not trivialising it - statistically they are consistent with previous years.

**Mrs ARMITAGE** - With the rifles and the guns, and the silencers particularly that have been with them, there seems to be a perception in the community that much of the mainland criminal element is coming down to Tasmania to get the heat off from the mainland. Are you finding that some of these groups, like particularly the motorcycle club that was mentioned in the paper, appear to be mainland group? Is there much evidence that the motorcycle club is operating in Tasmania now?

**Mr HINE** - Every outlaw motorcycle gang has a link to the mainland and indeed various parts of the world, so there is a national push to make sure we target these outlaw motorcycle gangs in relation to their illegal activity. We know they are in Tasmania. We keep a very close eye on it and, as with any organised or semi-organised criminal activity, we will continue to target them. I don't want to go into that case too much because it is before the court, but it shows the success we can have when we look at any organised or semi-organised criminal activity.

**Mrs ARMITAGE** - Obviously they are not the only criminal motorcycle groups. We do not want to target them all, because there are some very good motorcycle groups out there, but are there any other mainland criminal activities or criminal groups that you know of that are coming down to Tasmania, working out of Tasmania, that in the past haven't been here?



**Mr HINE** - I call them the outlaw motorcycle groups for a reason. They are a concern to law enforcement and we will continue to target them to make sure that we keep on top of it. Obviously we do not want to be a place where they think any organised criminal group can come to settle to continue their criminal activities safely. We will always target them. If we think there are other groups coming to Tasmania we will target them and, being a small state and being a community-minded state, a lot of information comes in and we will act on it, and it is about intelligence-led policing. I do not want to name any groups.

**Mr O'BYRNE** - It is also important we put it in context. We are in a far better situation than we have ever been in detection of any sort of organised -

**Mrs ARMITAGE** - So budget cuts are not impacting on it.

**Mr O'BYRNE** - With our relationship with other jurisdictions and with the information, the data and social media, and those sorts of leads, we get far better information on any sort of criminal activity. In fact, over many years, Tasmania may have been seen as a place where people came to get out of the heat. It started with Squizzy Taylor back in the 1930s, and he spent some time in the Tamar Valley. Over the years, Tasmania has seen high-profile people come to get out of the heat from other jurisdictions, but at the moment we are in the best situation that we can be, especially given the leadership of Darren and Scott, and the intelligence-led policing that is occurring now.

**Mrs ARMITAGE** - Oh, I am not questioning that. Our police force is wonderful.

**Mr HINE** - They think they are coming out of the frying pan but they will certainly come into the fire. We do have a very safe state, and it is all relative, and we will work very hard, as we do with the community. We have been quite successful but we are certainly not going to ease up at all, no matter what the budget situation. If there is something that our intelligence leads us to believe we need to target, we will target it.

[4.00 p.m.]

**Mrs ARMITAGE** - Resources will go where they need to go.

**Mr HINE** - That is right.

**Mrs ARMITAGE** - I noticed when Ruth was asking earlier that you said five cold cases had been cut. How many would still be in the cold case unit now that you have lost five?

**Mr O'BYRNE** - The unit was established in 2008 so it is only a recent establishment of that unit. The work of that unit has been basically returned to where it was with the CIB. From time to time, when there are new leads and when there are new pieces of information, activities around cold cases are activated. We have seen a couple of those.

**Mrs ARMITAGE** - In view of the budget cuts, is the government looking at replacing the police officers in the courts in Launceston with security officers to try to put a few more police back on the streets?

**Mr O'BYRNE** - It is not just a matter for Tasmania Police, it is a matter for the Department of Justice as well.

**Mrs ARMITAGE** - I understand that.

**Mr O'BYRNE** - My view is if we are able to do it, we will. It is a budget-related issue for Justice and we are not able to resolve that. We are continuing -

**Mrs ARMITAGE** - Have we done any modelling to see the difference in costs between a police officer and a security officer?

**Mr O'BYRNE** - Yes, there have been and for the government overall it would be a potential increase in costs, and definitely an increase in costs for Justice. It is not just about personnel, it is also about potential infrastructure spending as well. It is under active consideration. We will still work with the Department of Justice but at this stage we are not able to do it.

**Mrs ARMITAGE** - If it is an increase in cost in Launceston, I just wonder - it actually happens in Hobart, the police officers are not on court duty in Hobart?

**Mr HINE** - The court duties in Hobart were transferred across to the Justice department probably 10 years ago, from memory.

**Mr MULDER** - Sorry, look to your own advisers, commissioner.

**Mr HINE** - I am looking at Tony because he was probably there at that time but it was about 10 years ago. In Launceston, police officers still do court duty. While they are doing court duty they are still police officers and therefore if a problem occurs in the courts they can still act. Ideally, it would be nice not to be there, but it is one of those activities we have done for a long time, we have been resourced to do it, and if there is any cost-shifting, obviously there is a cost with it as well. If there is any activity that needs to be done there are police officers available in the courts and they can be changed around as well.

**Mrs ARMITAGE** - I understand, but it was just that the minister had said there were more costs associated with security officers. I wondered why security officers were working in Hobart as opposed to -

**CHAIR** - Can we come back to the detail - minister, you need a break for a moment, so we will take a short break.

**The committee suspended from 4.02 p.m. to 4.15 p.m.**

**CHAIR** - Minister, you indicated in the budget papers that there was some revenue flowing to the department for assistance at the Pontville Detention Centre. What was the quantum of the funding? In addition, and not specifically that particular project, are there any other areas in the department for which you receive specific revenue flows?

**Mr O'BYRNE** - I will touch on Pontville. We signed a memorandum of understanding with the department of immigration about a service agreement with DIAC in relation to any potential incident at Pontville. There was some training provided for five officers at the Bridgewater station so if there was an incident at Pontville we would respond to that. There were two minor

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instances, which amounted to not very much at all, and the amount of money we were allocated was slightly over \$1 million. In relation to other projects, I will hand over to Darren.

**Mr HINE** - Broadly, approximately \$300 000 flowed in through firearms relicensing, which goes into consolidated revenue, and also funds for secondments of police officers to the AFP and a couple of other areas as well.

**CHAIR** - Paintball across the nation seems to be a permitted operation and it seems to be a good corporate pick-up; people use it for those sorts of reasons. Why do we have the difficulty here?

**Mr O'BYRNE** - It has not been allowed under the current Firearms Act. We are going through a Firearms Act review, and we do not want to pre-empt the decisions of cabinet, but it is my view that we should allow laser skirmish activity. We are the only state that does not allow it. I think through the firearms review that issue will be resolved and we will allow that activity. Again, I do not want to pre-empt the discussion of cabinet but we will take a submission to cabinet on the Firearms Act, including the ability to have paintball in Tasmania.

**CHAIR** - People in the community have come to me who wanted to start up the business - and I have spoken with previous commissioners.

**Mr O'BYRNE** - We have spoken to them before as well.

**CHAIR** - We were expected, and supposed to have, nationally-consistent firearms laws. People say to me, 'With the gun laws that came into effect many years ago, we thought we had national consistency', but we do not?

**Mr O'BYRNE** - No, we do not, and we are aiming to as part of the firearms review.

**CHAIR** - Finally, have there been any particular incidents that the department has had to respond to on Facebook crime?

**Mr HINE** - With approximately 900 million people around the world using Facebook, there have been investigations that have resulted from Facebook. They are many and varied - a threat made on Facebook was mentioned yesterday and we have had to investigate crime as a result of Facebook, such as grooming people to commit offences upon them. Fraud and e-crime is another area that is evolving and we set up a unit to deal with it. Facebook has been, and will continue to be, used to commit unlawful acts, so therefore we have to make sure that we continue to put resources in. Law enforcement around the world has put resources into looking at this very issue. We certainly do not have our heads buried in the sand to think that it has not been used for unlawful activity and we continue to monitor it.

If people have concerns they can come to us and we can have a look at what we can do, and if a crime has been committed we will investigate it. There have been some high-profile cases around Australia where it has led to murder, rapes and serious crime. We will continue to monitor that and make sure that we have a capacity, not only within the state, but also to call on other states and other expertise to look at something, and we may need to investigate whether it is Facebook or a technical type of crime.

**Mr O'BYRNE** - Twitter and all those things, it really is social media.

**Mr WILKINSON** - As a flow-on from that, I am told and I didn't know until here today, where a telephone user is caught 'sexting'. How widespread is that, where people send images over the phone and especially in schools?

**Mr HINE** - It is quite - I won't say prevalent - but I have been told of a number of situations. I was talking to our community policing personnel in the south district just recently and they go out to the schools and give lectures at schools in relation to it, and to warn young people of the dangers of it. It does occur, it has occurred and no doubt it will continue to occur. Through our Adopt-a-Cop and our community policing roles, we go out and speak about it. In fact, I had one of the vice principal's e-mail me to pass on the thanks for the professional way two female police officers dealt with the situation and gave the lecture. We are out there educating and parents need to educate. We, as a community, need to educate some of our younger people who may not think of the consequences that will flow from doing those acts. It is real, it is out there, and we are out there as well educating those who may be affected.

**Mr O'BYRNE** - It is also a broader responsibility as well in the context of bullying in the schools and bullying in workplaces. Employers have an obligation to ensure their workplaces are free of harassment and bullying, and the same with educational facilities in ensuring that the right cultures and the right environments are there. We work with sporting clubs, through the Department of Sport and Rec ensuring - partly it is the bit about the binge drinking behaviours - respect to other people is shown and not using these forms of communication to bully, to sext or whatever it is. It is very serious.

**Mr WILKINSON** - It is serious, isn't it, with the new technology these things are cropping up. Originally when the technology comes in people are unaware of them but as people become more conversant with the technology they become aware of the ability to carry out these.

**Mr HINE** - If you make a poor decision and put it on the internet and a second later you can regret that and try to take it down, it is too late. It is out there and it stays out there forever. People do not understand that you might be just doing it to two people and you think it is going to be a really safe environment to do it in. In that environment it is not safe and it is going to be there forever. Young people sometimes just do not understand what can happen once you use some of those technologies to share. You might think it is just between two people, but in fact you are sharing it with the world. It is a whole new situation - it is not so new anymore - but as a police organisation we have to make sure we educate the community. As the minister said, we all have a responsibility to get that message out.

**Ms FORREST** - It is not just young people who need to be aware of the challenges of social media.

**Mr O'BYRNE** - Exactly right.

**Mr MULDER** - The first point was the budget. We asked for, as you are quite aware, some estimates of year-to-date performance, which we would have been fairly happy with. Have the forward budgets in the business units within the Department of Police and Emergency Services been allocated to them with some line items of staffing costs, equipment and stuff like that?

**Mr O'BYRNE** - Not at this stage. Obviously we were very fortunate not to be asked for an extra budget task but, again, some of our measures do rely on separations and people taking leave

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without pay, et cetera. We have not finalised those but we will before the beginning of the financial year.

