



PARLIAMENT OF TASMANIA

LEGISLATIVE COUNCIL

REPORT OF DEBATES

Wednesday 1 September 2021

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Wednesday 1 September 2021

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

MOTION

Noting Budget Papers

Continued from 31 August 2021 (page 75).

[11.05 a.m.]

Ms WEBB (Nelson) - Mr President, I rise to respond to the state Budget 2021-22.

I welcome the many long-awaited initiatives and commitments contained in this Budget. I welcome the explicit recognition that merely delivering on election commitments is insufficient when tackling the responsibility to charter rigorous, comprehensive and inclusive pathways to a post-pandemic, just and equitable future Tasmania, at least well beyond the next election cycle. I welcome a budget that focuses on and tackles the deep fault lines and entrenched schisms of disadvantage in an attempt to address intergenerational inequity.

I welcome the recognition that we must invest in the robustness of our democratic institutions, particularly to ensure ongoing accountability, transparency and inclusiveness of those institutions.

Importantly, the promised comprehensive independent review of Tasmania's COVID-19 response is very welcome, as is the overhaul of the Integrity Commission. I also consider the gender impact assessment provided with this Budget a very significant breakthrough catching up with interstate jurisdictions in scrutinising the Budget's impact to drive necessary social reforms and cultural change.

Finally, I welcome the commitment to address the long-overdue structural reform of the state's taxation system. Indeed, the initial first step of doing away with tax cuts for a favoured few big businesses and other forms of corporate welfare in the form of foregone revenue is a welcome and brave move from this Government.

Mr President, I beg your indulgence. Clearly, those opening remarks were not in fact in relation to this Budget. Rather, they were the opening remarks I would dearly have wished to make in relation to a Tasmanian state Budget delivered for 2021-22.

State budgets set out the delivery of a government's social and public policy agenda and are an expression of its values. Those points that I raised just now represent many of those things that I believe should have been included in the central focus of any responsible Tasmanian government with a vision for transforming our state for the better.

I will come back to some of them later in my remarks but for now, alas, I will step out of the reach of the realm of fantasy and direct my attention to the actual Budget that we are presented with.

Let me start my comments with an observation that fundamentally this Budget reflects a tale of two financial states. We see one tale presented in the Government's own budget narrative versus the second, a different story set out by other commentators and in other documents such as the Treasury Fiscal Sustainability Report released in June.

Let us look first at the Government's narrative set out in both the Premier's Budget Speech and the budget papers. We are told this Budget is securing Tasmania's future and delivering our plan. This apparent plan is based upon reiterating a sense of confidence despite COVID-19 chaos. We are told that confidence is up which I find interesting because, of course, that depends on who you are talking to and whose fortunes - in both senses of that word - you most value. We are told jobs are up and the unemployment rate is down. Yes, a positive indicator, but without the equally important consideration of underemployment and employment participation rates, it is misleading, if not distorted, to depict the current state of play in that way.

Other statistics rattled off in the Premier's speech emphasised the fact the state has managed apparently to utilise the pre-pandemic strong financial position to continue to grow the economy using fiscal tools such as stimulus and other support packages. So basically, in this narrative Tasmania has come out of, or at least is keeping pace with, the unforeseen pandemic in a relatively healthy manner financially.

We are presented with the Government's tale of stability, good fortune, everything is ticking along as a matter of routine and a not insignificant degree of self-congratulation is the cherry on top.

In contrast to this is the Treasury Fiscal Sustainability Report 2021 released in June which, as members will know, is a legislated requirement under the Charter of Budget Responsibility 2007 and it tells a different tale. This report transcends the election cycle by providing a 15-year projection period for analysis, consistent with the Organisation for Economic Co-operation and Development's (OECD) guidance on long-term reporting.

As outlined in the report, it considers the longer term sustainability of the state's finances under four different revenue and expenditure growth scenarios. Now is not the time to provide an in-depth analysis of the fiscal report. However, its conclusions are very pertinent to our assessment of this Budget, particularly the following statement on page 7:

For all scenarios analysed, the results show projected fiscal outcomes that are manageable in the short to medium-term. However, the size of the corrective action required to maintain fiscal sustainability increases over the projection period.

That is further compounded by the following summary points on page 8:

The analysis undertaken in this and previous Fiscal Sustainability Reports has established the importance of the following:

- early action to correct fiscal deterioration will mitigate the severity of the measures required to effectively maintain fiscal sustainability;

- given the composition of the State's revenue base, it is not possible to rely entirely on economic growth to maintain fiscal sustainability;
- any action to maintain fiscal sustainability must recognise and address major drivers of a deterioration in the Budget position; and
- it is likely that effective action to maintain fiscal sustainability will require the successful implementation of a range of measures.

Basically, the Treasury narrative as provided in this report presents an emphasis on the need for structural corrective action. This goes to the heart of the 2021-22 Budget, a budget focused squarely on election commitments. Relying on a business-as-usual approach does not ensure our state is placed on a sufficiently robust footing capable of withstanding future pandemics or other negative external shocks.

Now 18 months on, it is appropriate to ask whether and to what degree we have learned those lessons thrust upon us by the COVID-19 experience. What long-term structural reforms have we put in place to ensure Tasmania is placed on the most robust and flexible fiscal footing? How are we closing those social fissures that entrench disadvantage, in order to ensure intergenerational equity?

This Budget does not provide satisfactory answers to those questions. Further, the Treasury analysis in the Fiscal Sustainability Report also raises the question: do we want to see any such corrective action hastily cobbled together on the run when things are getting desperate? Perhaps so; in a slightly politicised process with an eye on an upcoming election campaign. Or, do we want to establish a rigorous, transparent, accountable mechanism to undertake the necessary taxation and fiscal structural reform needed in this state?

It is important to note that this call for structural reform of the state's taxation base and revenue streams is not new, nor is it a challenge only faced by Tasmania. At a Commonwealth level we saw Australia's Future Tax System Review, otherwise known as the Henry Tax Review, which commenced in 2008 and was published in 2010. The ACT's commissioned panel review of its revenue streams to assess the overall efficacy and equity of the ACT's taxation system was released in May 2012. New South Wales is currently undertaking state taxation reform with its 2020-21 budget, including the launch of a public consultation process canvassing a range of reforms for stamp duty, payroll and land tax. Other jurisdictions are recognising and acting upon the need to undertake public reviews of their financial structures to evaluate and improve the fairness and efficiency of their respective taxation systems.

It is worth noting that Tasmania has also previously recognised this necessity and attempted to undertake similar fundamental economic structural reform. In 2011, the Parliament established a tripartite State Taxation Review Panel, which some members here may well remember. I am sure the member for Murchison, who participated in that panel, remembers that former effort at cooperative reform.

Unfortunately, my understanding is that despite some strong and meaningful work undertaken and broad input received, the review panel determined not to continue or complete that review due to a range of factors, citing the challenging economic climate at that time. That unfinished and truncated effort cannot be the last word on this matter for our state. We cannot continue to keep putting this fundamental work in the too-hard basket. We know the cost of

living pressures are rising, that state wages and salaries are not keeping up with the rental, housing, education and other quality of life indicators. We know currently employment figures do not reflect the equally telling underemployment rates. We know we cannot offer actual interstate wage parity for our teachers, our medical and other professionals. We know demand for services is growing and will continue to climb. We know our GBEs are debt-laden, and we know we still have the ongoing uncertainty of the unfunded superannuation liability lurking in the shadows like the proverbial millstone around our fiscal neck.

At the same time, we know our share of the GST pie may come crumbling down at any time in the future, and will certainly fall off dramatically in 2026-27 when the no-worse-off guarantee comes to an end. We know we do not have anything up our sleeves to fill the gap when that occurs. We all know that an accepted definition of insanity is doing the same thing over and over again and expecting different results. Relying upon pulling the same tax and revenue levers just a little harder, when those levers cannot currently keep up with the needs and priorities of our modern community would qualify for that definition of insanity. We need an independent review into our state taxation and revenue system to ensure it is as robust as possible and pulling appropriate levers to drive necessary sustainability reforms while improving its fairness and efficiency.

I believe the clear purpose of such an independent review would include the following:

- (1) Reviewing the state's narrow taxation and revenue base and seeking potential modern, fair, equitable and efficient means to broaden the tax base.
- (2) Reviewing whether the current mix and emphasis of the state tax and revenue base provides the stability and certainty necessary to deliver important community services.
- (3) Reviewing whether the current taxation and revenue mix supports - or risks undermining - modern public policy direction and demand. For example, the potential impact of reducing or removing taxes on positives such as employment, while redirecting tax focus onto damaging practices such as pollution and other incentivising taxes that encourage social and sustainable reforms.
- (4) Reviewing any current revenue-forgone options formalised within our current state tax and revenue mix.
- (5) Identifying any required transitional arrangements and time frames and support, including funding to assist those most affected by any proposed reforms.

With that purpose in mind, what would such a review look like? Ironically, perhaps, for those here who are well aware of my views of the shortcomings of PESRAC, it is potentially the PESRAC final report - delivered in March this year - which offers us a workable model to look to. If we look at the process by which PESRAC recommends that local government structural reform should be undertaken and examined, which you will find on page 78 of their final report, we see that it recommends an independent panel of experts be commissioned by parliament to inform a pathway forward.

I propose this model be adopted to establish an independent expert panel commissioned by parliament to undertake a review into state taxation and revenue reform. This model would

deliver four things: parliament's oversight and ownership of the independent review and its outcomes, assisting in the de-politicising of that process and outcomes; public transparency and accountability; independent and targeted expertise brought to bear; and legislated and clear terms of reference, focus and time frames for such a review to be undertaken.

I note for its proposed local government reforms, PESRAC believes that the model they propose will deliver, and I quote:

A robust evidence-based set of criteria and benchmarks against which reform options could be assessed and recommended.

This statement of intent could also be applied to reform state taxation and revenue. In a similar way, we can substitute the concept of state taxation and revenue structural reform into PESRAC's following advice:

The process we envisage would be undertaken by an independent panel of experts, with expertise in local government [substitute taxation and state revenue] in Tasmania and reform in other jurisdictions.

It would be supported by an appropriately sized and resourced secretariat. Parliament would set its terms of reference. This could be by way of specific legislation as was the case with the Electricity Supply Industry Expert Panel in 2010.

PESRAC's additional comments would also apply. They were:

Importantly the process must recommend how to manage structural changes including transitional arrangements.

Consultation will be an essential element of the work program, but the temptation of open-ended dialogue and engagement must be managed. The process would be given a challenging, yet achievable, 18 months to deliver recommendations to Parliament.

The Government has adopted in principle PESRAC's recommendations and, although they are tweaked slightly and conditions placed upon actioning this specific local government reform proposal, the proposed parliamentary commissioned independent expert panel model itself remain consistent with PESRAC's deliberations. As such, it should be considered just as feasible and workable for this other, and equally urgent, substantial reform agenda we require in this state.

Further, such a rigorous start to undertaking the long overdue and necessary state taxation and financial structure reform is consistent with the Premier's express goal of delivering, and I quote, 'an even stronger, more diverse and resilient economy'.

As economist Mr Saul Eslake stated in his published commentary on the state Budget last week:

Reform of Tasmania's state taxation system ought to be an integral part of ensuring the sustainability of Tasmania's overall fiscal position, which State

Treasury argued in its Fiscal Sustainability Report, required corrective action in order to be sustainable. And that fiscal sustainability could not be attained solely by relying on economic growth or by any other single solution such as constraining health expenditure.

It is not sufficient to quickly dismiss the Treasury Fiscal Sustainability Report released just in June, as the Premier has attempted to do recently in media, and is now saying is out of date and made redundant by this state Budget. Some figures may be different, but the fundamental cracks in the foundation of our economic and financial structures remain. We need to invest in ensuring Tasmania is on sound fiscal footing, robust and resilient enough to withstand any potential external shocks, whether it be a reduced slice of GST pie, global markets, winds of fortune, future pandemic or natural disaster impacts, while still delivering a socially inclusive and diverse Tasmania and intergenerational equity.

To quote Mr Eslake further on the imperative to finally hold meaningful financial structural reform:

If governments can't bring themselves to contemplate reform when, as the Premier's said in his budget speech, 'our economy is strong and our businesses and our people confident,' and, as he went on, 'when we are in the state of the extraordinary, where our unique is our advantage, when on earth are we going to do it?'

I thoroughly agree with Mr Eslake. If a third term government cannot muster the confidence, expertise and political capital to show leadership in progressing this crucial area of reform, then no government is every likely to be in a position to do so. And that is of grave concern, given we know clearly from the Treasury's own modelling the need for reform is pressing.

Such investment in structural reform should underpin any claim of securing Tasmania's future or delivering on a plan and should do so as a matter of urgency. I believe an independent expert panel to review Tasmania's tax and revenue system, as I have outlined here today, would provide a valuable circuit-breaker in the current lack of political will situation that has continued to block reform attempts so far, while providing an expertise-driven evaluation to inform and shape any future structural reform efforts.

Speaking of structural reforms, members may recall I previously raised in this place - such a dream in my Governor's Address-in-Reply speech in June this year - the need for measurable benchmarking and progress indicators to be developed and incorporated systematically within key government processes such as the state budget. We need to catch up with other jurisdictions which are already implementing transparent policy progress reporting mechanisms to enable more meaningful monitoring and evaluation of delivery.

Mr Valentine - If you cannot measure it can you take proper action?

Ms WEBB - Indeed. And nothing has occurred in the interim to change my view, and I wish that it had. I wish I could stand here and welcome the fact a process is underway to establish a set of rigorous comprehensive whole-of-government policy progress performance indicators involving community input which are to be independently auditable.

As I have previously brought to the attention of this place, the New South Wales progress policy performance model is independently auditable. In 2018, the New South Wales Auditor-General conducted a progress and measurement of the Premier's Priorities performance audit on the initial 12 priorities in that state and made improvement recommendations. Significantly, New South Wales' social change advocates such as the NSW Council of Social Service have seen an improvement in policy delivery and accountability since the implementation of this public benchmarking reporting model.

The common element of the existing different interstate and international models is a shift from budgetary and reporting mechanisms focussing on policy outcomes, rather than just financial inputs and outputs.

As the Victorian model report document states, and I quote:

Good public policy and service delivery must demonstrate its value to the community. In the past government has measured what it does, not necessarily what it achieves.

Often government focusses on outputs (what activities, products, services it is providing) and how much it costs to provide them. Just monitoring and reporting on outputs does not provide evidence of the impact of our work.

Clearly, there are direct budget-related considerations of a comprehensive benchmarking reporting framework that will enable a cohesive and coherent whole-of-government delivery on policy outcomes and provide a more accurate evaluation of both delivery and success of those policy initiatives.

Imagine how much more meaningful state budget papers would be across the community for either MPs, stakeholders working at the coalface on so many pressing public policy areas, the media, and for the broader community. Imagine how much more productive the budget Estimates committee hearings would be with this framework in place.