**Mr MULDER** - Perhaps we could have some of those a bit later on in the year when the time comes.

**Mr O'BYRNE** - Knowing the way things work, as soon as we tell people you will know.

**CHAIR** - With the new legislation.

**Mr O'BYRNE** - Yes, absolutely - that legislation.

**Mr MULDER** - Thank you for that. The issue is that we are getting this at the global outputs level yet the real impacts of this are down in the line items within the agency budgets. It is difficult for us to do our job, to go through and have a look at the impacts and how you are tracking if we are just dealing with global outputs. That would probably lead me on to my next point, that in the global outputs of the Treasurer we discover that 4.3 an item of miscellaneous and buried in there was anticipated costs associated with the mobile radio network. In response to some further probing we learnt that there was something like \$15 million in one year - this is the out years - and \$14 million resulting in about \$29 million for the mobile radio network albeit it whole-of-government.

I am wondering whether you are factoring that into some of the work that you are going to do this year into how this time we might actually get the benefits out of a massive investment in mobile radio, and probably also in light of, I think it was President Obama who made the comment, that the average teenager in school has more computing power in their desk top than a police officer responding to an armed robbery.

**Mr O'BYRNE** - In the United States?

**Mr MULDER** - Here, too, I would imagine.

**Mr HINE** - Phase 1 of the radio network project - and that was completed on 2 March 2011 - was \$630 000. Phase 2, a number of sites were upgraded to the digital radio network - I am just going into a bit of the history before going to the future - and was completed in January 2011 at a cost of \$1 million. Phase 3 involved six sites and that was completed in December 2011 at \$6 million, and \$3 million was used for phase 4 and it involved 19 sites. In April 2012, it was completed. Phase 5 involves 21 sites and they are currently being worked on and that is a \$4 million cost, and phase 5 is 21 August. That completes the digital upgrade project for the current radio network and that is a total cost of \$16 million.

Moving forward into 2017-18, that radio network needs to be refreshed. I am not sure about the Treasury figures but we have been tasked to prepare a business case in relation to what the radio network looks like into the future.

**Mr MULDER** - In that context, the last whole-of-government radio project actually fell over because in the end it was not whole of government. What confidence do you have that this will be a whole-of-government radio project and therefore will be able to achieve the outcomes desired based on the fact that there are more players on the field this time? You would have been aware of it at the time, I think, because they killed our project to fund the last one. I think it is in

the context that the whole of government uses and in the end everyone had their special reasons for not being part of whole of government and we ended up with just police and hydro, as I recall. What level of confidence can you and the minister give us that we are not going to let people jump overboard this time and actually destroy the project?

**Mr HINE** - In relation to the current operator of the network, that takes us up to a digital capability for the whole state, which has not been done before. We are in an 800-megahertz spectrum. We are regulated and we have to move back down to the 400 MHz, which causes us to re-look at the whole issue. It has been before budget committee. I am not sure if I am stepping over into the minister's area here about what budget committee has then told us what to do from a whole of government point of view.

**Ms O'BYRNE** - We are committed to it because we need to work up a business case. Again, it is at a time when there is not a lot of excess money around, but this has been identified from a whole-of-government perspective as an important issue to deal with. We are working on the business case.

**Mr MULDER** - It was the whole-of-government thing that I was concerned about because that was the Achilles heel last time.

**Mr O'BYRNE** - In the Premier's budget speech in relation to emergency management she talked about lining up shared services, so we are probably in a better space now in relation to that subcommittee with the Premier, the minister and Mike Brown from Tasmania Fire Service. There is a committee to ensure that we drive efficiencies and where it makes sense to share resources then we do that. We need to make sure that it does not compromise community safety. That will always be our first order.

## **Output group 1 Public safety**

### **1.1 Support to the community -**

**Mr MULDER** - It was interesting to note that we maintain our recognition that some of the community policing services are front line, but are front line about the future. They are more about preventing than they are about running around and detecting. I have had some concerns come from the Hobart Police and Citizens' Youth Club. No names, no factual, we will not be able to work out who it is, but they are really concerned that these cutbacks are going to have an impact on the Hobart PCYC. With this kind of support to the community, what impacts are we going to see on these centres vis-a-vis other services?

**Mr O'BYRNE** - We have a long history of supporting PCYCs within Tasmania since just after World War II. I think 1946 was when it was first established -

**Mr MULDER** - I do not think I was at the opening.

**Mr O'BYRNE** - No. The successful PCYC really contains three elements: young people who want to be involved in the club; strong community support with volunteers and other people coming together to assist; and also involvement from police officers and state service employees. We do not take any decision in this area lightly. It is a long-established relationship. We have nine full-time equivalents currently committed to PCYCs across the state and the decision that we

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took was in consultation with Hobart PCYC. We are meeting again tonight with Ralph Belbin, the President. I have also met with Why Not and Youth Services. They are meeting again with Deputy Commissioner Tilyard about how we can support the PCYCs better. We are moving from nine full-time equivalents across the state down to eight. We have two police officers in PCYC in the Hobart facility and we are moving down to one. We would prefer not to have to make that decision.

Given budget considerations, we are moving from nine positions down to eight and redeploying that position from the PCYC into another operational role into the front-line - however that is defined these days. When we are able to fund that position again we will. Overall, on a statewide basis we are very much committed to the relationship with PCYC. We are going down from nine to eight. Whilst we would like to avoid those circumstances, given some of the things that are happening across the whole-of-government and the whole-of-department, that is still a significant commitment of support to PCYCs.

**Mr MULDER** - Thanks for that.

The other thing I would like to pursue, rather than wanting to get back resources, there are some gaps in the community where some of this stuff just does not exist and perhaps needs to be. I am thinking particularly of part of my electorate known as the southern beaches, that is Dodges Ferry, Carlton, Lewisham and that whole area. For a start, you do not have a resident police officer so you do not have that secondary benefit of having a police officer in that community, then they do not have any of those sorts of facilities. It is one of our crime-problem areas, where you have a lot of crime going. It is close to Sorell. That is reactive policing - you have that covered by cars and radios and things. You do not have to have a police officer in every little hamlet but you do need these sorts of services for the socially deprived. There are many families going into those areas because of cheap rent and there is where social problems come from. There is a lower socioeconomic demographic in these areas, yet none of these sorts of community services are in there. Are you giving any thought as to how we can police in these areas, because that is where the problems are and there is nothing there?

**Mr HINE** - It is one of those issues and it does change. If we were building these facilities now we would probably build them in different areas, considering the changing nature of the demographic. That is why mobile activity centres have been quite popular. We continue to look at those issues. I agree with you, where they are now they were not there 10 years ago or 15 years ago. If we were redeploying some of our resources - and that is why we have to continue to review it - we have to look at that. We have the Clarence PCYC and the Sorell PCYC. The Sorell PCYC is to relocate to new premises soon. Mobile activity centres have filled a bit of a gap and some are using it very well to get into some of those communities. We have to continue to look at it. It is not just an issue for police. We play our part in it but it is a community issue, whether it is local government or other support services. We do not own the problem, we are part of the solution, but we are part of a greater solution as well.

**Mr O'BYRNE** - That is also where the Neighbourhood House network is very crucial for us.

**Mr MULDER** - There is nothing at Dunalley or Nubeena. But there is a school there and that is part of that joined-up approach we have spoken about over many years. The education department is usually the biggest show in any town but I do not think we do a good job of co-locating government services. Why do we build a police station on the hill and two blocks away there is a small country school with plenty of land and spare accommodation? You wonder

sometimes whether we need to do that. I take some comfort in the fact that resource-cutting does not always mean contracting to the centre and leaving the rest to swing.

**Mr O'BYRNE** - Absolutely.

## **Output group 2**

### **Crime**

#### **2.1 Investigation of crime -**

**Mr MULDER** - I would like to pick up the areas of organised crime. I was interested in your response that although you have found a cell of what is obviously organised crime we do not have an organised crime problem. Is that not a bit of you do not know what you do not know? How can you make those sorts of statements?

**Mr HINE** - I will not go into those issues, but it is a matter of what you class as 'organised crime'.

**Mr MULDER** - Let me clarify. You made reference in your response to an earlier question about the fact that organised motorcycle gangs, the OMCGs, are a national if not international problem. Yet here we have a linkage in Tasmania, which would suggest that we have an OMCG and an OMCG cell. You have charged and arrested and found contraband. How have you managed to de-link that from the national thing by saying organised crime is not here?

**Mr O'BYRNE** - What we have seen recently are charges against individuals.

**Mr MULDER** - I do not think anyone ever charges a motorcycle gang as a whole or a corporate entity; it is always individuals.

**Mr O'BYRNE** - There are groups of individuals who can have multiple charges. What we have seen in recent instances are at a very low level. It is important that we are not alarmist. I think Tasmania Police in terms of the intelligence-led policing they are undertaking is aware of activities. Charges have been laid against individuals. In these motorcycle clubs it is important that we do not generalise, and it is important that we do not just do the broad brush. It is a very complex issue and individuals have been charged, not gangs.

**Mr HINE** - What we may call organised compared to some of the other jurisdictions would pale into insignificance. Yes, we do keep a very close eye on some of the activities of these groups and we will continue to do so. We do not want them to become totally organised where they are moving into the sphere of what other jurisdictions have to deal with.

**Mr MULDER** - I clearly do not want to know what, but we just need some comfort that are you ensuring that there are sufficient resources and focus on this issue to make sure that we do not have it, or that if it is there it is not spreading.

**Mr HINE** - We will always watch that; if there is an issue that arises, it becomes a case of intelligence-led policing, and therefore we would move resources across. I am not going to say what resources we have at the moment looking at various issues but if we think there is an issue, we will move resources across. The last couple of days have been an example where there has been some success in relation to some criminal activity.



**Mr MULDER** - In the past we have set up taskforces, or squads, or whatever you like to call them, but dedicated units focused on a particular problem. Are we doing that with this one?

**Mr HINE** - I will not say in relation to some of these things because there are operational sensitivities but I know Mr Tilyard wants to make a comment in relation to some of these issues.

**Mr TILYARD** - The point has been made that the term 'organised crime' means different things to different people. Is there a degree of organisation between some criminals and criminal groups? Well, yes there is, but often it is not particularly sophisticated, particularly here in Tasmania.

In many ways we are no different from any other jurisdiction in the country. Sometimes criminals get together and organise to commit crime. Are some people involved primarily in committing crime in their day-to-day lives? Well, yes, they are, exactly the same as they are in all the other jurisdictions but we are well set up to monitor that here.

Certainly, some of the key players in other jurisdictions, if they do come to Tasmania they are more prominent here than they are in some of the other jurisdictions which means we can identify them quite easily. As the commissioner said, we do have strategies in place to monitor these people, to monitor what they are up to, and we have been very successful. There is further evidence of that in the last couple of days with some of the outlaw motorcycle gang people or affiliates being charged in relation to some criminal activity. We are not suggesting that every member of an outlaw motorcycle gang is a criminal but some people who are affiliated with these groups are.

**Mr MULDER** - I will move onto another area. Last year, I raised the issue of e-crime and this year I note the Institute of Criminology has done their Australian facts and figures for 2011. I note with some interest at about page 36 it talks about, and I am quoting: 'Fraud is believed to be one of the most under-reported offences with fewer than 50 per cent of incidents being reported to police or other authorities'.

We then also note on the following page that the value of that has increased from 36.93 cents per \$1 000 in 2006 to 62 cents per \$1 000 transaction in 2010 - almost doubling in a four-year period. By any stretch of the imagination, you would need to find that alarming because first, there is massive under-reported crime, and second, it is having a huge impact on the Australian economy.

What are we doing about starting to gear up to this ever-increasing problem, particularly if so much of it is being under-reported? Once again, you do not know what you do not know - so you need to find out.

[4.45 p.m.]

**Mr HINE** - That report highlights the issues that we, as a technically savvy community, are dealing with. I do not think it comes as a surprise that over many years some of these things go under-reported. Whether that is because the financial institutions do not report them, or because individuals do not report them through embarrassment, nationally there is a focus on some of these fraud and e-crime issues. In fact, there was a recent media campaign in relation to some of these issues, about being careful what you do and what transactions you make online.

So nationally, the Australian Crime Commission, the AFP, and all jurisdictions are having a coordinated approach to how we deal with this. There are some good examples around the world of where people deal with high tech crime very well. New Zealand is a great example and they are part of the approach to it as well. In relation to the state, we have the Fraud and E-Crime Unit which was set up and funded by the government to specifically tackle some of these issues. We are making sure that we do some extra training and have some extra expertise in this area because it is a growth area. We understand and we know that, and we do have to make sure we combat it. It is one of those situations where we ask whether we are getting a total picture from the state because of what people are telling us. No, we are not, and that report highlights that. We know that, so we, as users, have to not only protect ourselves, but we as a law enforcement agency have to make sure we are on top of that to be able to deal with it.

**Mr MULDER** - Are there any moves in a national sense since, not so much the banks but the credit card services in particular, are aware of these things because 90 per cent of customers would go back to the bank and claim. The banks then do credits and I believe the banking community is on record as saying that that is one of the reasons that credit card interest is so far out; it is because the bank has to cover fraudulent transactions as they are reported. So if the banks know about them, isn't it in the interests of the police and the community to have the banks mandatorially report those offences to law enforcement authorities so at least you get a much better picture of what is happening and how it is happening long before you start investigating isolated incidents? Intelligence-led policing.

**Mr HINE** - Now you are stepping into the Commonwealth legislation and AuTrack and all those issues. As a state jurisdiction, we have no control over that apart from having liaison with the local financial institutions to make sure that --

**Mr O'BYRNE** - I understand those issues are also being discussed at a federal level with the federal minister, so -

**Mr MULDER** - The commissioners' conferences we can think of, the Standing Committee of Attorneys-General. Are those issues up there being pursued, and are you putting those particular issues there about mandatory reporting? As you well know, commissioner, it is very difficult to investigate something unless you have the best possible picture of what is happening, and quite clearly you do not.

**Mr O'BYRNE** - I don't think that is right. You are having a crack at the commissioner and I don't think that is fair. In relation to this issue; this is not an issue that is germane just to the Tasmanian jurisdiction. It is a national, international situation, or concern globally, and through national and international forums there is a debate about how we respond. As you know, organised crime in this area is very sophisticated and well-organised. It is not in the sole purview of the Tasmanian jurisdiction to resolve what are global concerns. I am not aware of the exact agenda through the A-Gs and the ministerial council meetings, but issues such as this are no doubt debated and we will continue to provide support and information to find a way to resolve them.

**Mr MULDER** - I was not having a crack at the commissioner. I was trying to find out whether, because of the nature and the scope of the problem being well outside this jurisdiction, what or if was actually happening on that national scene to get a better picture of the problem.

**Mr O'BYRNE** - And I responded by saying that in various national ministerial council meetings, and meetings of police and Attorneys-General and others, these issues will be debated. I do not have the latest agenda for the meeting next month, but it could very well be on that.

**Mr HINE** - Certainly at a national level there are lots of discussions and lots of intelligence probes to make sure we actually do understand what is going on in this environment. But it is such a moving feast; there is a lot of effort in relation to it, and there will continue to be a lot of effort in relation to this area. It is not being swept under the carpet. We are making a concerted effort to make sure, as it is world-wide, that we get a handle on it, because we know some of the sums that are actually defrauded in our community. For example, what they class as the boiler-room scheme or fraud, that costs billions of dollars to our community. There are criminal gangs that we know are coming into this country all the time and defrauding many, many people. We are aware of it and we have strategies to make sure we deal with it as well.

**Mr MULDER** - Are you taking steps to try to get as complete a picture as possible?

**Mr HINE** - We certainly are, and I hesitated on the mandatory reporting because that is a commonwealth issue, not a state issue.

**Mr MULDER** - It doesn't mean you can't have some impact.

**CHAIR** - Tony, are you still on 2.1?

**Mr MULDER** - That will do me for crime for a moment. I won't ask about perjury.

**CHAIR** - Any other questions on investigation of crime?

## **2.2 Poppy security -**

**Mr VALENTINE** - Perhaps I can just ask the broad question, have there been any issues with regard to poppy security that you could enlighten us about?

**Mr O'BYRNE** - This year there have been a couple of instances. We manage it through the Department of Justice's Poppy Advisory and Control Board. It is regulated under the International Narcotics Control Board, as you would be aware. In relation to crop security, we have active resources in that area. This year, 25 546 hectares of poppy crops were sown, a decrease of about 1 000 hectares from the previous year, with 21 719 hectares harvested. This season, I am informed that 687 poppy capsules were stolen, a decrease from 1 473 in 2010-11 season. To put it in perspective, you need a fair whack of poppy capsules - I am not exactly sure of the number to get any benefit -

**Mr VALENTINE** - How do they know the number?

**Ms FORREST** - Unless you get a thebaine one.

**Mr O'BYRNE** - I am advised, so you need to get a whole whack of them.

**Ms FORREST** - Unless you get a thebaine one then it might be a very bad choice really.

**Mr O'BYRNE** - Then it is 'ta-da' down the road really.

**CHAIR** - We will move on the fisheries security.

**2.3 Fisheries security -**

**Mr WILKINSON** - Only in relation to the *Fortescue*, it has been a bit of a poor news story that, hasn't it, and I understand that it is not going to be in use. I was just wondering, how much money has been spent on the *Fortescue* and what is going to happen to it?

**Mr O'BYRNE** - As I announced to parliament recently, we have taken it out of active duty. It has been a cause of concern for Tasmania Police for a number of years. No final decision has been made on it. We are undertaking a review of our marine vessels. We have two other ocean-going vessels for which we need to review their ongoing capacity, how long they are able to be utilised for active duty. We also need to make an assessment, given other resources that we have, what we actually need. It is important that you understand what you need before you make a decision on what you have. That is soon to be completed and the future of the *Fortescue* will be a part of that review. I am not pre-empting the result of that review, but we are not going to be sinking any more money into that vessel; we have spent enough - approximately \$1.7 million from go to whoa, and that includes ongoing maintenance from design, build to where we are now. Is that right? It is about \$1.7 million and it is now tied up over at Lindisfarne.

**Mr WILKINSON** - There must have been seen a need for it, for it to be built in the first place. Is that need still there? If that is the case it would seem that at the time it was built, the police believed there should be another vessel and it is not there now. The only way it is going to be there is to purchase another one or build another one.

**Mr O'BYRNE** - That is the review. We have two existing vessels that are doing pretty well, but of course they have a life and part of the review will be to identify what kind of roles we need our marine police to play both in inland waters and also ocean-going. Once that review is completed we will be able to make a decision and we will make that announcement public.

**Mr WILKINSON** - Any court cases still in process with the *Fortescue*?

**Mr HINE** - No, I think that has been settled.

**Mr WILKINSON** - Was the settlement commercial-in-confidence?

**Mr HINE** - No, it was settled along the lines of where we had a dispute in relation to the money that was owed to the company involved and that now has been finalised. We will be writing back to the legislative committee to say that has now been finalised.

**Mr WILKINSON** - Are you able to say how it was finalised? In other words, did you get money back, did you have to pay money, did you have to cost costs?

**Mr HINE** - We withheld some money and we came to an agreement as to what we owed in relation to the money we withheld, including some of the changes we made. Also, it was taken off some of the money we thought was as a result of repairs. Around \$70 000 was withheld and then some of the other costs were taken off as a result of some building issues.

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**Mr WILKINSON** - So how much has the whole process cost the government? There was \$1.7 million for the vessel plus all the costs involved with doing the necessary work you had to do.

**Mr O'BYRNE** - I think that is inclusive of all costs.

**Mr HINE** - Basically the \$1.8 million is the entire legal costs, maintenance costs, running costs - everything over the last three years.

### 2.4 Support for judicial services -

**Mr WILKINSON** - I have raised this on a number of occasions, metaphorically, that I shed a tear for the prosecution services within the police. Often what has happened in the past, the tick used to be when the person was charged as opposed to what happened when it went through the court process. My argument always was that the only time the tick should be gained is if a person went through the process and was found guilty or not guilty. The prosecution has a difficult job. They get a number of files dumped on them on the last day, or maybe a day beforehand, and sometimes they are not properly prepared. What support is there for the prosecutions to do what is an extremely difficult and pressurised job?

**Mr HINE** - I agree with you, Mr Wilkinson, it is a difficult job and one that is constant. People are out in the field doing their job and they have to bring charges to bear and that flows on through the courts. It is a difficult job. Just recently, the southern prosecution section had some concerns about its workload so two extra police officers were put into that area to support them. We have increased some resources due to the throughput of the prosecution services. They do an excellent job; they have a very hard job, as do many other areas in the police department. When there was a need to increase a number, we put an extra two in that area down south to assist them. The southern prosecution section looks after the eastern district as well as the southern district.

**Mr WILKINSON** - Is the situation different now to previously in relation to the assistance they get from the officers who are doing the charging so they can properly run it through the court system?

**Mr HINE** - I cannot think of any change.

**Mr WILKINSON** - In other words, as I understand it, previously the benchmark was reached if a person was charged. Often what used to happen was that sometimes police did not turn up to give evidence in the court, or sometimes the files were not properly prepared for it to be taken to court at the time of hearing. There was a concern by a number of prosecutors that they were cast adrift.

[5.00 p.m.]

**Mr HINE** - I understand what you are saying and we have done lots of different reviews and I will let Mr Tilyard add some things in a minute because we have had a review about, say, how were some of the files prepared, what goes to trial, or what is withdrawn due to the lack of evidence or proper preparation. It was not too bad after we reviewed it when those concerns were raised. I had the opportunity to look at some other states just recently, and we are far better situated than some that I have looked at. I will let Mr Tilyard fill in some of those details.

**Mr TILYARD** - As the commissioner said, we are always trying to improve the quality of our court files so we have had a couple of review processes and made a few changes to try to achieve that. I am certainly not aware of any issues at all or any instances really where police officers have not appeared in court when they were supposed to and that is certainly something that we would move to address very quickly if that did occur.

**Mr WILKINSON** - This is not recently. This was some years ago that it was a concern at that stage and that is why I mentioned it.