Crucially, such a rigorous framework of benchmarks and metrics for evaluation can help to include the broader community, particularly in this extraordinary period of rebuilding a post-pandemic Tasmania.

When the Premier's Economic and Social Recovery Advisory Council was established many voices were warning that merely going back to pre-pandemic Tasmania is not necessarily a good or desirable thing for many Tasmanians. With all due respect, I do not believe the PESRAC process produced a transformative plan to seize the moment. However, despite not providing an integrated comprehensive re-imagining plan - as many had hoped - the final PESRAC report did recommend the Government adopt the United Nation's Sustainable Development Goals to help inform and drive the rebuilding of Tasmania. Hence, I was hopeful of perhaps seeing the SDG framework reflected throughout the budget papers. This framework could have provided the basis for a benchmarking and metric evaluation system, helping that transition from outputs only to include outcomes and measurable policy impact, as our interstate counterparts are already implementing.

Sadly, this component of the PESRAC report either has not been taken seriously by Government or was unfortunately forgotten.

For those here who may be unfamiliar with the United Nations Sustainable Development Goals, these 17 goals were designed by the UN to provide a blueprint for developing a better and more sustainable future for all by 2030. They seek to provide a measurable and deliverable mechanism by which to address challenges, including poverty, inequality, climate change, environmental degradation, peace and justice. They can be implemented locally as well as globally.

In September 2015, all 193 UN member states, including Australia, adopted what is known as the 2030 Agenda. Member states, whether having conservative or progressive-leaning governments at the helm, have taken the challenge seriously and are moving to implement an SDG framework within their own jurisdictions.

It may interest members to know in 2019 our Commonwealth Foreign Affairs Defence and Trade References Committee delivered its United Nations Sustainable Development Goals report. This committee's membership included Liberal, Labor and Independent MPs. The Tasmanian representatives at the time: Senator Eric Abetz and Senator Lisa Singh.

Now is not the time to discuss this complex and detailed report in detail; however, it provides a very interesting summary of other international jurisdictions' attempts to deliver on SDGs in a domestic setting. For example, Denmark has developed an action plan supported by 37 national targets on which the parliament receives an annual progress report. At a sub-national level another example quite pertinent to Tasmania: the state of Paraná in Brazil is acknowledged as a state government, that is, and I quote:

Leading nationally and globally with an integrated approach to SDG implementation.

That is on page 82 of that committee's report. The Senate report makes numerous recommendations that the Australian Government work with state, territory and local government tiers to develop and implement their own plans supporting the implantation of the SDGs in their jurisdictions. To some extent, we also saw this acknowledged by PESRAC in its final report. To assist in the reconceptualising of our approach in Tasmania along similar lines, I am going to place the remainder of my state Budget comments and analysis within that UNSDG framework.

I will not attempt to go through every one of the 17 SDGs nor the hundreds of supporting targets and indicators that sit under them. Instead, I will use the grouping of the sustainable development goals that the UN and other jurisdictions adopt for similar purposes and those are: people, planet and prosperity. You may note very similar group things to the established triple bottom line fiscal approach, of community, environment and economy.

The first of those three groupings of the SDGs is under the banner of people. It encompasses goals one to five relating to poverty, hunger, health and wellbeing, education and gender equality. I will highlight some matters in the Budget that align with these areas of focus, starting with health. All of us here will be well aware of the challenges our state faces in health outcomes and the provision of high-quality timely health care. We know that expenditure on health already constitutes one third of the total Budget and on current trajectories that proportion will considerably increase.

We also know that spending on acute health care, no matter how high a proportion of our budget it is, will not change this trajectory. The only way we change our trajectory and ultimately rein in, not just the escalation of our spending on health but importantly the burden of ill health borne by our community, is to make substantially increased and evidence-based investment in preventative health and the social determinants of health.

Sadly, we are let down yet again on the preventative health front in this Budget. It is agreed internationally, on robust evidence, that to be transformative the investment in preventative health needs to be at least 5 per cent of the budget expenditure in a jurisdiction. I have not done the calculation, although I know there are other stakeholders who will be able to provide the figure, but I would suggest based on previous form that the investment in this Budget on preventative health would sit somewhere in the 1 to 2 per cent vicinity of our total health expenditure - if we are lucky. That is far short of where we need it to be.

Notwithstanding this lack of transformative investment in preventative health, I point to some modest examples of the positive and much-needed investment the Government has included in this Budget: funding for the next Healthy Tasmania strategy; funding over two years to trial three community health and wellbeing networks to deliver community-led health and wellbeing services based on the needs of locals in Ulverstone, Huonville and Scottsdale, which is very positive; \$2.3 million put aside over two years to boost community mental health services to address increase in demand - again, very positive.

There is \$52 million for much needed palliative care; \$30 million for stage 2 of the Kingston Health Centre with construction to start in 2023 - I am pleased to see that, it is in my patch - and \$5 million dollars to deliver an additional 20 000 dental appointments statewide. Dental care is fundamental to overall health and investment in that space is very welcome.

Finally, there is investment for an additional 29 000 elective surgery procedures across the forward Estimates. I believe we are all pleased to see that, knowing that so many Tasmanians are languishing on those waitlists. I do note though, that many well-credentialed stakeholders in the health space have also raised questions and concerns in relation to the current investment commitments falling short; the ability of our health systems to recruit the required doctors, nurses and allied health staff; and also, the lack of a long-term clinical services plan. I wait to see how these things play out and how we assess the success of the investments placed in this Budget.

Remaining within the same sustainable development goal grouping of people, I will briefly mention the areas of cost of living and food security. This is an area that remains a challenge for our state, and it is well understood as a factor in entrenched disadvantage. It is part of the picture of the 'two Tasmanias' we often we talk about. Both cost of living and food security are connected to some of those larger structural issues such as escalating housing costs and insufficient, insecure employment whose flow-on effects mean that too many Tasmanians struggle to meet the basic cost of living and face deprivation in their daily lives.

This Budget makes some particular investments towards cost of living, including for energy efficiency measures in public housing and towards energy bill supplements for 90 000 Tasmanians on low incomes. Also, in the area of food security I note that there is \$3 million over three years towards emergency food relief and food security to help the most vulnerable, including the delivery of Tasmania's first Food Security Strategy, and an extension also very welcome of the School Lunch program to a further 30 schools over the next three years.

While it is important that we do as much as we can to support Tasmanian families with these daily cost-of-living and food security challenges, we need to acknowledge that many of these efforts outlined in the Budget are what we would regard as a bandaid approach.

Later, I will talk about some of those areas of investment and planning that seek to address the structural issues of housing and employment that when failing, place Tasmanians in situations of being vulnerable to cost-of-living and food security challenges.

Also, under the grouping of 'people' in the SDGs is Goal 4, quality education. I am pleased to see a focus in this Budget on investing in education and the transformative potential that holds for our state. I celebrate the further investment over three years for six new child and family learning centres statewide to be located at East Tamar, Sorell, Kingborough - again, my patch I am pleased to see, Glenorchy, West Ulverstone and Waratah-Wynyard. These are community-building as well as educationally-focussed centres. They are community-led and deliver on local priorities and need.

I also note an investment over four years has been allocated to provide free access to speech pathologists, psychologists and social workers in Family Learning Centres. I wonder how far the investment of \$3.8 million into this will go, to meet the need that is there? Without meaningful metrics and reporting, we will not necessarily be able to hold the Government to account on that.

I also acknowledge that the original planning, investment and rollout of the network of Child and Family Centres was a visionary initiative under a previous Labor government in the state. I am pleased that the current Government has not played partisan politics and tried to undermine or dismantle such a successful and important opportunity for Tasmanian communities, but rather has looked to extend that network.

I am particularly pleased to see in this Budget some investment within our schools to increase school literacy coaches; an investment in trauma support, including a new professional development program for school leaders, teachers and teacher assistants in trauma; \$56 million over four years for educational adjustments to support students with disability in public schools, although on that one I believe more clarity is needed on whether we are appropriately and effectively supporting students with disability in schools under the new funding model that has been badged as 'nation-leading' when it was introduced but it is yet to be reviewed. We will wait to hear more on that.

I am also aware that even with the investments promised in this Budget, we are still falling desperately short of meeting the need for support in our education system from specialists such as speech pathologists, occupational therapists and psychologists. For every child who goes through our public school system waiting years to receive the support they need to fully engage with their education, we are not only failing in our responsibility to that child, we are failing to best serve the future interests and success of our state.

While we are talking about this area of education, I will also touch again on TasTAFE as it is featured in this Budget. On two previous occasions this year, I have spoken in this place about my reservations regarding the plan to restructure TasTAFE into a government business enterprise (GBE), as proposed in the final PESRAC report and immediately adopted by the Government.

I remain unconvinced of the nature and extent of the perceived TasTAFE problem. I do not believe it has been comprehensively identified and analysed. I remain concerned that consultation with students and staff did not occur as the first and central process for driving reform for TasTAFE. Further, I remain distinctly unconvinced that the GBE proposal is the best solution. Unfortunately, it is still my view that this proposal has arisen from a pre-COVID -19 ideological agenda. It remains to be seen how this proposed reform of TasTAFE will be progressed on the tight time-lines that have been laid out for it.

Setting to one side the significant misgivings I have about the GBE proposal, I was pleased to see investment into our national award-winning TasTAFE in this Budget. In particular, I note funding for an extra 100 teachers, short courses for job readiness, upgrades to facilities and the development of a virtual campus for students in rural and regional areas. These are all welcome and positive investments into TasTAFE.

I have not discerned from the budget papers the specific allocation that has been made for the actual transition to the GBE process. No doubt, it will come to light during Estimates and we will add that into the discussion as we assess the merits of that proposed path forward.

Gender equality is the fifth Sustainable Development Goal and it is clearly relevant to the Tasmanian community here and now as well as into the future. At the risk of sounding like a stuck record - in fact, I am not going to apologise for reiterating on the public record the necessary work that still needs to be done to address the ongoing and institutionalised challenges faced by Tasmanian women and girls. I place firmly on the record my serious disappointment in the gaping hole that is the missing state budget gender impact statement.

I am truly flabbergasted by this Government's refusal to fill in this blank, given its rhetoric and keenness to be seen as sensitive to the current political and community environment on gender-related matters. This measure, which is called for by a number of members in this place, is nothing contentious. It does not require a U-turn on policy, nor would it require a separate standalone funded entity. Other jurisdictions produce some form of budget gender impact statements within their budget papers as a matter of routine.

Last year, when responding to the 2020-21 state Budget, I raised as an example the routine Victorian statement and what had been, previous to 2014, the standard federal budget gender impact statement. Since last year's budget session here we have seen the federal government reintroduce its women's budget statement in 2021-22, when it brought down the federal budget in May this year.

I note that during last year's budget Estimates hearings the then minister for Women, Sarah Courtney, did undertake to examine the feasibility of implementing a Tasmanian gender impact budget statement but at this stage nothing appears to be forthcoming on progress on that front. Perhaps the new Minister for Women, a member of this Chamber, will step up to the plate and demonstrate a more active commitment to delivering this standard yet significant tool in progressing gender equity in our decision-making and in our community.

There are some good initiatives and election commitments funded in this Budget relating to Tasmanian women. I highlight the acknowledgement of, and provision for, funding to address period poverty in schools as a practical and effective initiative to support Tasmanian girls. However, there is minimal detail in Budget Paper No. 2, Volume 1 explaining the rather dramatic drop off in funding for outputs such as women's policy across the forward Estimates.

A budget gender impact statement would draw together the proposed, perceived and evaluated impacts of other budget items. It would give us insight into how the Government's proposed competitive tax system initiatives will benefit, or not, Tasmanian women. Similarly, it could look at the expected cost and/or benefits of the proposed new infrastructure investment when evaluated against gender considerations, or show what a gender analysis would tell us about the planned elective surgery blitz funded in this Budget. Are these equitable allocations? The same would go for the education and other health investments and the new renewables, climate and future industries focus.

If the Government wishes its women-friendly rhetoric to have and be recognised as having solid foundations in fact, there is no justifiable reason for the lack of a budget gender impact statement. Fair warning, I will continue to emphasise its absence for as long as I am doing this job in this place.

The third grouping of the Sustainable Development Goals is under the heading, 'Planet'. There is growing discontent with the Government's ongoing erosion of any recognition that our unique natural environment and biodiversity is a fundamental contributing factor to Tasmania and our health, wellbeing and economy across many sectors, as well as our brand and our international reputation.

There is considerable consternation in the community that the Government's attitude to our natural home and other creatures and plants with which we share it is that unless a buck can be made from it, it is valueless.

I am sure others will continue to go further into details about these concerns. Suffice to say these concerns appear to be substantiated by disparate and ad hoc initiatives mentioned almost in passing within the Budget instead of being a comprehensive and coherent focus.

In this context, I will discuss briefly Sustainable Development Goal number 13, which is climate action. Many Tasmanians were hopeful that Tasmania would apply itself with rigour to addressing both the opportunities and the challenges posed by climate change when the Premier took it on as a dedicated portfolio.

While acknowledging the state's Climate Change Action Plan is expected to be released later this year, the lack of a substantial vision for climate change as a key public policy delivered by the state budget is very telling. Disturbingly telling.

Yes, the new Renewables, Climate and Future Industries Tasmania entity was announced in this Budget with funding of \$15 million to support its work. However, on the minimal information thus far provided it appears given the new entity's housing within DPAC and State Growth, its main role is to package up that which should already be bundled with relevant departmental support.

Renewables Tasmania in State Growth, the state's hydrogen plan, Marinus link and Battery of the Nation projects - other than the passing reference to the climate change officer's current focus on adaptation and mitigation, this new entity just appears to be a repackaging of current programs into another administrative body with an additional top-up of funds.

How much of those funds will now go into paying the salary and on-costs of a CEO and any support staff the position may receive? My other concern about the Government's

minimalist approach to climate change is that it appears to be again falling behind other national and global developments, the key one being other jurisdictions recognising the need to urgently grapple with climate change as a fundamental human rights challenge.

Tasmanians need to see their government and parliament recognise it as such: planned for and addressing the serious broad human rights implications of climate change.

Once again, I draw attention to international moves to explicitly recognise the link between climate action and human rights, with international governments developing holistic policy responses recognising the climate change implications for human rights as well as environmental, economic and cost of living implications at the domestic level.

Further, the European Court of Human Rights has clearly established that the various types of environmental degradation currently experienced under climate change pressures can result in violations of substantive human rights.

There are moves to establish a United Nations special rapporteur on human rights and climate change. Closer to home, in May this year we saw the Australian Federal Court deliver what is described as a landmark judgment determining that the Environment minister owes a duty of care to Australia's young people not to cause them physical harm in the form of personal injury from climate change.

We know that issue is still ongoing with the minister Ms Ley appealing that decision. However, it is a 'sit up and take notice' development. More recently, the New South Wales Land and Environment Court again, in a so-described landmark decision, ordered that the New South Wales EPA has a duty to protect the state's environment from climate change and that the EPA had not fulfilled its duty.