**Mr TILYARD** - Even some years ago I am not aware of any particular issues with police officers not appearing in court. They are summonsed to appear in court no differently from any other witness and indeed they should be appearing on every occasion unless they are not required. Maybe you were talking about performance expectations in the field and the fact that that might lead to additional files and therefore become an additional burden on prosecuting staff?

**Mr WILKINSON** - That is part of it.

**Mr TILYARD** - Certainly, in relation to our corporate performance reporting process, we have made changes in recent years for a number of reasons. We have targets set against some of our performance indicators. We have quite a large number of performance indicators across all our organisation, in fact over 170 of them, but we have significantly reduced the indicators that we put specific targets on. We are down to about 17 now and the reason we have put those targets on - and they are referred to as benchmarks now - is because we do want a particular focus on those. They are important areas we think need to be focused on. We have fewer of those now but we think they are more appropriately targeted. For example, in relation to the crime indicators we have more of a focus now on crime clearance rates, which are something the police can more directly influence than the actual levels of the crime themselves. The positive outcome of that is that by a greater focus on the clearance rates the crimes come down as well. We have changed it. We have listened to our people in the field who are doing this work and as a result of that consultation we have refined our reporting processes so there are not some of those pressures now that the prosecuting people in the past have felt.

**Mr HINE** - We are rewriting some of our technology to assist the prosecution system and indeed the crime system. It needs updating so we are rewriting it to make it a little bit more efficient and to be able to support the prosecutor as well.

**CHAIR** - Anything further on this area?

**Mr MULDER** - I know the previous commissioners were absolutely wedded to the idea that prosecutions in lower courts had to be done by sworn by members of Tasmania Police. I am also aware that the previous DPP was of a view that perhaps he could get some extra staff and use his trainees for that purpose. The third model would be that the police department employs graduates from the law school after they have their practising certificate and then run them through. Unless I am mistaken, in private practice they come in, do the appearances and the guilty pleas and they gradually work their way up to the point where they can start to act as genuine prosecutors. Has any thought been given to either outsourcing or civilianising the prosecution service even in a phased way?

**Mr HINE** - It is fair to say that we have discussions and thoughts around that. At the moment we have five civilian qualified lawyers doing the Safe at Home and other prosecutions.

We have given it some thought and looked at those issues as far back as during the project BATON days. Are we closed in relation to some of those issues that may make it a better and more efficient prosecution section? No, we are not. We will continue to give it some thought to see where we can go into the future and not only support a more efficient approach but also an even improved service as well to the community and to our police officers. They do an excellent job now but I am not closed off in relation to what the model may look like into the future.

**Mr MULDER** - I think for the record it is important to know that the BATON days was not some secret police club but it was a business re-engineering in the police department some years ago.

**Mr O'BYRNE** - You were sorting it out the old fashioned way.

**Mr MULDER** - The baton club.

**Output group 3  
Traffic policing**

**Traffic policing -**

**CHAIR** - I have looked through the performance information on page 9.8 which sets out what has been actually been happening over the past couple of financial years and then what your expectations are of targets or the like. Just as one example, the number of high-risk driver behaviour detections has been falling but then for 2011-12 the expectation was less than the previous year and again less in the coming year. It is not surprising when there has been a cut in resources that the achievements there or the detections are going to be less, I suspect. The expectation in this line item is that we detect, we change behaviour and one could argue the more detections you have the greater change in behaviour you have because you are nailing people for doing the wrong thing. So, with the reduced resources are you going to have fewer detections, and are we going to have less safe roads because people are not looking over their shoulders much?

**Mr O'BYRNE** - I do not think it is as simple to say that the only method of reducing traffic crime or traffic infringements is by punishment. With the Road Safety Advisory Council, with education campaigns and with other measures that we are taking I think it is a very complex equation. For example, when you look at random breath tests and people failing those limits, failing to keep within the law, the vast majority of those people are recidivists so that the penalty does not necessarily deal with their crime. In relation to the numbers or the units of the measure that are being identified I might get the commissioner to talk through some of the rationale behind it.

**Mr HINE** - Thanks, minister. Mr Harriss, to answer your question, at the moment if we take up until the end of April this year in relation to high-risk traffic offences, last year at the same time we were 17 196, this year we have increased to 17 634, so we have increased over the last year. As you said, they are an expectation in relation to the budget chapter but last year compared to this year we are actually increasing, which is probably a worry in itself but we want to make sure that these are the sorts of people we want to be detected and make sure that we continue to detect them if they are not doing the right thing. If it also drops and we are not detecting them

## UNCORRECTED PROOF ISSUE

then that can also be a good thing but the greatest deterrent for anyone is the fact that they are fearful that they might get caught if they do the wrong thing.

**CHAIR** - And your advertising campaign goes to that message?

**Mr O'BYRNE** - You will get caught.

**CHAIR** - I do not have any other questions in this area.

**Mr WILKINSON** - I think it is important to get out there as well that when you look at the number of people who have been breathalysed, as I understand it last year it was 99.2 per cent, this year 99.4 per cent have all abided by the law in relation to drink driving so that is not a bad percentage. The message is getting out there when you have that type of percentage rate. I wouldn't have minded it in an exam.

**Mr HINE** - And I am sure you had it on many occasions.

*Laughter.*

**Mr O'BYRNE** -Ladies and gentlemen. I think that sends all the questions via you.

**CHAIR** - Three cheers for Wilky.

**Mr HINE** - It goes along those other issues I said before about the respect issue and the motorists. The majority do the right thing. It is the minority who we need to make sure we look at. We only want to come into contact with those ones who do the wrong thing.

**Mr WILKINSON** - I don't want to ask any more questions.

*Laughter.*

**Mr O'BYRNE** - I think your work here is done, Jim.

**Mr MULDER** - This morning we talked very briefly about speed over distance trials to measure speed, and I am just wondering, it was suggested that we refer that to you this afternoon, what the trial is and whether you -

**Mr O'BYRNE** - We did discuss that at some length and came back to it twice, I think, where we did discuss it.

**Mr HINE** - DIER's project?

**Mr O'BYRNE** - Yes.

**Mr HINE** - What aspect are we looking at?

**Mr MULDER** - The police involvement in it. Are you going to be involved in it at all?

**Mr HINE** - Yes, we have someone who sits on the steering committee.



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**Mr MULDER** - So we can look forward to the results and no doubt the minister will acquaint you with my other rigid ideas.

**Mr O'BYRNE** - I will in due course.

**Ms FORREST** - The reduction in the speed camera operating hours, is that as a direct result of the budget cuts?

**Mr HINE** - There have been a number of issues in relation to speed cameras. The hours haven't actually dropped back significantly over the past 12 months, but they are put out 50 per cent of the time on main arterial roads. Therefore it takes some travelling time as well. I will just get the current update on speed camera hours. Roadside hours, last year was 15 000 and the current year is 12 000, so we are down about 2 500 hours compared to last year. We are actually in the process of upgrading the cameras in the next first quarter of next financial year. We will actually replace 10 speed cameras, so therefore the breakdowns -

**Ms FORREST** - Plus the one that got burnt out the other day.

**Mr HINE** - Yes, that was a leased camera, so we are just looking at the insurance issue in relation to that, but it was one of the ones due to be replaced as well, so there will be less down time in relation to -

**Mr MULDER** - I am concerned about how you are funding your replacement program.

**Mr HINE** - It is a leased camera, so therefore we are just looking at that -

**Ms FORREST** - It wasn't an inside job?

**Mr O'BYRNE** - That is on *Hansard*. Let us be clear. This matter is under investigation and we are following lines of questioning as we speak.

**Mr MULDER** - Will you be getting a briefing on it?

**Mr HINE** - There is new technology out there, so the breakdowns will be fewer, the cameras will be more efficient, and they will also be used on the arterial roads and that does take some travelling time as well.

**Mr VALENTINE** - So staffed and unstaffed, what is the percentage that you are looking to into the future to actually have trailers as opposed to staff? Obviously it is more effective in terms of costs. Could you give us a breakdown on that?

**Mr HINE** - I can't at the moment, but it is fair to say that they won't always have someone in there, a police officer, but in relation to the burnt-out one, if they see a speed camera on the side of the road there may be a police officer in there, and there may not be, and we take the actual damage they did very seriously. It is a serious crime and there is a lot of money involved, so we are actively investigating it. If people think they can get away with it if these things are parked on the road, they won't know what security measures we have on it and they will not know if a police officer is actually in there or not.

In relation to the trailer, the trial is almost concluded about the trailer and it has been quite successful, so we are just going through the evaluation of that to ascertain if we roll it out further. It is not on every occasion that a speed camera may have someone in there, but there will be occasions, certainly, when there will be.

**Ms FORREST** - Probably not in the trailer, though.

**CHAIR** - We will now move to Emergency Management.

**Output group 4 -  
Emergency management**

**4.1 State emergency management services -**

**CHAIR** - Minister, you don't change anything here for the moment, do you?

**Mr O'BYRNE** - Not for emergency management.

**Ms FORREST** - I know there is a reduction in the number of training hours. Can you explain why that is the case?

[5.15 p.m.]

**Mr HINE** - They have been out there assisting in floods in other areas. They have been out there doing it so therefore they have not had time to train; they have been dealing with real situations.

**Ms FORREST** - I also note there has been an increase in call-outs, but there is a reducing budget, so how will the level of service be assured in that area?

**Mr HINE** - They have to face the same budget situation as we as an organisation have to face. They have to go through their budget efficiencies as does every other aspect of the department.

**Ms FORREST** - Are there any capital works proposed or mergers of facilities in regional areas being considered at the moment?

**Mr HINE** - Yes, there are. Government money was spent at Rosebery and Zeehan, and I think there is an aspect of other services using those facilities as well. We have a method of operation at the moment that if we are going to put in a new facility, and whether the fire department is going to put in a new facility, or ambulance, we all get together to see if we can utilise one facility for emergency services.

**Ms FORREST** - Is there any project on the go at the moment in that regard? There are at least one or two on the west coast.

**Mr HINE** - Yes, there are two on the west coast.

**Mr O'BYRNE** - The regional areas are where they will most likely happen first.

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**Mr HINE** - We are constantly looking. For example, if the fire department is looking at new premises, then they need to look at all the other emergency services to see if we can use those facilities, either when they are doing it or at some time in the future. That is the way of the future.

### 4.2 State security and rescue operations -

**Ms FORREST** - Is this to do with the helicopter?

**Mr HINE** - Yes, that is within our portfolio.

**Ms FORREST** - Is there any update on that?

**Mr WILSON-HAFFENDEN** - The tender has been let and awarded; it was awarded on 9 December 2011. We are in negotiations with the preferred tenderer, Rotor-Lift. I do not think there are any issues in releasing that information. We envisage the contract being completed by 1 July and we will be in a position to move forward on that contract.

### 4.3 Capital investment -

**Mr MULDER** - As to the refurbishment on the current location at Glenorchy, I think that location has been refurbished - it is supposed to be a rabbit-warren version - the current program, is that designed to get away from that into a functional service area? The floor plan is not the old method of corridors and back offices, et cetera.

**Mr HINE** - I think that is fair to say.

**Mr O'BYRNE** - When you look at the Bellerive upgrade, that is closer to the kind of facility we want to design.

**Mr MULDER** - Yes, a larger, open plan, a bit more friendly.

**Mr O'BYRNE** - It's also functional. If major events occur, if you need to create a critical incident spot, you have the facility to make rooms larger or smaller, and you have the equipment there as well.

**Mr MULDER** - In terms of relocating that, which was obviously an option at the time this was done, was that dismissed for cost reasons?

**Mr O'BYRNE** - No. We are still in discussions with Glenorchy City Council and other government institutions about potential colocation. They are not resolved at this stage. We need to make a decision relatively soon as to what we do. I was out at the Glenorchy station recently having a chat to people. It is not the greatest of facilities and we want much better facilities for our people. There is an option for colocation and we are investigating that. Ultimately, we rely on other parties to stump up their bit of the money and those discussions have not concluded yet.

**Mr MULDER** - So you are not fully committed to refurbishing the current building on the current site?

**Mr O'BYRNE** - No. But that may be an option.

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**CHAIR** - Anything else on capital investment? Minister, we are done in this part of your portfolio. Thanks gentlemen. State Fire Service comes next.

**Mr O'BYRNE** - In my opening statements for this whole chapter, I have already touched on the important role of TFS, so we will go straight to questions, if that is all right.

**Ms FORREST** - There was some recent, broad community concern about the Fire Service Levy. Can you provide an update on what is happening with that?

**Mr O'BYRNE** - I can, Ruth. When the State Fire Commission sits down and allocates its budget, it does so for over a four- and five-year period. In relation to the decision around the fire levy, the decision by budget committee and therefore by the government around accepting the recommendation from the fire commissioner was on a 12-month basis. In the 12 months that we have just had there have been no major concerns or no major issues with the budget. There has been some fine tuning. The concerns gave rise to the out years.

Over the last 12 months I have received significant correspondence from community members, volunteer fire fighters, career fire fighters, the UFU and through that process we sat down with Treasury and with the State Fire Commission and looked at the resources that are needed. We have accepted a recommendation from the State Fire Commission for a 4 per cent levy for next year, 4 per cent the following year, and 5 per cent, 5 per cent, and another 5 per cent at this stage, although that is an annual recommendation from the State Fire Commission.

On that basis some of the decisions that may have had to be made in the coming years, not this year but in the coming years, are no longer needed. In relation to Tas Fire training there is no closure of that element of the TFS's operations. We will sit down with those staff members and sit down with the Fire Fighter's Union and the CPSU and talk about how we can create some greater efficiencies. I am pleased to report that by virtue of the decision of the State Fire Commission and the work that we have done between Treasury officials, myself as minister, the Premier and Treasurer and the State Fire Commission people and Mike and his team, we have been able to work through that issue, so it is a good result.

**Ms FORREST** - So the e-mail box should not fill up with concerns?

**Mr O'BYRNE** - You do not get the e-mails saying thanks. Although we have received a fair bit of correspondence. It has been circulated within the service and we were out at Cambridge the day before yesterday where a number of career fire fighters were very pleased with the result.

**Ms FORREST** - So the word is filtering out there of a change of decision.

**Mr O'BYRNE** - Absolutely. I have written to everyone who has written to me. I am surprised you actually haven't received anything from me.

**Ms FORREST** - No, well, I haven't, and I am very disappointed.

**Mr O'BYRNE** - Well, that won't last long, we will get that letter to you.

**Mr BRADSHAW** - I will make a note.

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**Mr O'BYRNE** - That is a good commonsense result. Obviously the issue was more in the out years, so we sat down and worked out the capital program, we looked at the needs of our fire fighters, both career and volunteer across the state, and they do a tremendous job. It was never a question mark about their value to the community or their commitment to the community. It was very much about making sure the numbers stacked up and we got the out years organised. I am very pleased to say we have got a good result on that.

**Ms FORREST** - That is pleasing because some of these people are very good friends of mine that work in the service up there. I delivered lots of their babies.

**Mr O'BYRNE** - You have delivered lots of their babies.

**Ms FORREST** - Yes and they know how to get in touch.

**Mr MULDER** - And they put out all your fires.

**Ms FORREST** - That is right.

**Mr O'BYRNE** - That is how communities work, metaphorically as well.

**Ms FORREST** - That is how they work, yes.

**Mr VALENTINE** - Along the lines of the fire service levy, local government is very keen to not be in a position to collect that money because they are the ones that get the flack. Have the 70 new trucks for instance been purchased out of that levy, or does that come from some other -

**Mr O'BYRNE** - The levy contributes to the overall budget. It is a significant contributor to our program of vehicles such as heavy tankers and light tankers. We build a range of vehicles in Tasmania because we do it better than virtually every other jurisdiction. We do it cheaper and the units are more attuned to the needs of the local brigades. In relation to the levy there is a commission taken by local council. Across the state, I think \$1.3 million of that levy remains with councils so that they can defray the costs of -

**Mr VALENTINE** - That is what it costs us to deal with the e-mails we get. All of the local governments appreciate the work the services do, and I want to put that on record. There is no question that the service is great to have; it is just the collection mechanism. That is what the concern is out there.

**Mr O'BYRNE** - I must admit I have never seen the fire levy as a concern. There are probably some other charges I get concerned with on my local government rates and services.

**Ms FORREST** - Like water and sewerage, that is gone now.

**Mr O'BYRNE** - The correspondence to my office, especially around the issue of the levy, has been extremely supportive. I know there is a bit of history to it because it does bump around and people see it as a percentage. There was a debate between 3 per cent and 5 per cent. Effectively in urban areas it was the price of a cup of coffee annually; in regional areas it was just over a dollar annually.

**Mr VALENTINE** - I guess with the cost of living rising that just adds to the quantum.

**Mr O'BYRNE** - I understand.

**Mr VALENTINE** - What percentage is it likely to go up this year?

**Mr O'BYRNE** - It will be 4 per cent.

**Mr VALENTINE** - Four per cent above what it is now.

**Ms FORREST** - Above, is it?

**Mr O'BYRNE** - Four per cent, yes.

**Mr VALENTINE** - A 4 per cent rise on what it currently is.

**Mr O'BYRNE** - That will equate, in urban areas, to maybe \$3.50 annually.

**Mr BROWN** - It is something less than \$5, I think, the average in an urban area.

**Mr O'BYRNE** - The average in an urban area. The average in a rural area would be between \$1 and \$2 annually. Whilst the 4 per cent, you think crikey that is going to be a big figure, when you actually look at the sum it is quite low.

**Mr WILKINSON** - Recruitment is interesting. Many people put their hand up and try to get into the Tas Fire Service.

**Mr O'BYRNE** - Five hundred and fifty last recruitment day.

**Mr WILKINSON** - That is what I was going to ask. Not many are able to do that. Can you give me an indication of how many do make application and how many are actually successful.

**Mr O'BYRNE** - In this round 550 people applied or thereabouts. We have a course of 12. They have all passed their fitness tests and all the rigorous processes they need to go through and they will start on 1 July 2012.

**Mr WILKINSON** - Those figures are pretty consistent, are they not, with how many make application to get into the fire services? The jobs available are only around about 10, 12, 15, whatever it might be.

**Mr BROWN** - Yes. It is clearly a popular position.

**Mr O'BYRNE** - Get the uniforms and -

**Ms FORREST** - Get to drive a big truck.

**Mr WILKINSON** - Yes, love a man in uniform.

**Mr O'BYRNE** - And you get to risk your life regularly. It is not an easy job.

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**Mr WILKINSON** - The other thing is the Myer fire. I was wondering how the government is faring with that. I understand that is before the courts at the moment. Can I get some indication as to how that is progressing, because it could - and I am saying could in inverted commas, I hope it is not - but it could mean quite a significant cost.

**Mr BROWN** - I think it is called a preliminary matter and it is before the courts currently. I think it was heard about six weeks ago in the Supreme Court. That matter has been reserved at the moment. It is really a decision about the immunity legislation. They have not gone into the Myer incident itself, it is more a question now of whether the immunity legislation which we have - and in fact all other emergency services across the country and probably the world have such legislation - has effect.

[5.30 p.m.]

**Mr WILKINSON** - In other words, whether the fire services - and that would mean the government - have to pay if there was any negligence as opposed to any other person having to pay, is that right?

**Mr BROWN** - That might be a matter for later. It is more about whether the immunity legislation does what it was intended to do originally.

**Mr WILKINSON** - And what was it intended to do?

**Mr BROWN** - To really cover firefighters and what they do in their operations.

**Mr WILKINSON** - In other words, they cannot be charged with negligence, is that what it does?

**Mr BROWN** - Really it included the words - and I do not have it in front of me, obviously - but acting in good faith. Providing fire fighters were acting in good faith in what they did, it was a matter of ensuring that that legislation gave them coverage.

**Mr WILKINSON** - I see.

**Mr O'BYRNE** - In the normal course of their duties: protecting property and making judgments. It is obviously a very tough environment for our people.

**Mr WILKINSON** - The only other thing I was going to mention is the brigade museum. Did you want to say anything about the one out at Glenorchy just next to the Glenorchy footy grounds? It is the steam train museum as well but also the fire brigade museum, is that right?

**Mr BROWN** - I think it is called the Transport Museum. We have a group of people, and mostly retired fire fighters who work pretty much all day every Tuesday in restoring some of the old stock.

**Mr O'BYRNE** - It is fantastic.

**Mr WILKINSON** - Yes, it is good.

**Mr BROWN** - They do a great job with it. Only recently I went out there to see how they were going with their work and it really is surprising just how much has been done.

**Mr WILKINSON** - I just raised it because I took a couple of the grandkids out. It is enjoyable. Many of the people out there do really appreciate it. When they have a toss up of what is their most favourite they normally go for the one that has the uniform that you are wearing.

**Mr BROWN** - It is certainly well worth seeing.

**Mr O'BYRNE** - That is why those kids grow up to be young adults and they want to get 550.

**Mr WILKINSON** - Thank you.

**CHAIR** - Any other questions on the State Fire Service? We are done, thank you.

**The committee suspended from 5.32 p.m. to 5.36 p.m.**

## **DIVISION 6**

(Department of Justice)

**Mr O'BYRNE** - With me at the table is my adviser Wayne Johnson, whom I am sure you are all aware of; Deputy Secretary of the department, Mike Stevens; Director of Workplace Standards, Roy Ormerod; and Director of WorkCover Tasmania, Martin Shirley. I will declare that I am a man of my word. Martin is a Carlton supporter and between Carlton and Collingwood there was a game recently where the result clearly went the wrong way -

**Mr WILKINSON** - You have a Carlton player too, haven't you, Wayne Johnson?

**Ms FORREST** - And he is going to put a Carlton badge on.

**Mr O'BYRNE** - I am putting a Chris Judd badge on for the period of this estimates and I am not happy about it.

**Ms FORREST** - The television cameras are not here at the moment.

**Mr O'BYRNE** - Oh, it is off-air, happy days.

**Ms FORREST** - No, it is not.

**Mr O'BYRNE** - See it is Chris Judd. He is off the ball and there it is I am here now.

**Mr MULDER** - We will have to draw a cartoon.

**Mr WILKINSON** - And you have the dominator to your right as well.

**Mr O'BYRNE** - Yes, I know, Wayne Johnson is a Carlton man, too, so it is slightly awkward. We have talked about workplace bullying before -

**CHAIR** - We do not have any questions, minister.



*Laughter.*

**Mr O'BYRNE** - I will start with an opening statement if that is okay - Chris Judd or no Chris Judd.

You only have to read the editorial in Tuesday's *Mercury* to remind you that Tasmanian workers are the best in the nation. They are honest - are you able to do that under parliamentary standing orders?