It is interesting to note that this case was brought by the Bushfire Survivors for Climate Action, a group of bushfire-affected survivors including those rendered homeless, firefighters and local councillors.

The successful plaintiffs' case referenced the latest report from the Intergovernmental Panel on Climate Change arguing that by law the New South Wales EPA is required to protect the environment. By extension you cannot protect the environment without addressing climate change and, importantly, by protecting the environment, people's human rights are also protected.

These legal examples in other jurisdictions should serve as a warning to Tasmania that there is a growing precedent of people seeking justice via courts against those considered responsible for inaction, which has resulted in damage to both the environment and to the human rights.

However, how the new Renewables, Climate and Future Industries Tasmania body will have the scope to evaluate and develop a climate crisis human rights plan for this state, and also reflect the serious social and ecological duty of care determinations set by courts, is distinctly unclear at the moment.

It is a fair expectation that the Premier, holding both the Treasury and Climate Change portfolios, should see a more detailed, integrated, holistic and coherent climate change focus

expressed through these budget papers. Instead, we must hope the yet to be released climate act and promised action plan will provide such a focus, including addressing the well-established human rights and intergenerational equity implications. Maybe, it will also include progress benchmarks and metrics providing for genuine progress delivery evaluation and scrutiny. We live in hope.

I move onto the third grouping of the Sustainable Development Goals: 'Prosperity', under which I look at Sustainable Development Goal 8, decent work and economic growth. Again, it draws to mind the diverging paths we see here in Tasmania. I note and appreciate in the Sustainable Development Goal 8, economic growth does not stand alone as an end, but is linked inextricably with the concept of decent work. When I look at the directions we are taking in Tasmania, we also need to more closely and purposely bond these two elements. I am mindful certain directions of economic growth, while looking good on paper for the bottom line, work further to set aside, rather than to preserve the central importance of decent work.

The Government is investing in a range of efforts that are seeking to deliver economic growth and provide jobs for Tasmanians. This Budget contains investment in a planned infrastructure blitz which if delivered, will apparently underwrite an estimated 28 000 jobs.

However, this figure is derived from economic modelling and does not come with detailed, specific breakdown of the sectors and the jobs it will support.

I welcome initiatives that support jobs in Tasmania. Here are a few of the ones I would like to highlight. There is funding in this Budget to establish four new jobs hubs in the regional communities of Brighton, Huonville, St Helens and Burnie. Funding over two years to pilot the Youth Connections Program, which will work within Sorell, Glenorchy and George Town to focus on getting young Tasmanians into work.

The funding over two years to help migrants into employment. Funding set aside for a community services-based project team to drive research to help reduce barriers to employment. And funding over four years for the NILS Micro-Business Loan Program, to encourage more small businesses to start up.

I note there are many investments into particular business sectors including construction, tourism and events, culture and creative arts and agriculture.

However, I remain concerned because it is not necessarily the case that just any job is a good job. I am concerned we have the situation in Tasmania where there are high levels of underemployment, where people have some work but not enough work to provide for a basic decent life for them and their families. I am concerned we have low participation rates and they are not expected to rise on the Government's projections.

The expectation appears to be the jobs created will go to new entrants into the labour force, either from within Tasmania or from interstate and overseas. What does this mean for those Tasmanians already struggling to find and secure what we would regard as decent work?

For all the job creation planned and hoped for in this Budget, will we see Tasmania's material standard of living lifted? Will we see more Tasmanians in permanent full-time work that can deliver economic security they and their families need to live a good life?

I am concerned we may be missing the mark as we shoot for on-paper improvements and model for impressive sounding jobs numbers, while at the same time risk lurching further away from the boardwalk of decent work.

Staying within the broad Sustainable Development Goal grouping of prosperity, and thinking specifically about SDG Goal 10, which is reduced inequalities and Goal 11, which is sustainable cities and communities. I would like to touch on the area of housing and homelessness. This Budget is delivered at a time we continue to see an escalation of a housing catastrophe in this state. This is not simply a housing crisis, it is a catastrophic failure of government policy - both state and federal - over a number of decades which has reached the point now of imperiling the economic success and social cohesion of our state. The social housing waitlist has grown 21 per cent in the past 12 months and now sits at over 4200 people. The waiting time for priority one applicants on that list is 59.2 weeks. Our rental vacancy rate is 0.5 per cent, a mere fraction of a rate regarded as market failure.

In the face of this proof of a housing and homelessness train wreck the Government are very fond of listing activity. What we do not see is any inclination to commit to firm outcomes, measurable results in fundamentally addressing and solving this issue. Yes, we can acknowledge some good housing initiatives are being invested in and that investment is significant. Let me help the Government by listing the things I am pleased to see in this Budget.

There are 3500 social houses being planned to be built by 2027. There are transitional youth units planned for Burnie, there are some social housing units planned for Moonah and other areas of high need across Tasmania. I see funding over two years towards two new supported accommodation facilities for older Tasmanians in the north and north-west. Funding over three years for new youth housing and homelessness initiatives, including an under-16 Lighthouse Youth Project. This especially is a long-needed option for a cohort of children we have sorely neglected in this state until now. Even with this initiative planned, we will only be scratching the best surface with the support needs of unaccompanied children under 16 that exist in this state.

While I have helped the Government with that list and while this Budget does contain a raft of initiatives, for the Government to make hollow claims it is investing record amounts into this area is a meaningless descriptor. The stark reality is we are still not planning to solve this issue - a point very clearly made by TasCOSS, Shelter and many other stakeholders at the coalface dealing with the impact of our dire housing situation. They all point to the data, research and modelling which said Tasmania needs twice as many houses as are currently planned to even meet demand trends.

Housing is a fundamental human right, and homelessness is not inevitable within our community. We could and should plan to solve this issue, and if we do not and continue to partially respond to need and fail to adjust the policy settings exacerbating the problem we continue to drive inequality and disadvantage in our community. We continue to undermine all our other efforts in addressing intergenerational disadvantage. Our efforts at boosting employment and participation, supporting mental health, wellbeing and delivering a step change in education.

A secure, affordable home is the basis for all those efforts. When we fail to deliver on that fundamental human right, we additionally fail our community across all those other areas. We can and must do better on this. Sustainable Development Goal 16 is peace, justice and

strong institutions. It recognises strong civic institutions are also a reliable indicator of a society's prosperity, both at a national and sub-national level. If Tasmania were to adopt the SDGs - as policy progress indicated - this category is where we would evaluate just how strong and robust our democratic and governed institutions really are and the level of public trust in those same institutions.

Once more, the state budget papers should be an integral component of that evaluation as they would clearly indicate what we value and invest in when it comes to integrity and effectiveness of our democratic processes and our governance institutions.

In this area, I will be reflecting in many instances on what I see are the shortcomings and gaps in this Budget. For example, the long-awaited legislative reform of electoral funding and political donations. I welcome the release of an exposure draft for public comment. I welcome many of the current provisions. There are some very good aspects to that proposed draft bill.

However, this is my first opportunity to place on the record that I have serious reservations about the proposed donation declaration threshold of \$5000 in that legislation. This is an unacceptably and unnecessarily high threshold that will deprive our state of having the best practice, nation-leading political donation laws. I will leave further discussion of that for a future debate in this place.

Presuming some form of electoral donation reform will be passed by the parliament, hopefully relatively soon, it is safe to expect there will be associated implementation costs. For example, the development of an appropriate submission of donation declarations portal on the Tasmanian Electoral Commission website, which would then require new means of checking the accuracy of those declarations as well as making them public in the specified time periods legislated.

However, the apparent lack of designated funding for this major reform in the Budget is disappointing. It may reflect a lack of urgency by the Government in seeing those much overdue reforms passed before the next budget is delivered. Hopefully, that will not be the case as we will, at least, see the next May periodic Legislative Council election and, possibly, a by-election where these electoral reforms may well be pertinent.

It is also pertinent to note, when discussing budgetary implications for the health of our democracy, a note within the Justice portfolio section of Budget Paper No. 2, Vol. 1, note 8 on page 194, which flags:

The overlap of the 2019 periodic Legislative Council elections and the Australian Government election may have affected voter turnout and resulted in an increase in costs due to the need for an increased public awareness campaign.

Why is that of interest, Mr President? The warning of additional expense as one problematic issue of running overlapping or conjunct elections was fobbed off and ignored by the Government when raised in light of this year's conjunct state and Legislative Council elections. We know that not only are there additional public awareness costs involved with overlapping elections, but also serious and now proven risks of voter disenfranchisement and potential polling venue and post-election complaints review costs.

This is another illustration of why the establishment of a joint House select committee of inquiry into the 2021 state and Legislative Council elections is needed. The members of this place have supported the establishment of such a committee and we wait to see whether the Government will demonstrate its commitment to a strong Tasmanian democracy and give support to it in the other place.

The May elections of this year also highlighted the growing awareness of the fundamental limitations of the Tasmanian Integrity Commission, yet the Government has remained silent on any moves to address those concerns, let alone beef up the powers and scope of the Tasmanian Integrity Commission. It is arguable that if we can find \$15 million to repackage and administer established programs such as it appears in the new Renewables, Climate and Future Industries Tasmania entity, surely even half that amount could be prioritised for a comprehensive review of whether the Tasmanian Integrity Commission is currently fit for purpose. Also, whether the commission has the full range of appropriate powers and resources and whether its scope should include, perhaps, private and/or corporate sectors, to name only a few areas of concern that could be addressed.

The cynical among us will point out, perhaps, that it is clearly to the advantage of a government of the day to allow a dangerously hamstrung integrity oversight entity to operate. It would be incredibly sad to think this may be the reason this Budget is silent on action to improve our Tasmanian Integrity Commission.

It would be remiss to not reiterate the outstanding need, which we could have seen progressed in this state Budget, of a formal parliamentary independent and accountable COVID-19 impact and response review process, a process that would ensure we capture all the lessons learned. Members have heard me raise this on numerous occasions so I will not repeat all the detailed reasons provided in other debates why such a review is a healthy and responsible course of action.

I point out that other jurisdictions are investing in and progressing such reviews particularly as it has now become evident that there will not be a smooth return to pre-pandemic situations. Instead, we are grappling with the need to develop living with COVID-19 plans.

When voting to defeat the previous joint House select committee inquiry on this matter last year, the Premier did flag that it was a matter of timing and he was not ruling out such an inquiry later down the track, presumably once we came out the other side of the pandemic.

Now we know that there may not be such a clear demarcation and it would be wise to undertake an inquiry sooner rather than later as it would contribute to informing any 'living with COVID-19 plan' that may eventuate.

Even Boris Johnson recognises the need for such an evaluation review with the UK's intended process to commence in 2022 and the devolved Scottish Parliament has also announced its intention to hold an equivalent inquiry into Scotland's pandemic response and lessons learned.

For such a review or inquiry to not be announced alongside this state Budget is a disappointing omission to say the least and it short-changes Tasmania in our efforts to best prepare for future challenges.

Recognition of Visitors

Mr PRESIDENT - Honourable members I would like to welcome to the Chamber students from the Launceston Christian School. Welcome to the Legislative Council Chamber.

At the moment we are doing Budget Reply where members of the Legislative Council speak on the recent state Budget and how it affects their communities. Currently, the member for Nelson has the call. I am sure all members in the Chamber will welcome you hear today.

Members - Hear, hear.

Ms WEBB - Further consideration of this Budget under Sustainable Development Goal 16, peace, justice and strong institutions, prompts me to consider other matters that add to or detract from the integrity and strength of the pillars of our democracy.

To my mind, this is where we must mention gaming reform as a key part of this Government's agenda. For a government intent on delivering its plan there was scant mention in the Budget of this major reform the Government is undertaking in relation to licensing, taxation and regulation of gambling, especially poker machines in this state.

If passed by parliament this reform has ramifications for the Budget across the forward Estimates in this Budget we are examining. They include the cost of implementing the reforms which is briefly referenced in these budget papers. It includes the new taxation revenue including Community Support Levy amounts to be derived from the reforms not reflected anywhere in the figures presented in this Budget. It includes increased harm and subsequent increased need and demand for other services including health, mental health, family support, emergency food relief, housing and homelessness, criminal justice, employment support and more, also not reflected in this Budget.

Yet again, the Government appears to be sticking to its tactic of 'the less said the better' on the topic of poker machines, a tactic, I might add, that the Labor Party also strongly subscribes to on this issue. Yet again, in this Budget we see a government that is prepared to actively withhold key details from the Tasmanian people on this issue.

We need to talk about the issue of gambling vested interests and these reforms in relation to their intersection with the electoral and political donations reform, with the limitations of the Tasmanian Integrity Commission and with the erosion of public trust in our democratic elections.

There is a dark history in this state when it comes to the influence of vested interests in our political landscape and both major parties sit in its shadow. There are numerous examples, historical and current, of industries and particular companies holding sway over political representatives in our Tasmanian Parliament. There are examples of those industry interests or particular companies buying access and policy outcomes through their financial support. The glaring recent example readily identified by the Tasmanian public of the poker machine industry capturing not just this Government but also the Opposition, is the greatest clear and

present danger to the integrity of democracy in this state. We cannot go past the facts on this matter.

There are members here in this Chamber and in the other place, from both major parties, who have received funding from the poker machine industry to assist in their election to Parliament - members who do not have the integrity to declare that financial backing to the Tasmanian people, even knowing that we will soon be in a position of voting on legislation that directly relates to serving those self-same vested interests.

People often hide things that are shameful. In this instance, hiding pokies industry donors will deny the Tasmanian people the opportunity to make their own judgments about whose interests each member here is putting first: Tasmanian communities or electoral donors?

Who are the pipers calling the tune for each member here? Is it the committee that elects them, or is it the donors that you and your party, perhaps, are indebted to? Who will be pulling the strings for each member here, when the time comes to vote on the future gaming markets legislation?

Just as the financial details of the gaming reforms are hidden in this Budget and its forward Estimates, we know that secrets and shadowy deals sit behind this reform for both the Liberal Government and the Labor Opposition. A secret memorandum of understanding (MOU) between Labor and the Tasmanian Hospitality Association (THA) was dragged into the light during the election campaign this year. A paid lobbyist of the Federal Group sits in the inner sanctum of Labor's policy committee. On the Government side, a fundamental element of its policy - the tax rate on casino-based poker machines - relevant to the forward Estimates in this Budget was deliberately kept secret from the Tasmanian people until after the 2021 election.

Right to information (RTI) documents have recently revealed that the dramatically discounted tax rate for casino poker machines had been confirmed by the Premier with the Federal Group in December 2020, months before the election was called. And yet, leading into and after calling the election in March, the Premier refused to answer direct questions on what that casino-based pokies tax rate would be under his reforms.

The Government has also refused to confirm when Cabinet first considered and approved the intended tax rate. Was it prior to the Premier writing to Federal Group in December 2020? Was it prior to the May 2021 election? Did all members of the Liberal Cabinet go to the May 2021 election withholding significant information from Tasmanian voters about one of their key policies which had substantial implications for state revenue in this Budget?

Since we are talking about the state Budget, and since the relevant figures relating to the revenue implications of this policy have been omitted from this Budget, let me put some figures to it. I had economic modelling done by independent firm ACIL Allen. I asked them to model the state revenue that would be foregone under the policy decision to provide a discounted casino pokies taxation rate instead of setting it the same level as that for hotels. For reference, the proposed taxation rates, inclusive of the Community Support Levy, are 38.91 per cent for hotel-based pokies and 13.91 per cent for casino-based pokies. That is a massive discount for casinos with no credible reason for giving it. Core state taxation rates on poker machines have always been the same in this state, regardless of location.

That modelling showed that if it is the Government's policy to tax casino pokies at the same rate as hotel pokies, it would amount to \$248 million in additional state revenue over the licence period. Yes, you heard that correctly, Mr President. The Government's decision to give a massive tax discount on casino pokies is a quarter of a billion-dollar gift to Federal Group at the expense of Tasmanian hospitals, schools, public housing, mental health services: you name it. I am sure every Tasmanian would readily nominate any number of community priorities that they would put ahead of a quarter of a billion-dollar gift to one private business, in fact, one family who have been major donors to the Government. Withholding the key piece of information from Tasmanian people in an election period is significant. Candidate and parties should make the case for their policies and defend them during election campaigns. Deliberately hiding the policy details, indicates the Premier and the Liberal Party knew it would be electorally damaging for them to have it publicly known.

This willingness to avoid democratic accountability in an election reflects poorly, I believe. No mandate can be claimed for that element of the reforms, when such flagrant, undemocratic deception has been enacted on the Tasmanian people. It is crystal clear that with these reforms that government is putting vested interests of party donors ahead of the best interests of the Tasmanian people. And skulking around behind the Government, hoping not to be noticed perhaps or put on the spot is the Labor Party - which is yet to prove they too are not shamefully compromised on this issue.

No doubt the budgetary elements of the gaming reforms will be given further consideration during Estimates and we will all be called on to fully consider this, when legislation soon comes to this place. Tasmanians will be watching. They will be watching to see whose interest each one of us here will put first when this legislation comes.

Mr President, as I said at the beginning of my remarks, state budgets set out the delivery of a government's social and public policy agenda and are an expression of its values.

In conclusion and summary. I note and acknowledge the many positive efforts from the Government that are evident in this Budget. I have mentioned some of them in my contribution today. At the same time, I implore the Government to fulfil its potential and fully grasp the opportunity it has to plan and invest in transformative, structural change for our state.

And last, but far from least, I beseech the Government to stop trashing the foundations and institutions of our democracy, through neglect, disdain and misbehaviour.

Mr President, I note the Budget.

[12.17 p.m.]

Ms ARMITAGE (Launceston) - Mr President, I am pleased to speak on the Budget and to see the delivery of election promises as well as increases in health and education funding.

While there are many more areas I would have like to see funded, I appreciate the sustainability of the state's finances. It is not lost on me that much of the funding is with the asterisk 'over four years'.

For the sixth quarter in a row, the CommSec State of the States report from July indicated that Tasmania had the strongest performing economy in the nation. At the time, the *Australian* awarded us the dubious honour of 'Basket Case to Boom'. On four of the eight indicators that

CommSec uses to determine economic health, Tasmania led the nation on four: relative population growth; equipment investments; relative unemployment; and dwelling starts. Tasmania was also ranked second on retail trade and third on relative economic growth. An enviable position to be in.

However, I agree with economist Saul Eslake's commentary on the subject, that it is important to understand exactly what is being measured by the State of the States Reports. It is not a ranking of how the states and territories are performing relative to each other, but rather is based on how each state and territory compares on each of the measured indicators with its own decade average performance on each of them.

This is not to say that we should not be pleased about where we are. We have certainly improved our economic position over time and ideally will continue to do so, sustainably, sensibly and by bringing all Tasmanians along. After all, it has taken the whole of the state to keep the COVID-19 pandemic under control. It has taken our businesses adhering to strict requirements, our kids out of school, our adults working from home under trying conditions, all with the uncertainty of what the following weeks and months will bring.

That being said, CommSec reports that Tasmania has the strongest job market, with unemployment at a 12-year low at 4.5 percent. It is undeniable that Tasmania has fared far better than many other states in terms of its handling of COVID-19, avoiding lockdowns and containing outbreaks.

Michael Bailey, CEO of the Tasmanian Chamber of Commerce and Industry, has argued that we need a clear indication from all the state premiers about when and how the country will reopen. I have heard Tasmania called the 'Gilded Cage'. Whether we like it or not, unfortunately it appears that COVID-19 is well and truly here to stay.

Ideally, the Government will soon develop and release a clear plan for how the state will open up, when and under what conditions.

I want to be clear, however, that I have nothing but praise for how the Government has handled the pandemic in the past year and a half. Our economic position, unemployment rate and confidence levels are a testament to that. There is still work to be done, but I wish to pause to reflect on the hard work we have all done as a Tasmanian community to prosper and keep well, especially when we can see the absolute devastation the Delta variant has caused on the mainland.

At this time my thoughts are with those on the mainland who are either suffering from the virus or in lockdown. We are seeing, day after day, numbers not going in the direction we want them to and the toll, the uncertainty and lack of normalcy it causes, creating problems of its own for many people. Here in Tasmania, if we can continue to act sensibly and work together, we will manage well during the next pandemic event, possibly even the Delta strain reaching our shores.

I, along with many others, have constituents caught up in the other states wanting to return home. The New South Wales situation is difficult and I can understand constituents feeling aggrieved as they see people in Victoria, possibly in hotspots, being able to quarantine at home whereas from New South Wales it is a hotel quarantine stay - if you can get it - as the order of the day.

Back to the Budget, there were plenty of things to be pleased about for my own electorate of Launceston. The Budget contained a sizeable \$66.4 million for the Launceston and Tamar Valley Traffic Vision over the next four years, with \$27.4 million provided for state road upgrades in the northern region also over four years. My understanding is that a key commitment in the vision was the planning, design, costing and stage 1 of building for a bridge across the Tamar. We are all waiting with baited breath to see what happens and if and when a bridge will be built, especially those people who live on the western side of the river and work or study on the other side.

Included, with long-term congestion strategies, is work on the very busy Charles Street Bridge. I have raised my constituents' concerns with the minister regarding a possible right-hand turn arrow for customers, particularly at Bunnings, turning right off Lindsay Street that might ease frustration, congestion and make it safer. There are few people I speak with who do not have an opinion on the state of our northern roads and the significant usage they endure from year to year.

While on roads, I was pleased to have an on-site meeting with Mr Ferguson at Hadspen recently, whereby he met with myself and road work officers, to look at recent inadequate road patching and advised that a large section of the highway in question would be resealed, come better weather this summer. This advice was received very favourably by residents.

While this is a welcomed budget commitment, there does not appear to be much of a focus on public transport options relating to our area of the state. As urban sprawl in Launceston grows, we will find that congestion will only become worse unless better and more options are provided to people who need to get around Launceston and its outer suburbs. Perhaps, this may be explored in future budgets, Mr President, yourself being an ardent supporter of creative solutions to commuter woes. I am sure you would support a passenger train from Launceston to Hobart.

Mr PRESIDENT - And beyond.

Mr Valentine - A fast one?

Ms ARMITAGE - It would have to be a fast one, a bullet, perhaps. I think Mr President would prefer a steam train or something more along those lines.

I cannot avoid speaking about our Tamar River. I am pleased to see \$4 million for the Tamar dredging program and \$4 million for the Tamar Estuary governance program. What can I say about the river that has not been said before? It is the lifeblood of a community and, unfortunately, it has a serious illness in Launceston. I am pleased to say it is in the electorate of the member for Rosevears and the member for Windermere. It flows more into their areas than it does into mine. Unfortunately, my constituents have to look at it. I would hope those two Government members do something about it and, perhaps, can make some improvements. I have always felt that the north, Launceston, would be the capital of our state had we had a decent river, not being parochial at all.

Mr PRESIDENT - I am sure we can send some Derwent River water up to you.

Ms ARMITAGE - I am not sure we want to become that ill.

Sport and Recreation and wellbeing, likewise, received a boost in this Budget through a number of announcements, including \$1.5 million to upgrade and reopen Glen Dhu Swimming Pool. In March this year, it was reported in our local newspaper this important piece of educational infrastructure was at risk of mothballing, so I am pleased to see that happen. With so many Tasmanian children living no more than a few kilometres from a stream, river, lake or the sea, learning to swim is essential and I am delighted to see Glen Dhu pool receiving this money.

There is \$1 million to redevelop the Launceston City Football Club which is most welcome, but I must declare an interest here as a member of the board. It is a wonderful culture at the club with a very large membership and we do need some more money to complete the development. Obviously, it is hoped with the federal election not far off that additional funding will be offered by both parties as sport is so important in people's lives and soccer has an amazing reach through all age groups.

On sport, and together again with the member for Windermere and member for Rosevears at the netball finals on Saturday - if my memory serves me correctly, they have some funding and need more funding for work they are actually doing. I do not think there is any in this Budget, but hopefully the Government might be able to look towards them favourably, because they already have federal funding and I am sure they are needing a little bit more to complete the works they were speaking to us about.

As I have mentioned sport is so important for all age groups. It does not matter whether you are as old as us or whether you are young it keeps you fit and healthy. Money put into sport certainly takes money from people having to go to hospital. It is almost like preventative health and I encourage the Government to reach out to some of the other sporting groups, such as netball, and see what they do need to finish their work.

Pleased to see \$1 million provided towards the Karinya young mum's project. Again, over four years, but still very much needed by this wonderful organisation that helps so many people annually.

\$750 000 towards the \$1.5 redevelopment of the St. Leonards Hockey Centre, which is well overdue given the centre is over 30 years old and used by dozens of clubs with literally thousands of people, and I am sure it is much appreciated.

There will be many sports people and kids around Launceston who will be absolutely thrilled about the prospect of a refurbished hockey centre.

I have had a bit of involvement with playgroup of recent times. The Hadspen Playgroup has just become re-established after probably a hiatus of a year or two. It is wonderful to see the confirmation of \$350 000 to refurbish the Playgroup Tasmania's Holbrook Street centre. Very welcome news, as is \$350 000 to establish a new multicultural hub.

Many of the announcements in the Budget are funding arrangement for the election promises made by the Liberal Party and having this follow-through has provided surety for many of the organisations and people who have relied on them.

The importance of looking after our families and children, their ongoing extracurricular wellbeing and ensuring our new migrants have access to the support they need to meaningfully participate in Tasmanian life cannot be understated.

We all welcome securing these funding arrangements. Ensuring ongoing government support of these services beyond next four years will be a priority for me.

Allocating \$5 million to the Silverdome will increase the north's competitive edge when it comes to bidding for and hosting some of the great events we might be seeing in the future.

So too will the allocation of \$80 000 for a new communications system for the Elphin Sports Centre, although I await with anticipation what the Government's plans are to boost accessibility for people with disabilities to venues like these. Ensuring funds to operate these facilities should also mean access is possible for everybody who uses them.

The funding of the Ticket to Play program with \$1 million each year over the next three years will also help to lower the barriers for our children to participate in and play sport. Many parents I know absolutely rely on this funding to enable their children to play sport outside of school. There are so many demands on a family's budget that funding such as this is essential and as mentioned earlier, sport and any activities for children certainly pays huge dividends later on.

Earlier this month, our own shadow education spokesperson emphasised how important good education input will be for our state. Our future economic performance, health and wellbeing outcomes and opportunities for social mobility are all greatly enhanced in an education system supportive of our children and their families, school communities and most importantly, adequately funded and supported.

Our literacy rates fall well below the national average and our Year 12 attainment rate sits at 58 per cent, which is 14 points below the national average of 72 per cent.

These factors are integral to people living longer better and healthier lives. Moreover, the recent preliminary NAPLAN results are less than encouraging. Tasmania's results are the worst of any state across every age group in reading, the second worst in every age group in writing, the worst in every age group in grammar and punctuation and the worst in years 5, 7 and 9 in numeracy. This simply is not good enough.

Plenty of money has been thrown at a number of capital works at schools around the state making good on more election promises. A good example of this is the \$624 000 allocation to complete the new kindergarten at East Launceston Primary School, at the time a controversial development, but one that obviously must be completed. Perhaps more importantly, the Government's commitment to bring all year 7 students up to an expected reading level that is above the national minimum by 2029 will be the more powerful policy.

I hope the 40 additional literacy coaches representing a 50 per cent increase will go a long way to improving the results we have recently seen out of NAPLAN. New school facilities and capital works have their place but the policies that will really cut through to improving our children's education are those that target our limited resources to where they are most needed.

Additional support for our children and families outside of school was a further welcome announcement in this year's Budget. Free access to speech pathologists, psychologists and social workers in child and family learning centres is another approach that the Government has taken to support our community wellbeing. It is hoped that waiting lists for these specialists shorten and that children requiring these services have them in a timely manner as is so very important to their educational outcomes.

Lowering barriers to access for support services such as these has the potential to build better engagement with learning, and build developmentally appropriate behaviours and assist families to support their children on their learning journeys.

As a major policy initiative, the Government seems set on implementing the PESRAC recommendation to re-establish TasTAFE as a government business. I understand that this will place TasTAFE under the control and accountability of its board and directors with authority and power to employ its workforce under the Fair Work Act 2009.

According to Budget Paper No. 2, the Government will introduce legislation in the spring session this year to enact this recommendation. I know there are many Tasmanians who have strong feelings about the direction and governance of TasTAFE and want to see some comprehensive responses from the Government to address and allay people's reservations about this course of action, likely during Estimates next week. I also look forward to the input of other members on this issue when we look at the substantive legislation later this year.

I believe that some concern has been raised about how funding for students with a disability has been treated in this year's Budget. Tasmanian Disability Education Reform Lobby spokesperson, Kristen Desmond, last week pointed out that funding for students with a disability has not been listed as a line item for the Budget. Rather, it had been bundled into education funding. While the Budget does state that there will be a \$14 million increase in funding for students with a disability, I would ask the Leader how the Government plans to address the issues of accountability and transparency for this sort of funding, especially over the forward Estimates?

Measuring outcomes is important for ensuring that vulnerable Tasmanians are receiving the support they need. I wonder how the Government plans to benchmark this funding without a line item of its own?

An amount of \$2 million has been provided in this Budget for the development of a long-term Tasmanian housing strategy which will set a 20-year vision, address future growth, affordability, accessibility, ageing, planning, construction and sustainability. There are so many issues which feed into the scarcity of housing issues that Tasmania currently faces. The development of long-term housing strategy is a very good start but the other factors that need to be addressed include issues like planning schemes and an adequate network of legislation which fairly protects builders, consumers and the housing industry, security of work, facilitating the downward pressure on housing prices and support for young people and families who might be entering the property market for the first time.

Mr Valentine - It is not just a matter of putting up a house, is it? To help out.