**Ms FORREST** - [Ms Forrest is taking a photo of the minister]. I do not know but you keep talking.

**Mr O'BYRNE** - They are honest, reliable and have a high work ethic. This output is all about improving the health of those workers and keeping them safe whilst they are at work. As the editorial said, 'High quality people are just as valuable - if not more valuable - as minerals, forest, fisheries or any other natural resource', and thankfully in Tasmania we have a rich supply of good, honest workers which are the key to the success of any business.

Through this portfolio we have been able to do a lot for Tasmanian workers in the last year. We have passed new model workplace health and safety laws which, for the first time, will provide a common set of laws to protect workers, improve safety outcomes and reduce compliance cost to business. We have introduced Tasmania's first no-fault asbestos compensation legislation so that workers who are struck down with an asbestos disease are able to get fair and timely compensation that they need and deserve. We have increased education and awareness through promotion of the dangers of asbestos in our buildings and our workplaces. We have passed legislation so that Tasmanian workers can access and enjoy the same long-service leave conditions that their mainland counterparts have been able to for years.

There is also the day-to-day work that Workplace Standards and WorkCover Tasmania do to improve the health and safety of workers. Workplace Standards, through their offices at Rosny, Launceston and Burnie, visited more than 8 000 workplaces last year. They helped more than 37 000 callers to their telephone assistance line, they issued 280 notices, including 92 improvement notices, 49 infringement notices and 139 prohibition notices and prosecuted 27 offenders. A particular focus this year has been on delivering information sessions throughout the state so that workers are ready for the new health and safety laws which commence 1 January 2013.

Similarly, the WorkCover board has been busy with a newspaper and television campaign to highlight the importance of workplace health and safety. Sponsorships have been provided to netball and AFL Tasmania to better promote the safety message in our communities. Safe Work Week has been expanded from a week to a month to better educate employers and workers about things they can do to make workplaces safer. And a free advisory service targeted at small- and medium-sized businesses continues to help them better manage health and safety in their workplaces.

A recent survey found that 92 per cent of businesses had made improvements to their workplace health and safety after an adviser had visited. Nothing is more important than keeping workers safe while they are at work and I would like to acknowledge the work of safety

representatives, unions, employers and everybody at Workplace Standards and WorkCover who every day help workers to return home safely to their families. With that I am open for questions.

**CHAIR** - Minister, as an overview question, I acknowledge your opening comments on the changes to law which you have recently made, are there any new changes during the term of this government to the industrial relations laws which you are contemplating?

**Mr O'BYRNE** - With the referral of powers to Fair Work Australia there has been a review undertaken in the Tasmanian Industrial Commission. We have not concluded the work on that. There have been some discussions across party lines recently about a new structure in the State Service commissioner and also the Tasmanian Industrial Commission. We will be seeking input from registered organisations - the Chamber of Commerce, employer organisations and trade unions - on any views that they may have on any changes to the Tasmanian Industrial Relations Act. At this stage I cannot forecast, it may very well be that there is no change but there might be some recommendations and we may very well seek that.

There might be some change in relation to presumptive legislation for fire fighters in relation to cancers. That issue is being actively investigated by the Tasmania Fire Service and Workplace Standards, in conjunction with fire fighters and representatives.

There has been a review of child labour laws that we have undertaken and that is yet to be concluded. That may mean some regulatory or legislative change but it is hard for me to forecast on what that will be.

Also, I am reminded that the federal minister for Workplace Relations, Bill Shorten, is also undertaking a review of Fair Work Australia. I cannot see where there may be some consequential changes to our legislation but that is a review that the federal government is undertaking and that could mean legislative change in the industrial relations area. Most of the work is in the federal area.

**CHAIR** - Yes, and that leads me then into 9.1. With those referral powers to Fair Work Australia, what is the essence then of the changes to the jurisdiction of the TIC?

**Mr O'BYRNE** - The TIC now deals predominantly, while it obviously still has the capacity to deal with public sector matters, it deals with long-service leave disputes and the occasional private arbitration. A number of collective agreements that have been struck talk about arbitration triggers and they have included, for the sake of ease, the Tasmanian Industrial Commission as the registered arbiter so the commission plays that role as well.

**CHAIR** - Does the commission have the capacity to play a role in arbitration with regard to what might be contractual disputes between parties for any reason, where arbitration is nominated as a negotiated outcome?

**Mr O'BYRNE** - They have the legislative power to do it. The parties have to agree and in every decision of the Tasmanian Industrial Commission they must take into account the principles of wage fixing, precedent and the broader issues.

**CHAIR** - That seems to suggest that they would probably be somewhat restricted when it comes to specific arbitration for a contractual dispute if it did not relate in some way to wage matters.

**Mr O'BYRNE** - Potentially. It depends on the circumstances. The vast majority of the workplace now, in terms of the definition of employer and employee, is now covered by Fair Work Australia, and the majority of employees within Tasmania are under that jurisdiction. Public sector employees are still under the state jurisdiction.

**CHAIR** - It is a reasonably restricted area. Does any other member have questions with regard to 9.1?

### **9.1 Services of the Tasmanian industrial commission -**

**Ms FORREST** - The clearance rate in the Tasmanian Industrial Commission to get a percentage of 109, I presume that means someone carried over from the previous year into that year.

**Mr STEVENS** - It is basically a cleaning up of the backlog. It is more than 100 per cent because they made a number of decisions about matters that were in fact for within the previous recurrent period.

**Ms FORREST** - They were not resolving matters that had not actually arisen yet?

**Mr STEVENS** - No.

[5.45 p.m.]

**Mr O'BYRNE** - I am not going to mislead the committee. They are giving 109 per cent.

**CHAIR** - Any other questions? Going to Workers Rehabilitation and Compensation Tribunal decisions, and again I might go to that table that Ruth mentioned, minister. There is clearly a good clearance rate; there is a good proportion of all matters finalised within three months and I assume that included workers' compensation adjudications as well. My question is: what is the bald number of matters adjudicated and is there a trend of increase or decrease with regard to that number? Just specifically for workers' comp, please.

**Mr O'BYRNE** - We can take that on notice. We can give you that in terms of the number of cases and the number of resolves. Apologies, Chair, I thought that was there.

**CHAIR** - That is all right, we can have that tabled. Any other questions with workers' comp? As regards the 9.3 IR policy and advocacy services, this is policy advice to the minister with regard to private sector industrial relations matters, I understand. I was interested to understand just exactly where that takes you. Private sector matters of industrial disputes, I presume, are just simply settled through the process, and what ministerial involvement is there?

**Mr O'BYRNE** - It is really general industrial relations policy in the state, so there is still jurisdiction for long service leave and we have had that change to long service leave in Tasmania; there is the child labour reform of views; there is also, as part of the national discussion around laws, the fact that all jurisdictions are asked their opinion and their views, so it is important that we have a resource to be able to support it. It is important that Tasmania's interests are accounted for, especially in relation to the review that Bill Shorten has pulled together. There are obligations about the various jurisdictions within Australia that have to be reported on and our international obligations under International Labour Organisation commitments.

**CHAIR** - In the year past or about to conclude, have there been any significant private sector IR matters that would fit within this area?

**Mr O'BYRNE** - In financial dispute?

**CHAIR** - Yes.

**Mr O'BYRNE** - The commission deals with things -

**CHAIR** - Significant.

**Mr O'BYRNE** - In terms of that area, connected to your last question, it is more policy advice. The Tasmanian Industrial Commission resolves disputes by public and private sectors with their jurisdictions. To be honest, that is part of the review. There is not a lot of workload there at the moment and we need to cut the cloth to suit the need.

**Mr MULDER** - We have an idea for a job for him.

**Mr O'BYRNE** - For who?

**Mr MULDER** - The industrial commissioner.

**Ms FORREST** - He's not busy enough, I don't think.

*Laughter.*

**Mr O'BYRNE** - We can talk about that if you want and I will do the *mea culpa*. Clearly, the 40 per cent decision was a politician's decision back in the early 1990s, but the point I was trying to make is that when it was referred to President Westwood of the Commission, by virtue of the outcome of his decision he confirmed that 40 per cent. Also, if it is, in my humble view, referred to the Tasmanian Industrial Commission, they have already made a decision on linking between state and federal. It is not something in terms of wage-fixing principles you can easily undo. Any industrial commission making a decision on wages and conditions needs to take account of previous decisions of that body. Also, there was, from my understanding, an extensive work-value case done back then to establish the link between state and federal politicians, so I think we can work through it.

Through the Premier and through people in this room, I am sure we can find some compromise. I understand the intent behind it but it is not a simple arbitration of a dispute because there are wage-fixing principles, existing decisions and sometimes they are hard to unpick.

**CHAIR** - The commission doing its work.

**Mr O'BYRNE** - The commission doing its work. But the outcome may not be as some people think.

**CHAIR** - I am going to take the liberty to recommit item 9.1

## UNCORRECTED PROOF ISSUE

**Mr O'BYRNE** - On the answer on the workers rehabilitation, they have accounted for a minor increase in referrals, with 30 referrals being received and approved to date.

**CHAIR** - I am doing this so we can prolong the agony of the Carlton badge for a little longer. Minister, will there be a workload reduction for the commission with the changes in the federal laws or has there been since that process?

**Mr O'BYRNE** - Yes.

**CHAIR** - The follow-on question is the current make-up of the commission: who are our industrial commissioners? What is their profile and length of service? Are there any changes in the wings?

**Mr O'BYRNE** - Since we referred the majority of matters to the federal commission there has been a significant drop in private sector activity, which was a fair whack of their role previously. We are undertaking a review on the basis of that reduction in workload. The commission is currently constituted. At the time of the referral there was a president in Pat Leary, a deputy president in Pauline Shelley, and two commissioners in Abey and McAlpine. The deputy president, Pauline Shelley, retired and we were down to three.

The workload has decreased significantly. There was an issue with being able to constitute a full bench so in a good relationship with the federal commission, now Fair Work Australia, on a fly-in basis, we were able to second two commissioners from the federal commission to constitute a full bench. If one of the commissioners hears a matter, if the matter is appealed, you cannot sit on the appeal. To constitute a three-person full bench we would need to seek assistance, so we did that. We have only had to use that service a couple of times.