Ms ARMITAGE - Absolutely, as I have raised many times, I note that the first homebuyers grant has been raised to \$30 000 but that is only for someone building a new home.

I cannot let the opportunity go without suggesting to the Government, yet again, that \$30 000 for someone buying an already built home is also very useful to these people. Many first homebuyers cannot afford to go into debt to purchase a brand new home and I would much prefer to see my children actually buy a house that is already built, substantially with gardens and paths rather than go into the debt of a new home.

I do not agree with the Government that it increases the price of a house. I do hear that from some members in this place at times when I raise this but having been in real estate, I can never remember if a house was priced at \$450 000 or \$350 000 that the owner then added an extra \$20 000 or \$30 000 because someone had a first homebuyers grant. It is absolute rubbish. It is not true and I know the economists say it again and again. The only thing that the first home buyers grant did was provide a deposit for those people buying a home. I accept that is the view of the economists; perhaps they should start selling houses and they might find it is a bit different.

Mr Valentine - I think the Government sees it as stimulating the economy because it brings in builders and activity. That is their main focus.

Ms ARMITAGE - I understand that but if you try to get a builder now, I am sure most people will find that builders have that much work at the moment. It is impossible to get a builder and I see it as an inequity for a couple, whether they be married with young children or a young couple having to buy a brand new home or having to buy a home that is already established. I do not believe it is fair and I will raise it at every opportunity.

I know that the strategy will analyse these things but the real crunch will come when we see recommendations implemented and I am not sure how far away that might be. That was with regard to the property market. I did get a little bit confused in the middle there, Mr President, having to be on my 'high horse' about first homebuyers grants.

In the meantime, we are seeing runs on the board with a \$615 million spend on social and affordable housing; 3500 homes are planned to be built by 2027 which adds to the Government's original promise to deliver 1500 homes by 2023.

People are desperate now for housing and the quicker we can see these homes built and functional, the safer and more functional our communities will be.

There may be further channels the Government can explore to assist with easing pressure for some of our most vulnerable Tasmanians. For example Laurel House, which will receive \$250 000 in the next financial year, and Yemaya Women's Support Service, which will receive \$100 000, do not have certainty of funding beyond June 2022. These are vital services which need to have adequate funding security for the people who staff them so that the women who rely on them can continue to do so.

As mentioned earlier, the funding of the Karinya Young Mums 'n' Bubs program over the next four years will most certainly assist young mothers and parents aged 15 to 19 years. It will provide supported accommodation and intensive wraparound support with the opportunity for young parents to look for work, start education and establish a safe environment for their families.

A critical measure in this Budget, as with many others before it, has been spending on health. The funds allocated to health make up about one-third of spending, at \$10.7 billion over the next four years.

Significantly, \$198 million will go towards meeting increasing demand in our hospitals and opening up beds, again over four years. As always, you cannot open extra beds without putting on more nursing staff. \$160 million towards bringing down Tasmania's elective surgery waitlist and endoscopies is welcome but we must remember that many of these surgeries require beds and opening beds requires staff.

I am pleased to see additional money for scopes, as it is all too well having a positive blood occult test with the risk of cancer but then not being able to have a colonoscopy for early treatment should the scope come back positive. As always, prevention is better than cure.

As of last week, according the health system dashboard there were 11 284 patients on the elective surgery waiting list. I have asked previously about patients over wait times and I know this is considerable, causing much pain and angst for patients. To this end, more than 180 staff across the state will be a part of carrying out the strategy with 112 nurses, 10 doctors, 16 allied health staff and more than 40 hospital support staff to fill the roles, again over a four-year period.

Often, I ask about hospital recruitment and I am advised that we advertise but do not have people apply or fill the roles.

We need to remember that a specialist doctor coming from the mainland will need to take a significant salary cut to work here, not to mention they will likely have a partner who also needs to work and again at possibly less remuneration than on the mainland.

While cost of living may be less and we know that lifestyle is better for them and their families, it is not always easy to convince these doctors that this is the place they should be; that this is where the schools are best and this is where they should work when they are actually having considerably less per year - sometimes \$100 000 to \$200 000 - without their partner's income as well.

I find it difficult to criticise, when speaking about our hospital. I must reiterate, the staff are amazing and work incredibly hard. To criticise it is a bit of a catch 22, given you do not want potential applicants for positions choosing not to apply because they are reading unfavourable commentary about the hospital, or see that accreditation is at risk, or they may be on call one night in two. I see this as counterproductive and not a way to improve conditions for staff or ease ambulance ramping or bed block, with our amazing Launceston General Hospital catering to two-thirds of the state. It is a difficult issue.

We hear about and see problems; but sometimes the more we criticise and call them a crisis the more that people applying for jobs do not want to come. It is difficult getting the message that the staff are working hard, that they are doing an absolutely fabulous job going above and beyond; and that we do need more funding, we do need more help in our hospitals, we do need more beds open. We do not want any more ambulance ramping and bed block. However, on the other hand, the more we accentuate it, the harder it is to get people working there. It really is a catch 22 and I find it very difficult.

As mentioned, it is no secret that our emergency department is bursting at the seams and it is essential that these hardworking doctors, nurses and ancillary staff are supported, as they go above and beyond on a daily basis.

Mr Valentine - It is a wicked problem isn't it; because they are increasing the number of ambulances too which means that is going to cause more ramping.

Ms ARMITAGE - Absolutely. So, you want to get the message out there about how hard the staff are working and the conditions they are working under; but is that counterproductive when you are advertising for someone to come and work at that very establishment?

Mr Valentine - I suppose it is better to have people who are sick at least being cared for in an ambulance than not being cared for at all.

Ms ARMITAGE - Absolutely, and I am quite sure that all of our paramedics are very capable people.

Should the COVID-19 Delta variant hit Tasmania, I cannot foresee how our hospitals will cope should numerous beds, ventilators and the like be necessary. As we have seen in New South Wales, patients admitted to intensive care are younger. One quarter of all ICU patients are now aged 40 and under. The majority have not been vaccinated and are staying longer, with many patients on breathing machines and/or heart-lung machines. That is indeed worrying. I am sure \$12 million towards a mental health precinct at the Launceston General Hospital will provide a much-needed cushion to an already strained and much-needed service.

Approaching from a different angle, providing \$2.2 million to meet increasing demand for community mental health services, \$5.1 million to piloting an Innovative Emergency Mental Health Co-Response Team model and \$50 million to fund Child And Adolescent Mental Health Services reforms and continue the broader rollout of the Tasmanian Mental Health Reform Program, can all hopefully help to ameliorate some of the significant issues surrounding mental health in our communities.

It is also pleasing to see \$27.5 million for community-based health care, including hospital and the home services as it is a fact that people often fare better at home.

In conclusion, it is difficult to ascribe a particular theme to this year's Budget. It contains a broad spectrum of spending and perhaps reflects the diversity of promises that were made during the election. I believe I can speak for everyone here when I say we want all Tasmanians to benefit from this Budget, and over the next four years. COVID-19 has presented and continues to present a number of challenges, and there are perhaps some areas where the Government could be capitalising better than it already is. Planning for the state to reopen, how it will handle visitors once we reach an adequate vaccine level and how we manage living with COVID-19 are all questions that would benefit from having an answer by way of a plan. Perhaps this is already in development; but the more resources we put into having a good plan now will pay dividends once we put it into action.

In my commentary on health I have tried to draw down as to how the impressive spending figures will translate into a real difference in our hospitals, in our communities and on actual

health outcomes. Significant spending on health, as we well know, does not always have a causal effect on good outcomes. Targeted, strategic and sensible spending, backed by good policy, and with the buy-in of health stakeholders is the only way we can make a real difference.

With this in mind I want to address the spending itself and the notion that the Government is delaying the Budget's return to an operating surplus by one year so that these vital services can be funded. The Government has described this Budget as containing increased investment to health to a record \$10.7 billion, making a significant difference to our health system and the health and wellbeing of Tasmanians.

The Fiscal Sustainability Report prepared by the Department of Treasury and Finance, and released in June, projected scenarios that might impact on the state's net operating balance over the next 15 years.

These scenarios, based on historical trends which are not as useful now given the impact of COVID-19, maintained forward Estimates, a high expenditure scenario, and a low revenue scenario.

To quote the report:

For all scenarios analysed, the results show projected fiscal outcomes that are manageable in the short to medium-term. However, the size of the corrective action required to maintain fiscal sustainability increases over the projection period.

It goes on to say:

Projected health expenditure is the single most significant driver of the projected future fiscal challenges for the State. It is the largest expenditure category within the Budget and is projected to grow at a significantly greater rate than the projected revenue growth.

The report also correctly states that 'there is a range of drivers behind growth in health expenditure, including continuing medical advances that provide opportunities for improving health outcomes but often at a higher cost'.

There is nothing I can think more worthy of delaying an operational surplus than an investment in our healthcare system. In this instance while the delay to surplus is not ideal, I believe it is the right thing to do. If nothing else, COVID-19 has highlighted just how vital our health services are and how worthwhile they are of adequate funding and good policy. We cannot be scared to invest in our state's health and wellbeing.

This does not mean that I support irresponsible spending. I simply hope to see solid plans from the Premier, Health minister and the department about how these significant funds will be spent and managed and the risk mitigated. I support the Budget.

[12.46 p.m.]

Ms SIEJKA (Pembroke) - Mr President, we are now 18 months into the COVID-19 pandemic within Australia. The situation in which we find ourselves is entirely different to the world as we knew it such a short time ago.

On our island state we may feel relatively unaffected at times; but we cannot forget that many around the country are experiencing serious illness, social isolation and loneliness in lockdowns and increased levels of stress; and we can no longer rely upon the alleged health and certainty of our economy.

What we have in this Budget is an alarming situation where the Tasmanian people are facing a future \$3.5 billion debt by 2025, and yet we are still not even close to having adequate services for our community.

The Budget is filled with commitments made from the election so that everyone wins a prize, but we cannot lose focus of the many Tasmanians who continue to be left behind. The costs of living keep going up, with bills, goods and services increasing at a rapid rate.

We all know about the increased costs of housing, whether it be rental or home ownership. Elective surgery waiting lists climb. We see increased delays in wait times for allied health professionals; ramping; bed block; and trouble accessing GPs.

Yes, these problems existed 18 months ago, but the challenges of COVID-19 have exacerbated them far more widely.

It is a case of poor priorities. It concerns me that those who will miss out are the groups that so often do: the marginalised, the vulnerable and the working poor. Yet again, we are seeing a widening gap between the haves and the have-nots.

Whilst many are grateful for the Government's perceived management of the pandemic, they are also able to see that the Government has many other responsibilities to the community.

Tasmania has the highest rate of disability of any state in Australia. This includes the highest rates of autism, cerebral palsy and multiple sclerosis. In fact, we have one in four Tasmanians living with a disability.

Whilst we have over 10 000 eligible for support through the NDIS we still have eighty to ninety thousand Tasmanians living with disabilities who are not eligible, and who rely on services provided by Tasmanian disability support service organisations.

The NDIS has proved life-changing for some, but there are many more who are not eligible and will never be eligible and are finding the situation does not work for them. There are many people that the Government is failing that fall into this category.

Tasmanians living with disability who are not eligible for the NDIS still require support and assistance for their daily living to participate in community social and economic life.

In recent times, the state Government has chosen to cut the funding for a number of disability service organisations that provide vital services for this group, their families and carers, leaving people without adequate support services. These specialist organisations support people right across the state. Many of them rely on core funding purely from the state Government in order to operate. These include the Brain Injury Association of Tasmania, Council on the Ageing Tasmania, New Horizons and TADTAS, all of whom we have all discussed here in this place previously.

Many of the people that these organisations service are not eligible for any other support because of the nature of their disability. By not funding key service organisations fully, the choice and control for people living with disability is diminished. It is a decision that impacts on the lives of people living with disability, creates further hardship and becomes a barrier to their quality of life. Currently, these people are falling through the gaps. These decisions also place further burdens on other areas of our service system and our economy.

Already people living with a disability are twice as likely to be unemployed than the rest of the population. Many people living with disability struggle to access public transport or accessible taxis. As we all know, the problems that have plagued the Taxi Subsidy Program add to this. This leaves an already marginalised group further marginalised by our system, making it even harder to access health, education, employment opportunities and so on.

Unfortunately, there appears to be no significant increased investment into transport access for people living with disability in this Budget.

The disability sector workforce is one of Tasmania's most rapidly growing industries. It is projected the disability sector will need thousands of additional workers in the future. The same story can be said of the aged care sector. Both sectors are desperate for workers and workforce development planning is long overdue. Hopefully, the Government's commitments for the community services sector workforce, including the Workforce Development Fund and Working in Tasmania programs will have the capacity to meet the needs of specific industries within the community sector and the cohorts they meet, such as disability and ageing.

Concerningly, despite the need the Certificate IV in Disability course is not currently in scope at TasTAFE. Further investment to increase and support the disability workforce to develop their skills are badly needed.

The commitment for an independent disability service commissioner is a positive step. However, I am keen to see how this will operate, what can be achieved with this investment and what the progress is for this work.

Everyone living in Tasmania knows how dire our housing situation is. There is clear evidence there is greater demand for housing, particularly affordable housing and a need for support for our homeless in Tasmania. We have thousands of people on our general waiting list and very few houses being built despite our housing debt being waived. An estimated 30 per cent of those on the current waiting list require accessible housing, be that modifications or new builds, and this will only increase with time.

COTA Tasmania has previously highlighted the risk of poor health outcomes for older women due to greater financial and housing insecurity, particularly in the rental market.

Unfortunately, we also have an increasing number of Tasmanians experiencing homelessness, many of whom are going under the radar because they are not even able to access basic help in the first place. In Tasmania, we have seen this homelessness increase significantly in the past decade and older women as one of the fastest groups experiencing homelessness.

Stakeholder groups want more detail on the specific budget allocations and implementations for housing and homelessness services, particularly for these vulnerable cohorts. For example, what the budget allocation is to implement the recommendations from

the Under 16 Homelessness report, including capital, the current costs, staff costs - these are the sorts of things people want answers to.

It is well established Tasmania has an ageing population and yet this Budget seems to have largely ignored their needs. Unfortunately, many older Tasmanians continue to face barriers preventing their full social and economic participation. It is important work is done to ensure older Tasmanians' mental health with social isolation and loneliness being of significant concern, particularly given this past 18 months of COVID-19. One of the ways that we can do this is to support this group into accessing the online world, but this is dependent upon our elderly having access to support services of a foundation of digital and regular literacy skills which many Tasmanians, elderly or otherwise, do not possess.

Stakeholders are wanting more information on digital literacy and inclusion commitments during Estimates, including who will benefit from the Digital Ready for Daily Life work. Stakeholders in the area of ageing have also raised concerns about the need for greater public housing and health investments, particularly preventative health.

A key piece of work to support older Tasmanians is through the Active Ageing strategy. The Budget includes a commitment for consultation to inform this plan, but curiously there is nothing in the forward Estimates for the implementation of the plan beyond this.