There is now a review and a discussion going on about the role of the State Service commissioner and also the Tasmanian Industrial Commission. No final decision has been made but, suffice to say, there will be a smaller commission. There still is a workload but having a president, a deputy president and two commissioners - so four people hearing matters - there is not enough work to sustain that. We are now down to two and a half because President Leary also does some work in other jurisdictions, so she is half time. We are progressively reducing it to a manageable staff load.

**CHAIR** - When did Pauline Shelley retire?

**Mr O'BYRNE** - Around the time of the referral, late 2009.

**CHAIR** - The others are all long-serving; any impending retirements? I do not know the age profile.

**Mr O'BYRNE** - Yes, there is. Pat Leary has given her intention to retire as of August. Previous governments made the decision to move from appointing positions until the age of retirement to seven-year appointments. When I became minister, because of the reduction in workload and the review that was under way, we rolled on a couple of contracts for commissioners Abey and McAlpine. Commissioner Abey had a three-year extension to October next year and Commissioner McAlpine had an extension to the end of June this year.

**CHAIR** - So that suggests then that Commissioner McAlpine will be finishing as well as the president, having given her resignation, so you have to find two new -

**Mr O'BYRNE** - Not necessarily. There is a discussion around the State Service Commissioner playing the role of an industrial commissioner, amalgamating those two, because the work of the Tasmanian Industrial Commission is predominantly public sector disputes now, individual and collective. The State Service Commissioner plays a role. There is a discussion about essentially bringing those two roles together so that public sector workers, instead of going to two forums go to one forum, and it is resolved much more efficiently. We will be advertising in this weekend's paper for either a president, full-time or part-time, and a commissioner, full-time or part-time, on the basis of the resolution of that discussion. We just want to make sure that we are able to provide that service, that continuity for government and public sector employees within Tasmania.

**Mr WILKINSON** - And will Mr McAlpine be putting in for it? Can he get an extension of his contract?

**Mr O'BYRNE** - Ultimately, that is a matter for cabinet to sign off on. We will be advertising and I will be making some recommendations. If Mr McAlpine cares to apply he will be treated like any other applicant.

**CHAIR** - How long has he been a commissioner?

**Mr O'BYRNE** - It would have been around 2001 or 2002.

**Mr STEVENS** - He was appointed in 2004.

**CHAIR** - It seems a lot longer. I thought it was a long time ago that Jim joined it.

**Mr O'BYRNE** - Commissioner Abey was appointed in 2000, and President Leary was appointed in 1998 as Commissioner, and as President in January 2001.

**CHAIR** - Any further questions in this area of industrial relations?

**Mr O'BYRNE** - I just want to clarify in terms of President Leary, the appropriate wording is her contract concludes in August of this year.

**Mr WILKINSON** - In relation to the commission itself, do you endeavour to get a mix of people who have been involved in a union background together with a private enterprise background? It has been with President Leary and also Shelley, and also McAlpine and Abey. You had two involved with the private enterprise side of things and two involved with the union side of things. Is that the mix you are trying to get, which would seem to me to be an appropriate mix?

**Mr O'BYRNE** - Ultimately it is a matter for the minister and the government of the time to make these appointments. Traditionally, the minister consults with registered organisations, both the Chamber and other employer organisations, and also the trade union movement through Unions Tasmania and other unions. Of course you would want to make sure, given the nature of the tribunal, conciliation and arbitration which is a particular area of law and dispute resolution, that people are familiar with the environment, the kinds of matters that are dealt with in awards, in

enterprise agreements, and dealing with industrial disputes. I remember in my career getting dragged into Bob Watling's office and Peter Imlach's office and being told my future about disputes and how we are going to fix them. So that sort of conciliatory role in disputes at least - apart from arbitrations on award definitions and wage-fixing principles and those matters, they are pretty well black and white industrial interpretations - but in terms of dispute resolution, is not necessarily bound by the rules of evidence. The role is to get in, sort out the issues and tell people to get back to work if they need to, or to resolve issues so that people can get back to work in those sorts of issues.

**Mr WILKINSON** - That being the case, that is why I am saying my personal point of view would be that there should be a mix in order that there be no, I suppose, criticism or bias -

**Mr O'BYRNE** - Convention has always been basically it is your turn, your turn, in terms of the nomination, but ultimately the minister and the government at the time makes those decisions. That is why we are advertising to ensure that there is an open process. We want to make sure people know the lay of the land. You wouldn't want to put someone from maybe a legal background who has no industrial experience; you will cause significant issues.

**Mr WILKINSON** - I understand that. Bob Gozzi, the former commissioner, had that private enterprise background, also Jim McAlpine and people like that. If it was all the one, no matter whether it be private enterprise or union-orientated, there could well be a perception problem which might denigrate from the job and the work the commission does.

**Mr O'BYRNE** - All the current commissioners - the president and the two commissioners - are all from an employer background. Pauline Shelley was the last person from a trade union background.

**Mr WILKINSON** - She left a bit earlier than was otherwise expected, did she not?

**Mr O'BYRNE** - Exactly, and because of the workload we did not seek to replace that position.

## **Output group 11 Workplace services**

### **11.1 Workplace standards -**

**Ms FORREST** - Can I take you to footnote 10 on page 7.7 referring to the output group expense summary for Workplace Standards? There is a significant increase and it says:

The increase in Workplace Standards is due to the realignment of special deposit and trust fund expenditure estimates associated with the Occupation Licensing Fund and the Building Practitioner Accreditation Scheme.

Can you provide a bit more explanation about how that is working and how the shift is working?

**Mr STEVENS** - Two trust funds have been established. The one for occupational licensing is a precursor to going to the national system, and the second one is the building accreditation fund. The way that Treasury runs the finances is that those trust funds are now reflected through the budget statement, so they are new funds to that extent, which has inflated the -

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**Ms FORREST** - So they come through your books but sit in the special deposits and trust funds?

**Mr STEVENS** - Yes, and they are spent in accordance with their charter and various other instructions.

**Ms FORREST** - We do not get to see an update of the special deposits and trust funds until the Treasurer's annual financial report each year.

Could we have an update on the accident incident investigations? How many have been undertaken to date?

**Mr ORMEROD** - We call accident incident investigations notifications. To date, for the period 1 July to 30 June, there have been 1 089 accident incident notifications, 559 intervention requestions, and 780 other types of requests relating to this area through the helpline.

**Ms FORREST** - Which industries have they been in, Roy?

**Mr ORMEROD** - I do not have the breakdown with me. We know that black spot areas - construction and rural - are the two areas that cause the major problems.

**Ms FORREST** - So they continue to be, there is no change there?

**Mr ORMEROD** - Exactly right. We devote a lot of our resources to those areas.

**Mr VALENTINE** - ATV in rural?

**Mr ORMEROD** - Yes, quad bikes are a problem. Last calendar year, approximately 25 people nationally were killed on quad bikes. We have had a few deaths here and a few very serious injuries as well. You may recall the King Island incident recently and we are in the process of investigating that.

**Ms FORREST** - The lady was flown to the UK, was she not?

**Mr ORMEROD** - Yes, she has gone back to the UK with serious injuries. We have just about completed the investigation into that and it is then going on to the DPP for advice.

**Mr WILKINSON** - Am I right in saying that most deaths occur with people who go out by themselves and without head gear?

**Mr ORMEROD** - That is correct. There is a national push to try to improve safety on quad bikes but helmets, rollover bars, design issues, and a whole range of other issues.

**Mr O'BYRNE** - Also, they load them up sometimes and it creates a balance problem. I know that we are working pretty hard with the rural community through the TFGA and we are trying to have a stall at Agfest. I noticed that at the TFGA reception they had a number of Worksafe pamphlets. It is hard work and I know there are a couple of women from the sector who are very passionate advocates about reform in this area.



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**Mr HALL** - There is a lot of conflicting evidence about whether rollbars improve or make it worse. I know a lot of people end up underneath the bike and they die by crushing.

**CHAIR** (Ms Forrest) - Is it possible to get a breakdown of the figures into the various centres? Would you mind providing it to the committee?

**Mr O'BYRNE** - Yes, we can.

**CHAIR** - Can you also provide some information about how many awareness and educational programs have been conducted and in what areas? Obviously Agfest is one of the areas where there was an education program and awareness campaign.

**Mr ORMEROD** - We do what we call proactive visits and I can give you the numbers of those and of course there is also the advisory service provided by WorkCover that complements what we do. So there is a lot of proactive work being done.

**Mr O'BYRNE** - We might also get Martin from WorkCover to talk about that as well.

**Mr SHIRLEY** - The WorkCover board has recognised the need to get the message out there about safety. It employs three officers who are not inspectors. They do not have right of entry into workplaces so what they do is that they write out to businesses in high risk areas such as transport and agriculture and say, 'Here is an opportunity for someone to come in, in a non-threatening environment and provide OHS advice'. We conducted a survey to see how well that had been received by the people contacted: 85 per cent said they thought that the information provided had been beneficial in improving safety in their workplace, and a higher percentage than that, in the 90s, indicated that the advice was credible and useful to them.

There are three officers who operate throughout the state. That work is ongoing and recently has been augmented by a federally-funded program where, out of federal funds, the Health Department and WorkCover Tasmania have a partnership going for two health and wellbeing officers. That work assists businesses who are looking at overcoming some of the hidden issues about sedentary workplaces, stress and those sorts of pressures upon businesses. The WorkCover board nationally has an award for the best health and wellbeing program amongst businesses and that was well supported by entries last year and so from that point of view the board has a reasonable cover, or the state has reasonable coverage of advisory services in this area.

**CHAIR** - What about the number of programs and areas you have targeted - as far as awareness and education programs?

**Mr SHIRLEY** - Those advisory services get to about 400 businesses a year in providing advice to them.

**CHAIR** - It is not a specific target or topic that is being covered - it is broad advice. Is that what you are saying?

**Mr SHIRLEY** - It is targeted in the terms that we target the areas with the highest incidence rates; so transport and agriculture are represented in those. Then it is a matter of going out to them and finding out what the barrier is that they have between their current performance and work and safety.

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Sadly, with workers' compensation injuries they tend to be largely unsexy things; they are slips, trips and falls and a lot of it is just improved housekeeping and better manual handling. Moving companies from a state of wanting to do something and not knowing how to achieve it to wanting to do something and seeing a task that they can commit to is the roll of the advisory service and the inspectors of Workplace Standards, and that seems to be going well at the moment.

**Mr ORMEROD** - I can give you some targeted things we did in relation to forestry. Loading of log trucks - we did a lot with transport inspectors on that this year and we carried out 3 635 proactive visits to businesses in our inspectorate in the year across the state.

**CHAIR** - That would compare favourably with previous years, would it, Roy?

**Mr ORMEROD** - Yes it does. It is a little bit down from the previous year but not too far down. The reason we had a spike of reactive visits, because we have to balance the two, but overall 6 200 visits to industry if you combine the two. Also we are focusing with quad bikes as WorkCover have with getting to farms and talking about quad bike safety as well.