In the area of employment, an older worker is defined as someone who is over the age of 45. Many older workers lost their jobs during the pandemic and many continue to struggle to regain employment. This is an area that had it been resourced adequately by the Government in this Budget would have made considerable difference to people's lives. Mature age workers are reporting more discrimination within the workplace. The Government needs to do more to tackle age discrimination and is something I will want to investigate.

Initiatives to foster age-friendly communities and workplaces is vital but there is very little in this budget that will improve the situation. Elder abuse is a growing problem that occurs in the privacy of a person's home or in aged care institutions. Clarification is needed for budget allocations to address elder abuse and whether this includes necessary safeguarding legislation. A transparent and independent complaint system for investigating and addressing elder abuse is crucial and Tasmania now lags behind other jurisdictions.

Carers provide care and support to family members and friends who have a disability, mental illness, chronic condition, terminal illness or who are frail. Carers are not formally paid to undertake their work. They receive no holiday benefits or sick leave allowance. They care for someone out of love, dedication and concern and often because they have no choice. Carers need support and recognition. Their work is crucial and contribution great. Whilst it is good to see the Government intends to do work on a carers recognition charter, there is clearly more that must be done to support this cohort. Carers often find their work of caring means they are not able to participate in paid work at the extent they would like to or need to to provide for their families. Whilst recognition is wonderful and much needed, the Government must consider other ways they can support and resource our carers; noting of course the support to be extended to kinship carers, it is clear more still needs to be done.

Whilst it was heartening to see a Child and Youth Health and Wellbeing strategy has finally been committed to by this Government, as I have mentioned previously I am somewhat disappointed the opportunity for a much broader and interconnected piece of work was missed,

examining the needs of young people across the spectrum in this Budget. Hopefully, the next stage of this process will be fruitful.

The youth unemployment rate is 14.8 per cent and in the south of the state it is 22 per cent, which is a shocking figure. According to YNOT, every young person who remains unemployed for 2.9 years is estimated to cost our communities a whopping \$328 198. Many young people are also underemployed. Of those working many would like more hours of work and many have to take casualised jobs, less secure than permanent positions. The majority of young people I know are keen to work and contribute. However, some are not job ready and do require further assistance. They need targeted support to enter the workforce before they become disengaged, disadvantaged and lose hope. Additional complications or misguided system change, such as a privatised TasTAFE, will not help if this work that is committed to is to be a success. Job opportunities such as apprenticeships, traineeships across industries such as tourism, agriculture and fisheries cannot be looked at in isolation.

Businesses also need to be encouraged to understand the value young people contribute to their workplace, particularly if they have been out of work for a period of time. A tailored and tight approach is needed. The funding of the Youth Connectors pilot is welcomed but of course, the devil is always in the detail and I am keen to know more.

This week much has been said about our concerning education results. A good education sets our children and young people up for life. I will leave the member for Elwick to no doubt examine this area in great detail during this debate.

Mr PRESIDENT - It is a good thing you got the first call then.

Ms SIEJKA - I could have gone either way, and it is easy to change that bit, but I will be asking lots of questions in Estimates and I note the commitment for further allied health support for children and young people. What I am really keen to know is where will these allied health people come from? We know there is a shortage in speech pathologists and occupational therapists. Making a commitment is great, but where are the actual bodies going to be that can do this work?

I am also keen to know more about the Youth Volunteer Army. In contrast to general public opinion, young people volunteer at a pretty good rate. However, they are more likely to do so in a specific way utilising their specialist skills or interests. How will the Youth Volunteer Army capture this cohort of young people who are willing to give to our community?

It is good to see funding to enable the development of a therapeutic residential 'on country' program in Tasmania. Hopefully this program will be vastly different than the disastrous Brahminy program. Regarding young people in this Budget, there is an allocation to support young people exiting out of home care to transition to independence. However, \$1.1 million seems a very low amount to provide this support well or at all and there is also no further allocations. Another area I am keen to know more about.

As with the funding of disability services the Government appears -

Sitting suspended from 1 p.m. to 2.30 p.m.

QUESTIONS

Vaccination Status for Employers

Ms FORREST question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.31 p.m.]

With regard to COVID-19 vaccination status and employment in Tasmania:

- (1) What are the Government's policy positions and frameworks for -
 - (a) A public sector employer requiring staff who interact with the public to be vaccinated?
 - (b) A private sector employer or a not-for-profit organisation or company requiring staff who interact with the public to be vaccinated?
 - (c) Requiring people who attend invitation-only gatherings like networking events or training courses for adults to be vaccinated?
- (2) What are the legal provisions in place or being contemplated for -
 - (a) A public sector employer requiring staff who interact with the public to be vaccinated?
 - (b) A private sector employer or a not-for-profit organisation or company requiring staff who interact with the public to be vaccinated?
 - (c) Requiring people who attend invitation-only gatherings like networking events or training courses for adults to be vaccinated?
- (3) What is the duty of care of employers with regard to requiring vaccinations?

ANSWER

I thank the member for her question. The answer is just hot off the press; the paper is still warm. We make every effort to get them here as soon as we can.

- (1) The Government's priority since the start of the COVID-19 pandemic has been to keep Tasmanians safe. The Government would like to see as many Tasmanians vaccinated as possible, as well as to maximise the vaccination rates of those who interact with vulnerable persons, including those in residential aged care facilities, hospitals and healthcare settings.

The Government is supporting all Tasmanians to get vaccinated, particularly those in high risk settings.

- (2) In response to the decision of National Cabinet on 9 July 2021, the Director of Public Health on 13 August 2021, made Mandatory Vaccination of Certain

Workers - No. 1 under section 16 of the Public Health Act (1997), to support the mandatory vaccination of persons employed or engaged by, or on behalf of, a residential aged care facility.

National Cabinet has also agreed to require vaccinations of persons working in quarantine settings including those involved in transportation. This includes persons working in quarantine facilities under Commonwealth, state and private arrangements. It is expected that the Director of Public Health will make directions under the Public Health Act to expand the vaccination requirements to persons working in these sectors. The directions issued under the Public Health Act apply to all persons working or volunteering in residential aged care facilities both in the public and private sector. Given the opportunity for priority vaccination that has been provided to the healthcare workforce and the risk that a COVID-19 outbreak poses to this critical workforce and the continued operation of our health system, mandating vaccination for healthcare workers is also under active consideration in Tasmania.

The Department of Health is preparing advice and will make a recommendation on coverage and timing in the Tasmanian context to the Ministerial Council for Police and Emergency Management.

The Fair Work Ombudsman and Safe Work Australia have produced guidance for Australian private sector employers addressing whether it is lawful to compulsorily require an employee to receive the COVID-19 vaccination, outside of the requirements of relevant Public Health orders and directions. Currently, neither the Government nor the Director of Public Health has imposed any legal requirements that require persons attending certain gatherings to be vaccinated. However, private sector organisations may impose such requirements on persons attending premises or events, subject to a risk assessment.

- (3) Employers have a duty of care to provide a safe workplace for their employees. Employees have a duty to comply with directions of their employer which are lawful and reasonable. A failure to do so without a good excuse can be misconduct and warrant dismissal. Employers may issue 'lawful and reasonable' directions to their workers and employers have to take 'reasonable practicable' steps to keep staff safe. Both could be used as the basis to mandate vaccines. What is a lawful requirement will depend on the circumstances including the work-related risk being addressed by vaccination, the nature of the workplace, the employees and the work undertaken by the employees.

Basslink Interconnector Outage

Ms FORREST question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.36 p.m.]

With regard to the legal dispute between the Government and Basslink Pty Ltd in respect to the 2015-16 Basslink interconnector outage:

- (1) Does the amount of \$38.5 million awarded to the Government by the agreed arbitrator in June 2021 signal an end to the legal dispute?
- (2) Has any amount been paid by Basslink Pty Ltd?
- (3) If this has been paid, has the amount been recorded in the Preliminary Outcomes Report of 2020-21? Where is it recorded if it is?
- (4) What are the total legal costs and any other out-of-pocket expenses incurred to date by the Government in respect of this dispute?

ANSWER

Mr President, I thank the member for her question.

- (1) On 2 December 2020, the Honourable Robert French AO handed down his award in respect of the Basslink disputes. Under the terms of the arbitration process, all parties are restrained from disclosing confidential information. However, some aspects of the arbitrator's award have been made public including \$38.5 million in damages awarded to the state. On 8 June 2021, the arbitrator made a decision on the award of costs in favour of the state, awarding a total of \$7.2 million in costs and \$1.04 million in interest to the state. Parties are currently in negotiations to progress the findings made in the arbitrator's award including payment of awards and costs.
- (2) No. Parties are in negotiations relating to the payment of awards and costs arising from the Basslink arbitration.
- (3) It is not applicable.
- (4) As at 31 June 2021, a total of \$16.66 million has been spent on expert advice in relation to the state's dispute with Basslink.

Tasmanian Schools - Levels of Violence

Mr WILLIE question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.38 p.m.]

I am going to ask this question knowing there is not an answer but I will keep doing it until I get one because it is over two weeks since I submitted it. Surely it would not take that long to put this together.

Can the state Government provide the figures for the following questions:

- (1) The figures held by the Department of Education related to the level of bullying in each Tasmanian school for 2020?

- (2) The number of student-on-student assaults or other incidents of physical violence that occurred in each Tasmanian school in 2020?
- (3) The number of student-on-teacher assaults or other incidents of physical violence that occurred in each Tasmanian school in 2020?
- (4) The number of workers compensation claims resulting from stress or other psychological injury to Department of Education employees and the schools they worked in when the claim was made?
- (5) The number of suspensions for bullying, harassment, stalking of another student in each Tasmanian school in 2020?
- (6) The number of suspensions for bullying, harassment, stalking of a teacher or other staff member in each Tasmanian school in 2020?
- (7) The total number student suspensions in each Tasmanian school in 2020, including a breakdown by grade?

ANSWER

I thank the member for his question and he is right, I do not have the answer today. However, I remind the member of our housekeeping rules from 23 May 2018 which talks about questions without notice. It says:

There is no requirement in the Standing Orders providing members with the right to receive responses to questions without notice within 24 hours but in the spirit of giving as much information to members as possible, I will always use best endeavours to provide information as soon as practicably possible.

The *Members Guide* sets out the usual process for the handling of questions without notice and that is:

The member should provide to my office via an email at least 24 hours in advance of the question being asked in the Legislative Council. Upon receipt of an email containing a question it is then emailed at the earliest opportunity to the appropriate ministerial office with a request for a response by midday the next sitting day. The ministerial office then sends the question to the agency secretariat for a prepared response. The secretariat identifies the appropriate area within the agency. The response is prepared and forwarded to the minister's office. The minister approves the response and it is returned back to my office.

A response received back within 24 hours assumes that all steps in the process have found available staff and also the minister to sign off on the response and this is not always possible.

While best endeavours are made to provide answers as quickly as possible, please be aware that we are currently trying to get answers to questions raised in debates. Ministers' offices are dealing with budget preparation, and anything relating to the Premier's portfolios is

having to go through either the office of the Deputy Premier or the Minister for Finance. Every endeavour is being made and the member knows that I try my best because I have shown him photos of me harassing ministers.

Department of Education School Infrastructure List

Mr WILLIE question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.42 p.m.]

This one should be an easy one to answer because I know it is an internal Department of Education document. It would be easy to produce. They do not have to go and search for data. I asked this last week.

The state Government has provided the school infrastructure priority list in the past, when requested. Can the minister for Education please provide the Department of Education infrastructure priority list? I have asked that specifically because I would like it for Estimates.

ANSWER

I am advised that it is in the system and I do not want to say it will be here tomorrow but I hope it will be here tomorrow.

Van Dairy Limited - Welfare Concerns

Ms FORREST question to LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mrs HISCUTT

[2.43 p.m.]

Following on from questions asked previously regarding animal welfare at the Van Dairy (VDL) farms owned by Moon Lake:

- (1) Have there been any further animal welfare concerns raised since 1 June 2021?
- (2) How many visits with prior notification and/or no notification listed separately to Van Dairy (VDL) farms have been made by animal welfare officers since 1 June 2021?
- (3) What was the outcome of these visits?
- (4) If no further animal welfare site visits have been conducted how is animal welfare being monitored at the VDL farms?

ANSWER

I thank the member for her question and ongoing concern for the area.

- (1) From 1 June 2021 there have been seven general areas of animal welfare concern raised by various government and industry members that were investigated by Biosecurity Tasmania (BT) animal welfare staff. There have been no formal animal welfare complaints made to the RSPCA or DPIPWE.
- (2) Since 1 June 2021 animal welfare officers have made one visit with prior notification involving four farms. There has also been a separate liaison visit to the animal welfare officer at the Van office in Smithton.
- (3) These visits have generally confirmed the appropriate voluntary action is being undertaken, including - relocating cattle, providing additional feed with expert nutritionist advice, veterinarian treatment for lameness and other conditions, laneway repair and appropriate calf management.
- (4) Animal welfare is being monitored at the VDL farms by the collective reporting of all government agencies being shared at fortnightly meetings. All relevant agencies are represented including the Circular Head Council and Dairy Tasmania. Follow-up discussions also occur with key external service providers. Animal welfare officers maintain an open-door approach with farm management staff, including via the August Smithton dairy information seminars. Confidential reporting of animal welfare concerns is possible via the well-established mechanisms.

The next scheduled visit is in five weeks to assess the spring calving.

Paralympics - Payment of Paralympians

**Ms FORREST question to MINISTER for SPORT AND RECREATION,
Ms HOWLETT**

[2.46 p.m.]

I asked yesterday about the inequity faced by the Paralympians in their participation in the Paralympics and no financial reward for gold medals in the Paralympics as opposed to able-bodied Olympians. Ms Howlett said she was not aware of it; however, I am sure that she is aware of it now. I would like to know what action she will take as Minister for Sport and Recreation for Tasmania to see what remedies can be put in place very promptly.

ANSWER

I thank the member for her question. The Tasmanian Liberal Government believes in pay and prize money equity, not only for male and female athletes but also for Olympic and Paralympic athletes.

I received your question about this matter yesterday and I have agreed to seek advice and provide a response. I am advised that the Australian Olympic gold medal winners receive \$20 000 from the Australian Olympic Committee and silver and bronze medal winners receive \$15 000 and \$10 000 respectively.

Qualifying for an Olympic or Paralympic games is such an incredible effort in itself and to win a medal is an extraordinary achievement. These are amazing athletes, no doubt inspiring many young Tasmanians to strive to follow in their footsteps. They deserve to be held in the same regard in all aspects, including prize money.

As I stated yesterday, I will seek advice and provide that information to the House as soon as I receive it.

Ms Forrest - About what you are going to do?

Ms HOWLETT - Yes.

Budget - Gender Impact Statement

Ms FORREST question to MINISTER for WOMEN, Ms HOWLETT

[2.48 p.m.]

Yesterday, I spoke about the lack of a gender impact statement to accompany our Budget. I know other members have also mentioned it. I asked the member this question because I do not sit across the table in Estimates and so will not be able to ask this question there.

- (1) What is the minister's intention with ensuring that we do have a gender impact assessment?
- (2) Did she advocate for one this Budget, as she is the current Minister for Women?
- (3) If she did not, why not?
- (4) Can we hope to see one next year?

ANSWER

I thank the member for her question. The Government is committed to the full participation of women and girls in all aspects of Tasmanian life. This has never been more important as we recover from COVID-19. The Government is committed to creating a more inclusive Tasmania that empowers and enables women and girls to fully participate in our economic, social and community life through policies and actions that increase financial security, safety, health, wellbeing and gender equality for women and girls.

In relation to a specific gender budget statement, I am aware that this has occurred in other jurisdictions, including the Commonwealth in recent times. During the Premier's Budget Speech, he outlined a number of initiatives in this Budget targeted at improving opportunities for women.

It is with great pride that I also issued a media release with details of many investments of which I am very proud.

I note that the Leader of the Opposition did not see fit to mention women in her Budget Reply Speech yesterday.

Mr Willie - It has been a longstanding policy of ours.

Ms HOWLETT - Sorry?

Mr Willie - Gender statements on the budget have been a longstanding policy.

Ms HOWLETT - We reinstated the Minister for Women's position when we returned to government.

I look forward to elaborating on this during my Budget Reply speech, but in July 2021 we have seen a record female employment of 125 600 women which is an increase of 12 700 people since May 2020.

This Government will continue to explore new and existing ways to support meaningful change for women and girls in the development of the new women's strategy which I am due to release at the end of this year.

As far as details of the Budget investments, the Tasmanian Government has committed significant funding in the 2021-2022 state Budget for initiatives that support Tasmanian women's economic participation, financial security, health, wellbeing and leadership recognition.

We have committed \$75 000 to develop a specific Women in Building and Construction strategy to help raise awareness and career options in that field and \$25 000 to deliver the Girls in Property Pilot program. This is in conjunction with the Property Council of Australia.

Both of these projects are underway in line with 100 day plan commitments. To support women's...

Ms Forrest - I actually asked whether the minister had advocated for a gender impact assessment and if she had not was she going to? With all due respect we can all read the budget papers.

Ms HOWLETT - Would you like me to continue with our commitments?

Ms Forrest - I would like you to answer what I asked.

Ms Webb - The impact assessment is not about your commitments, it is about the rest of the Budget.

Ms HOWLETT - That is right and I have had discussions with my colleagues and I will continue to.

Ms Webb - So the answer is no.

Budget - Gender Impact Statement

Ms FORREST question to the MINISTER for WOMEN, Ms HOWLETT

[2.51 p.m.]

Noting that a gender impact statement is not just about women, it is about men and non-binary people. It is about people generally.

My questions are: Did the minister advocate for the inclusion of a gender impact assessment as part of this Budget process. If not, will she do so for the next budget?

ANSWER

I certainly will be advocating for that in the next budget.

Ms Forrest - Did you do it for this one?

Ms HOWLETT - I have had discussions.

MOTION

Noting Budget Papers

Continued from above (page 33).

Ms SIEJKA (Pembroke) - As I was saying, with the funding of disability services the Government appears to have a trend towards the funding of time-limited projects and away from core funding for a number of community peak bodies and organisations including the youth peak body YNOT and others.

This is a worrying move. It is core funding that enables organisations to cover basic administrative and organisational services to tailor their service to the needs of the community.

Amongst other things it covers overheads, insurance, rent, equipment and staffing. It also enables the long-term sustainability of an organisation by reducing staff turnover maintaining organisational knowledge. It allows flexibility and responsiveness.

Our Neighbourhood Houses support many Tasmanians right across the state. I note the investment into house infrastructure upgrades. However, I will be seeking clarification on whether this investment also includes the issue of potential replacement of buildings no longer fit for purpose.

Neighbourhood Houses is just one of the organisations working to provide food relief and increase food security for our most vulnerable community members. I am interested in more details about the proposed Food Security Strategy the Government has committed to in this Budget.

These are just a few of the areas I will be seeking more information on from ministers during Estimates. It is essential to ensure these initiatives are monitored and evaluated very

closely along with the Government's wider financial priorities to ensure community expectations are met.

I look forward to hearing further contributions.

[2.54 p.m.]

Mr WILLIE (Elwick) - After seven years of Liberal stewardship the state Budget has fallen into net debt with no end in sight.

For the record, last time the state was in debt was under the Liberals in the 1990s. Debt is forecast to spiral to record levels of \$3.5 billion by 2025.

That is despite a stronger than expected recovery from COVID-19 impacts at state and federal levels, which has contributed to increased revenues. GST has been significantly revised up and state taxations, particularly conveyance duty receipts, performing strongly.

There was \$200 million in net cash and reserves when this Government came to office. To service the \$3.5 billion of debt, we will spend \$349.6 million in borrowing costs over the forward Estimates. That money could employ 3000 teachers to help our underperforming education system up to the national standard. It could pay for 3000 nurses to support our broken health system, but instead it will be going to interest payments.

Laughably, if it were not so serious, the Premier and the Government have tried to trick us with the term 'Back in Black by 2023-24', using the Premier's preferred measure - the net operating balance. And to be fair, if we look across the years, there was a \$411.5 million deficit last financial year according to the Preliminary Outcome's Report. A \$689.8 million deficit projected for this year. A deficit of \$86.4 million for 2022-23. And a supposed return to surplus in 2023-24 of \$39.4 million.

I do not know how the Premier and others in this place say 'Back in Black' with a straight face. To put it in simple terms, we are spending more than we are generating in revenues and we will continue to do so for the foreseeable future. Net debt is an inconvenient truth for Peter Gutwein and his Government.

The Government will try and say the debt is because of COVID-19. But there was \$1.4 billion of debt on the books before COVID-19 and our debt will keep growing long after COVID-19 has passed.

The Premier himself is trying to tell us that black is white. That deeper and deeper in the red is back in black.

Respected economist John Lawrence called this out over the weekend. He said this about the Premier's Speech:

I have never seen such a deceitful speech in all my life. He seriously wants everyone to believe we are going to be in surplus in the next few years. But there is not a single year in the forward Estimates where the Government will be spending less than it earns. Every year the debt will grow by \$2 million a day over the four years of this budget

\$2 million a day, Mr President. If you look at Treasury's Fiscal Sustainability Report 2021 which other members have referenced, it will keep growing for the next 15 years.

Under the four scenarios - historical trends, forward Estimates, high expenditure and low revenue - the debt will grow unless action is taken.

By the end of this decade, Tasmania's debt will be larger than the entire state budget. By 2035, interest payments will take up 10 percent of the budget. That is the cost of the entire Department of Justice and the entire Department of Police, Fire and Emergency Management combined. All going on interest payments on the debt racked up by this Government.

As other members have stated, backed up by Treasury reports, there is a serious structural problem in the Budget. There are also risks to the status quo. Some of them are good causes which may require additional funding, others which can be frightening to contemplate. And I think in my time here, I have not seen as many listed risks under the Risks and Sensitivity section of the Budget. I do not think other members have covered this, so I will read them out. Along with COVID-19 risks, the risks and sensitivities include:

- GST uncertainty around the outbreaks - how big the pie is, what the lockdowns in Victoria and New South Wales are going to do and our dependence on that
- the relativity
- state taxation volatility
- government businesses
- increased costs or reduced returns
- there is the never-ending debate about funding energy projects, like Battery of the Nation and Marinus
- funding requirements beyond the forward Estimates
- general agency cost pressures
- health expenditure

... which I believe has been covered, and has been listed in the Fiscal Sustainability Report as a pressure.

- support for business and the economy, including an increased size of the Government's loan portfolio and an increase in credit risk
- natural disaster costs and recovery arrangements

And we have seen the devastating bushfires that have happened in the past. We have recently had an IPCC report which is alarming, and we know the climate is changing.

- variability in infrastructure spending

And we know the pressures, particularly on the construction sector at the moment.

- claims against the State by survivors of institutional child sexual abuse
- the Commission of Inquiry into the Tasmanian Government's responses to child sexual abuse in institutional settings

- the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, which the state Government will have to respond to.

During my five or six years here, I do not believe I have seen that level of risk specifically listed in the budget. In previous years, it was dramatically less. Given the global context that the Budget is being delivered in, there is an ominous warning in the risk outlook section. I took no comfort in reading this, but it is Treasury warning us that things could head south.

Accommodative monetary policies have played an important role in insulating the global and domestic financial systems. That is possibly a recognition of government stimulus to keep things going, while also boosting consumer spending and investment. There is a risk that changes in monetary and macro-prudential policy settings or other events could lead to a deterioration in financial conditions and a rise in interest rates. This would place additional debt-servicing pressures on households and may discourage business investment to the real economy.

In that statement there is not a lot that Tasmania can control; but we know from previous events, the GFC and others, that Tasmania will be impacted if those sorts of things do occur. Many of us watching global news are on edge.

We have some concerning risks and structural problems with the Budget, but instead of acknowledging this and outlining a plan to address it...

Mr Duigan - No risk of an alternate budget?

Mr WILLIE - That is just a distraction and we are not in power. It is up to you to outline your plan because you are on the Treasury benches, member for Windermere.

Mr Duigan - I believe it has been done.

Mr WILLIE - You need to outline a plan to address it. Your Premier is trying to hide the extent of it instead of acknowledging it. You talk a lot about operating surpluses. I am not sure if you are aware, but the Government could run an operating surplus all the way to \$30 billions of debt if it wanted to cook the books that way. The narrative that is coming out of the Budget is politics writ large.

The Premier's economic management is not working for the Tasmanian people today, and it is certainly not working for future generations who will be left to pay off the record debt. I do not think that anyone, except for people on the extreme ends of the political spectrum, would say debt is intolerable. Governments should borrow money in some circumstances. If a government uses debt to finance productive infrastructure that will grow our economy - that is a good thing. If it uses debt to fund investments that will save us money in the long term - that is a good thing. However, it is a fact Tasmania will have very little to show for this debt, and that is hard to accept.

If we are going further into debt Tasmanians want to know that sacrifices and the things we will forego in the future will be worth it. We will want all Tasmanians to enjoy a good life now and into the future. Tasmania is known for its laid-back lifestyle; it is something we are proud of and something we should strive to protect. It is hard to be laid-back when you cannot make the sums add up.

Under the current Government the cost of everyday necessities just keeps going up. The Government's economic management is not working for Tasmanian families. Groceries are up, petrol prices are up by 0.30 cents a litre in the past year. The Premier said he would cap prices if the cost of fuel did not come down, but he has not done that and Tasmanian families are paying for it. Power bills are up to the second highest in the country, and made worse by a government that takes hundreds of millions of dollars in dividends from Hydro to prop up its out-of-control budget.

Housing is often the biggest household cost, and the housing crisis is pushing Tasmanians to breaking point. Rents are now the least affordable in the country. Over the past 20 years rental affordability has declined in Tasmania at 10 times the national average. The medium cost of renting a three-bedroom home in Tasmania is now \$400 a week -

Ms Rattray - If you can find one.

Mr WILLIE - Yes, that is right. Up \$120 a week since this Government came to office. What that means in real terms is that renting families have \$6000 less each year to spend on essentials such as groceries, schooling costs and clothes for the kids. It means \$6000 less to spend on special but non-essential things like holidays. It means more and more things have to become non-essential.

We know that home ownership is increasingly becoming out of reach for a lot of Tasmanian families. It is often called the dream, and it is exactly that for many. We also know with housing that there are people who are increasingly desperate for government-supported housing. Other members have mentioned this figure - there are 4240 people languishing on the housing register. That means there are too many Tasmanians who are finding it too hard to get the basics to live a good life. They are constantly trying to keep their heads above water fearing what might be lurking below the surface, particularly when wages are not keeping up with the cost of living. Wages have increased by an average of just 2.3 per cent a year under this Government.

Under previous governments they increased at an average of 3.5 per cent. The low wages growth that has occurred under the current Government means today each and every worker is more than \$3000 worse off a year. Right there, is a difference in priorities. Tasmanian wages are now \$11 000 below the average on the mainland. Tasmania used to be seen as a place where there were lower costs so you could attract workers in different fields and we have talked about shortages in our health system. I do not think anyone has mentioned this yet but there are shortages in our education system too.

That is more than \$400 less in every pay for Tasmanian workers. We pay more for fuel, more for housing, we have got higher council rates than anywhere except Surfers Paradise. People's pay packets are being stretched further and further. Work is becoming increasingly insecure; 22 700 Tasmanians want to work but they cannot find it; a further 12 500 are out of work altogether; and casual, contract and part-time roles are the norm.

I will turn my attention to education. Members would be expecting that. As I said previously in this place and elsewhere, the Government will not be doing very much at all this parliamentary term in the vital education space or providing Tasmania's next generation with the best possible start.

That is despite Tasmania having the lowest Year 12 retention rates of any Australian state, dipping to 73.9 per cent in 2020 compared with the national average of 82.1 per cent. That is despite attainment rates of Year 12 students declining for the third year in a row to a low of 58 per cent. That is significantly poorer than the national average of 72 per cent and that is a figure that remains the same as 2008.

That is also despite recent NAPLAN figures showing that since 2008 Tasmania has gone backwards in 14 of the 20 indicators assessed across grades 3, 5, 7 and 9.

That means in 2008 more of our students were reaching national benchmarks than they are now. Student results in Tasmania are the worst of any state across every age group in reading, the second worst in every age group in writing, the worst in every age group in spelling, the worst in every age group in grammar and punctuation and the worst in years 5, 7 and 9 in numeracy.

We have had debates in here about NAPLAN and my views on that have been clear. It is a snapshot in time. The assessment still needs improvement in my view but these figures cannot be ignored either. It is an agreed national assessment and we are performing worse than any state and we are falling further behind.

I have heard government members in here talk about the 40 literacy coaches as if that is a silver bullet for the problems we are facing. I can tell you what that means on the ground - member for Windermere, I heard you mention it. There are literacy coaches employed who are not trained in literacy. You have employed 80 literacy coaches and we have seen a decline in standards.

What are 40 more position going to do for 60 000 students?

Mr Duigan - What is your plan?

Mr WILLIE - That is the reality. We had a great policy for literacy, member for Windermere: 357 teachers, a three-tiered instructional model. It is what stakeholders were calling for. It is what your Government should invest in.

Mr Duigan - Where is it?

Mr WILLIE - We are not in government. It is what your Government should invest in. If you want to see a turnaround in literacy rates there is a clear way you could do it. It is an investment in teachers. It is an investment in professional learning. Evidence-based practice, resourcing based on our students, resourcing for support staff so there are enough school psychologists, speech pathologists. I do not think you would probably find it acceptable that kids in the early years are waiting up to 12 months for cognitive assessments at really critical times in their stage of development. That is what you could do.

Ms Webb - Do you not think also potentially if we held government to account for the outcomes that they expected to be delivered from their investment that would be a more realistic thing?