**CHAIR** - As far as the inspectorate goes, do you have any unfilled positions in inspectorate at the moment?

**Mr ORMEROD** - We have a number of unfilled positions in the inspectorate.

**CHAIR** - What areas?

**Mr ORMEROD** - They are in a general area. We have enough asbestos inspectors. Our biggest concern is all about the ageing inspectorate where a lot of them now are getting on a bit in age and we have to think about some renewal. That is something that is challenging us at the moment.

**Ms FORREST** - There are some impending retirements?

**Mr ORMEROD** - I reckon there are a lot that probably qualify to retire now if they chose to, thankfully they are not and they are enjoying their work, which is good. Over time, perhaps the next 10 years, we will be seeing some significant movement in our inspectorate by way of retirement.

**CHAIR** - So are you doing anything about your workplace planning in that regard?

**Mr ORMEROD** - We did a cadetship program a couple of years ago, which was really successful and we hope to be able to repeat that again soon and be able to get some people that way.

**CHAIR** - I know that the 2010-11 figures aren't yet available from the ABS for workplace serious injuries and deaths this year, but how do you think they are comparing with previous years?

**Mr ORMEROD** - Comparable, yes. I think they are tracking down a bit, but they are not going down as far as we would like to see them go down.

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**CHAIR** - The new occupational health and safety legislation, which was unfortunately delayed, in some people's views, for 12 months - what impact will that have for the inspectorate?

**Mr SHIRLEY** - We have put a lot of effort into campaigns and awareness visits. Our director, the head of the inspectorate, has been visiting every employer that employs more than 70 workers throughout the state to talk about the new laws. Also with the funding for WorkCover there have been programs like last year in the work safe month where we did a lot of programs and work was devoted to raising awareness about the new laws.

**CHAIR** - There were some rumblings about it perhaps not being universally accepted across the country. Is that the case?

**Mr O'BYRNE** - I think Victoria and WA had made a decision to defer.

**CHAIR** - Defer or kick it out?

**Mr SHIRLEY** - WA's official line at the moment, from what I remember last reading, is that they are waiting on the mine safety regulations to come online. We understand - at the officer level, that is - that there is a desire to commence around 1 January next year.

**Mr O'BYRNE** - Essentially, the commonwealth, New South Wales, Queensland, Northern Territory, and the ACT have all commenced on 1 January this year. In South Australia, it has been reintroduced back into the parliament for reintroduction as soon as possible. I am not sure exactly of the dates there. It is really WA who has the mines, and Victoria.

**CHAIR** - We are expecting the nationally consistent mine safety legislation within the next 12 months and that is why we have not been dealing with the legislation, I understand, in our House. Is that still the case?

**Mr SHIRLEY** - Yes, it is on track.

**CHAIR** - Do you know how many times and how many years I have heard that, Roy?

**Mrs ARMITAGE** - I know you are very well aware of this issue that I am going to ask you about; it's the United Plumbers of Tasmania. I have a letter for Roy in front of me that they have written. One of the issues that they have been bringing up again of late was to do with the fact that they have to have their registered number on their vehicle. If it is a marked vehicle they have to have it on but if it is an unmarked vehicle they don't. They feel that fraudulently people could actually use that number, because you don't give out your tax file number, and to put that on your vehicle puts them at risk. I noticed in an answer that I received on a question they said:

The public is now able to search licence holder details on the Workplace Standards website to verify that persons or businesses are current licence holders.

Their feeling is why can't they put something like 'registered plumber' or 'registered electrician' because you can go to the Workplace Standards. Why do you need to put your number, which can then be used by someone, if they want to go interstate, use your number and put it on a vehicle without people checking.

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[6.15 p.m.]

**Mr O'BYRNE** - There are a number of checks and balances in the system to avoid that but I might get Roy to -

**Mr SHIRLEY** - That is right, there are. Anyone can manufacture a number now and unless you properly do your own research you will not know whether a number is genuine. The best way of doing that of course is if a person comes to your door to do some work, gives you a licence number, you can check on the website and see if that number matches the person's name.

**Mrs ARMITAGE** - But they don't want to have it on their vehicle and on all their advertising, which is part of the act that they must have that number on their vehicle and on all their advertising. That is their concern. Yes, they are happy to show the number when they come to the door so that someone can check, but why should they be required by the act to have it on everything?

**Mr O'BYRNE** - There are a number of instances of unlicensed people undertaking work. I suppose in terms of the transparency, if someone is going to go to the length of putting someone else's licence number on their car or use the licence number, there are a number of checks and balances in the system. We are trying to make sure that there is a greater transparency with the licence numbers, there is a greater transparency and ability for the state to ensure that those good plumbers - the plumbers that do the right thing - are protected and are not undermined. We have had extensive negotiations and discussions with United Plumbers.

**Mrs ARMITAGE** - They represent a large number in the state but they do not feel protected by having their numbers on their vehicles, I can assure you.

**Mr O'BYRNE** - There are a number of associations within plumbers. The Master Plumbers Association represents a significant amount of plumbers both individual and larger organisations, and they are supportive the new regime and the national licensing approach.

United Plumbers in Launceston are the people I have met with a number of times. They don't believe in a national licensing system and they think the councils should be able to just play the role in terms of inspections but not all councils have inspectors and the roles of the inspectors are not necessarily to deal with the professions, it is actually just to deal with the work so it is important we have a system that maintains the integrity of the profession. The electricians have been in this system for many years and it has worked extremely well to ensure that unlicensed and illegal work is contained and diminished.

**Mrs ARMITAGE** - Another question he asked me to ask you is about the need to return the paperwork for 10 years when the ATO only ask you to keep it for seven years. Is there a reason that trades have to keep their paperwork for a further three years than the ATO requires?

**Mr SHIRLEY** - Yes, there is a reason for that. That is there is a statute of limitations involving building work for 10 years. Therefore it is in their interests to keep it for 10 years.

**Mrs ARMITAGE** - In one of the pieces of paperwork that has been provided by you - and I this was 5 August 2011 - I notice that of the seven staff that were employed, the lowest was a band 2 and they go up to a band 6. Actually there are two band 6. There was one and there was a one and a half. Then there were three band 5. Actually one said 'zero' next to it so I am not sure whether that position is just to be advertised. It actually added up as a one but there was nothing

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there. A band 4, two band 3s and a band 2 with a total salary of \$670 000. All up, the new occupational licensing budget was \$1 million, which is quite substantial. Included in that was the national licensing's costs in 2010-11, which was \$110 000 but in 2011-12 it had gone up to \$200 000. Can you explain?

**Mr SHIRLEY** - That licensing is not just for plumbers.

**Mrs ARMITAGE** - I realise it is not just for plumbers.

**Mr SHIRLEY** - It is over a number of professions.

**Mrs ARMITAGE** - I don't believe the \$110 000 was just for plumbers either.

**Mr SHIRLEY** - There are 4 000 electricians in the state and there are 1 000 plumbers. It is important that if we are to undertake a licensing system to ensure we can protect the consumers that we have the resources to do so.

**Mrs ARMITAGE** - I appreciate that but this was not separating plumbers from the others. The total cost from here was \$110 000 in 2010-11. I am just asking why the increase in 2011-12 to \$200 000. It does not actually state here that it is cutting across more licences.

**Mr SHIRLEY** - That is the contribution to the national licensing scheme. It is now up and running, it is fully operational and it wasn't previously. The \$110 000 previously was our contribution towards some of the set-up costs in relation to that national licensing model. Now it is up and running and that is our contribution towards some of the set-up costs in relation to that national licensing model. Now it is up and running and that is our contribution.

**Mr O'BYRNE** - As part of the COAG reforms, once we get this system up, a plumber can get a licence in Tasmania and then work in any part of the country.

**Mrs ARMITAGE** - I understand that. Will you be looking at the workplace renewal incentive program, considering you seem to have some very highly-paid staff in that area, or have you already?

**Mr SHIRLEY** - Yes, definitely. Any vacancies we have in any of our areas include that.

**Mr O'BYRNE** - We also have a number of statutory roles to perform in workplace safety inspections. You have to get a balance.

**Mrs ARMITAGE** - I appreciate that, but I was surprised that the lowest worker was still a band 2, which was quite a significant cost.

**CHAIR** - They are fairly specialised a lot of these people.

**Mrs ARMITAGE** - I am talking about issuing licences.

**Mr SHIRLEY** - One person is an investigator based in Launceston.

**Mrs ARMITAGE** - I realise that, I can see the bands 5 and 6, but we have four administration officers. I am assuming that some of the staff would simply be there to issue the

## UNCORRECTED PROOF ISSUE

licences and answer the phone. I am surprised that the lowest paid is a band 2, at more than \$50 000. That is the thing that surprised me and that is why I wondered if you were going to be doing the workplace renewal.

**Mr SHIRLEY** - You are talking about reducing the -

**Mrs ARMITAGE** - Reducing or perhaps having lower-paid staff, to start off with at least.

**Mr SHIRLEY** - These positions were classified against the classification standards that apply. The level of responsibility was determined by an independent HR in determining what the classifications should be before they advertise.

**Mr O'BYRNE** - There has been some significant reform within the public sector wages. It is not time-based necessarily; there is an element of it but ultimately it has been structured along the duties performed and the responsibilities we ask them to perform and the qualifications they have. Mike Stevens makes the point they are funded by the occupational licensing fund, not necessarily out of consolidated revenue, and statutory functions need to be performed.

**Mrs ARMITAGE** - I will not go on, I think you have had the letters as well from the United Plumbers and other plumbers.

**Mr O'BYRNE** - I have been meeting with them and working through it and we have resolved a number of their issues. Ultimately I think they are fundamentally against a national system, and we just cannot resolve that with them.

**Mrs ARMITAGE** - That may be one of the issues but the fact that they have to have two licences, one for a practitioner and one for a contractor, they felt that surely they could have one licence with the categories on the back, as we have with a drivers licence. They have a lot of issues that maybe when it comes up for review perhaps could be ironed out then.

**Mr WILKINSON** - In relation to investigations into accredited building practitioners, have there been any investigations and, if so, how many and how many prosecutions of accredited building practitioners?

**Mr O'BYRNE** - The director received 40 complaints against practitioners this financial year. Of those, 11 were dismissed, 8 were found not guilty, 8 were found guilty of unsatisfactory professional conduct, 3 were found guilty of professional misconduct, 10 are yet to be completed, and 3 practitioners had their accreditation cancelled.

**Mr WILKINSON** - How was the complaint generated? Was it generated by the client or the audits that occur each year, and how many? Could you provide that to us?

**Mr SHIRLEY** - I can probably find that information for you.

**Mr WILKINSON** - Thank you. How many were successful that were generated by a client or how many were successfully generated by audit?

**Mr O'BYRNE** - The audit investigation section undertook 36 performance reviews, or 36 audits, in the financial year, consisting of three councils - 13 of building surveyors and 20 of

## UNCORRECTED PROOF ISSUE

builders - so some would have been generated from that. I do not have that information, but we can get it for you.

I think we have covered some good ground and I appreciate the good manner in which we have had the exchange.

**The committee adjourned at 6.26 p.m.**