Mr WILLIE - We hear record investments all the time. Every year there is going to be an increase to keep up with inflation. How about actually looking at what that is delivering.

Ms Webb - So 40 literacy coaches equal what?

Mr WILLIE - It is frustrating. I am frustrated because education is our greatest opportunity as a state and we talk about a whole range of other areas of government whether it be health or justice, housing or our economy.

If you look at the policy that was taken to the last election we are not seeing an investment and we are not seeing reform.

These statistics in NAPLAN are alarming and they are not being treated with the urgency they deserve. While there are no silver bullets, education is our greatest opportunity the state has to improve lives. A strong school system will help students learn the basics of reading, writing and maths. It will help students grow into young adults and learn the life skills that they need to thrive in the world.

A strong TAFE system will help thousands of Tasmanians get the skills they need to get a foot in the door, not only to a good job but a great career. It will help adults continue to expand and update their skills throughout their lives and it will help industry find the skilled workers it needs to grow into the future.

Getting our education system right is the best thing we can do for workforce productivity, to improve the performance, competitiveness and complexity of our businesses and it will lift our woefully low workforce participation rates.

When it comes to our school system this Government is letting us down. In my view, teachers do one of the most important jobs of government and they are under-appreciated. Every day they take on one of the greatest responsibilities in our society: educating our children. Yet in Tasmania teachers are given higher workloads and they are paid less than teachers interstate.

We now have a teacher shortage in our state which is not addressed in this Budget and it is not only a problem for Tasmania, it is a national issue. How are we going to attract the best and brightest to work in our system with the current conditions on offer? Our teachers cannot work any harder or care any more passionately about their students but the education system is not being supported or reformed by the Government to make sure that people within it can thrive, students and staff alike.

We need to put our resources where they are needed most: in our classrooms, teaching kids to read, write, do maths and engage with the rest of the curriculum. These foundation skills are the building blocks students need to go on to further education, to succeed in the workplace and to thrive in our real world.

Tasmania could add to its many advantages by addressing its most serious disadvantages. By improving our education system, we could lift our productivity, lift our workforce participation and grow the economy. We could give young Tasmanians opportunities that their parents never had but instead we are not investing in the school system or reforming it so that students can get the basic skills they need to thrive. It has been well publicised by many people, including the former education minister who quoted this figure and the former Governor that we have a 48 per cent functional literacy rate in our adult population. That does not mean that

people cannot read and write; it means that they cannot engage with the documents they need to on a daily basis at a functional level. That is our schooling system.

This is damaging not only to young people but to the state's economic future. An underperforming education system today means a second-rate economy tomorrow and failing to recognise that has been the hallmark of this Government.

If only the Government was bringing the same amount of energy to improving our school system as they are to their misguided TasTAFE reform. This poorly thought out agenda is likely to create nothing but inertia. The Premier says it is about flexibility but the flexibility he wants is to sack teachers and erode their conditions by moving them to a different framework and this Government wants to employ 100 more of them. Good luck trying to find them when you have that as a motive.

From talking to TasTAFE teachers I know they are extremely worried about this proposed reform. I was fortunate to visit Campbell Street TasTAFE Campus just recently and spoke with teachers there. They are worried about cuts to courses; they are worried about potential campus closures and they are worried about student fees. They want TasTAFE to be the best TAFE in the country but they need support.

We want every parent in Tasmania to understand that a TAFE qualification is just as valuable as a university degree and we need to build up TAFE. We want students to see a career in the trades as a ticket to a great future and my concern with this is if the Premier is not careful he will turn the public provider of skills and training into a penny-pinching low-quality shell of its former self. We have seen that happen in other states where it has been corporatised. There are lessons to be learnt.

Mr Valentine - It is the quality of students who come out the other end that is really important.

Mr WILLIE - Yes, that is right.

Mr Valentine - The teacher accreditation is something that is really important too -

Mr WILLIE - And there are some underpinning values of a public institution that education is a public good, not necessarily driven by markets.

Mr Valentine - Or profit margins.

Mr WILLIE - Yes, that is right.

Mr Valentine - It is an interesting debate.

Mr WILLIE - Yes, I am sure we are likely to have that debate before the end of the year and I look forward to that.

The Premier's management is not going to work for TasTAFE either and it is certainly not going to work for students, their parents who want to see them succeed or businesses that hope to one day give them a job.

In conclusion, the Budget confirms the Government will not deliver on infrastructure projects promised to Tasmanians just a few months ago, and \$650 million of election promises will not be delivered. That is 2000 new homes promised, but just 640 funded in the next four years, which is a cruel reality for the 4200 families stuck on the waiting list. There are endless traffic jams which are stretching out the working day for far too many Tasmanians and they might need to get an e-bike.

Ms Howlett - And a poncho.

Mr WILLIE - And a poncho, so \$650 million will go a long way to fixing some of these problems. Tasmania finds itself at a crossroads. We cannot continue the way we are going. We cannot continue to see the cost of living soar while wages stay the same. We cannot continue to sit back while rents get further out of control. We cannot continue to do nothing while the dream of home ownership keeps getting further out of touch for ordinary Tasmanians. We cannot continue to paper over the cracks in our health system. We cannot continue to have the worst performing education system of any state, which is limiting the potential of our people and cannot continue with this fiction the budget is back in black in 2023-24. We cannot continue to accept promises of new roads, schools, hospitals and public transport that keep being pushed off into the distance.

I want the Government to deliver for Tasmanians and I will be spending the next parliamentary term holding them to account and look forward to budget Estimates next week.

[3.22 p.m.]

Ms HOWLETT (Prosser - Minister for Women) - Mr President, I am pleased to respond to the 2020-21 state Budget which the Premier and Treasurer handed down last week. There has been a significant investment in my specific areas of portfolio responsibility and in my electorate and it is with great pride I have the opportunity to discuss some of these initiatives. This Budget is a clear investment in securing Tasmania's future. We will deliver a plan as we said we would.

Over the four-year period of the Budget and forward Estimates we expect our plan will support around 28 000 jobs. We have invested a record \$10.7 billion into our health system and the health and wellbeing of Tasmanians. A record \$8 billion will be invested in education, skills and training to enable Tasmanians to get the jobs that will support and drive our economy forward. This Budget will also help more Tasmanians into homes through \$615 million into social and affordable housing and homelessness initiatives to help more Tasmanians in need.

Small businesses are the engine room of our economy with 97 per cent of all Tasmanian businesses classified as small. It is important we deliver on our plan to support them. One of the key priorities of the Tasmanian Liberal Government is jobs and one of the key ways we will deliver that is by ensuring small business remains the powerhouse of our economy.

Under our long-term plan before COVID-19 hit, thousands more Tasmanians have been unemployed since March 2014. Even with the impact of COVID-19, our employment participation rate has returned to pre-pandemic levels.

Our Government is helping to grow the economy and create jobs by supporting businesses to develop a skilled workforce assisting with market access, unlocking investment

opportunities in Tasmania, cutting red tape and delivering the infrastructure our community and businesses need.

That is why the 2021-22 Tasmanian Budget will provide \$1.2 million for small businesses to access specific financial counselling through the COVID-19 Small Business Financial Counselling Support Program.

We know many small businesses are still experiencing financial difficulties and may have extended a period of cash flow or working capital stress. This program will help them and give them the opportunity to access specialist advice to assist them with their circumstances.

We are also committing \$2 million for a new Small Business Incubator and Accelerator Pilot Program which will support Tasmanians to create sustainable startups through private sector partnerships, specialist advice and support.

On top of this we are providing \$800 000 over four years to Business Tasmania to assist it to better support small businesses more quickly.

We want Business Tasmania to be the first point of contact when small businesses need help, when they are first established or wish to expand. As part of this initiative Business Tasmania will work closely with the Red Tape Reduction Coordinator and Small Business Advocate and the Tasmanian Chamber of Commerce and Industry and Tasmanian Small Business Council to design and deliver support for small businesses, to help them access and understand essential regulatory reform.

We will also provide \$300 000 over three years for regional chambers of commerce to support their small business members and promote business collaboration and development in their regions, contributing to strong and diverse local economies.

Acknowledging the Tasmanian Small Business Council as one of the peak bodies for small businesses in Tasmania, we are providing \$150 000 over three years to support its members in its advocacy function. In addition, we will allocate \$30 000 per year over four years to the TCCI for an expanded Tasmanian survey of business expectations. This will provide us with more data to informed decision-making as well as continued economic recovery.

We are also continuing to support Tasmania's micro-business sector by providing ongoing support to the No Interest Loan Scheme Tasmania. This includes up to \$50 000 per annum over four years for the NILS No Interest Micro-Business Loan program. An additional \$25 000 per annum for four years to support additional staffing for this valuable service.

We understand certain businesses are struggling right now with the necessary restrictions we have put in place at our borders. This is why the Acting Premier, Jeremy Rockcliff, announced we will be opening a new COVID-19 Micro and Small Business Border Closure Critical Support Grant program on Friday, September 3. This new program will also cater for micro and small businesses suffering hardship as a result of the lockdowns and border restrictions that have not been eligible the current Business Hardship Border Closure Critical Support Grant program.

Importantly, with this new program we are reducing the annual turnover figure from \$50 000 to \$25 000, which will allow more of our micro-businesses to be eligible. Financial support of between \$1000 and \$10 000 are available to eligible businesses. The guidelines for the new program will be on Business Tasmania's website soon.

We will continue to monitor the situation around the nation and review the impacts on our businesses to determine any additional measures that may be required as we continue to respond to the ongoing COVID-19 situation around the country. The Tasmanian Liberal Government will continue to back small business, supporting their recovery and growth and making it easier to employ people in Tasmania.

Women make up over half Tasmania's population and as Minister for Women, I am extremely proud that our Government is working to ensure women and girls can fully participate in our economic, social, political and community life. We are not just talking about equality through our policies and actions, we are creating real change. This has never been more important as we recover from COVID-19. In July 2021, we have seen a record female employment of 125 600 women - an increase of 12 700 people since May 2020. We know there is more work to do. However, many of these initiatives outlined in the 2021-22 Tasmanian Budget are about increasing opportunities for women in the workforce, including those areas traditionally dominated by men.

These commitments include \$1.5 million over three years, with \$350 000 per year to develop an industry-led approach to enable and empower more women, including in non-traditional areas, and the hugely successful Supporting Women to Succeed Grants Program and developing a modern workplace framework resource to support safe workplaces for women. We are also increasing the Women In Leadership Scholarship Program from \$50 000 per annum to \$100 000 per annum and extending the program until 2024-25 and increasing the International Women's Day Small Grant Program to \$20 000 per annum over the next four years.

There is \$75 000 in 2021-22 to develop a Women in Building and Construction Strategy, to raise awareness of career options for women within this sector, as well as \$25 000 in 2021-22 for a Girls in Property pilot program to be delivered in partnership with the Property Council. These funding commitments will further enhance the actions set out in the Tasmanian Government's Leadership and Participation for Women Action Plan 2021-23 and the Women on Boards Strategy 2020-25, continuing our progress. Our commitment will create meaningful change for women right across the community as well as the economy.

Mr President, when we came to government we reinstated the women's portfolio, and developed a Tasmanian Women's Strategy. In the past three years alone, we have committed over \$5 million in funding for specific programs, initiatives and services that will create a more inclusive Tasmania that empowers and enables women and girls to fully participate in the economy and the community. As we continue to deliver against the priorities set out in the Tasmanian Women's Strategy 2018-21 and work on our new strategy, due for completion by December this year, all government departments are taking action to support and set an example to empower women in Tasmania. I am extremely proud of the work the Tasmanian Liberal Government is doing to achieve gender equality.

The Tasmanian Liberal Government is investing significantly into the state's sport and recreation sector to get more Tasmanians active. We are committed to helping more

Tasmanians to get active no matter where they live or what their age is. Our Government believes that every Tasmanian deserves to lead an active and healthy lifestyle, and we will do everything we can to encourage and support them to do this.

Sport is the lifeblood of our communities across Tasmania and the Tasmanian Government's continued investment will provide more opportunities for Tasmanians to participate in sport and lead active and healthy lifestyle and we will do everything we can to encourage and support them to do this.

As part of the 2021-22 Tasmanian Budget, we will invest more than \$38 million with over 140 sport organisations to deliver programs and infrastructure statewide. In addition, we are doubling our Ticket to Play vouchers from \$100 to \$200. This important program is designed to reduce the cost for children from five years of age up to the age of 18 participating in sport by removing one of the many barriers to Tasmanian children participating in sport - and that is cost. The Government is aiming to increase the number of young Tasmanians playing sport. The response to Ticket to Play from the community and providers has been overwhelmingly positive.

We will also progress a range of large infrastructure projects across the state, such as the Glenorchy indoor multi-sport facility and the Silverdome upgrades to facilitate home games for the JackJumpers' entry into the National Basketball League (NBL).

In 2021-22, the Department of Communities Tasmania will deliver five competitive merit-based grants programs, including: the \$10 million Improving the Playing Field program; the \$55 000 National/International Sport Championships program; the \$150 000 Sporting Competitions Access Fund; the \$1.15 million Sport and Recreation Major Grants program; and the \$1 million Community Sport Levy grants program.

The Improving the Playing Field program aims to assist sporting clubs and associations in improving facilities across Tasmania, and helping to maintain and build participation rates across all sporting codes.

Our Government has committed to a range of large infrastructure projects including: \$5 million to the Silverdome for netball facility upgrades; \$10 million to Football Tasmania for four upgrades across the state to deliver better facilities for players and to help Tasmanians push to host base camps for international -

Ms Rattray - Can the minister indicate which of those four centres will receive that \$10 million?

Ms HOWLETT - Yes, I can and I will talk on that later. We have the north-west coast, Launceston, Kingston and Churchill Park, there are four. We are in the process of doing so.

Those upgrades will assist Football Tasmania into a push for hosting a base camp for the Women's World Cup in 2023 and we are very much hoping that we will get a base camp or two. That would be great for the state.

There is also \$2 million in funding for stage 1 of the Queenborough Oval redevelopment change rooms, and \$1 million in funding for new change rooms, extra public toilets, storage, and medical rooms at the Launceston City Football Club.

Over the next four years our investment in sport and recreation in Tasmania will exceed \$60 million, in an effort to get more Tasmanians involved in physical activities.

A contribution of \$65 million over three years from 2021 to 2022 will be provided to Stadiums Tasmania which will oversee the development and management of stadium assets in the state. In addition, \$14.5 million will be provided to the operational costs associated with Stadiums Tasmania over the Budget and forward Estimates period. This will assist in overseeing the development and management of venues to maximise economic and community benefits for Tasmania. Our Government is committed to providing safe, fair and inclusive opportunities for all Tasmanians to participate in sport and recreation.

We recognise the importance of the sport and recreation sector to the Tasmanian community, and we are committed to providing for all Tasmanians to access sport and recreation opportunities.

The Tasmanian Liberal Government is delivering more upgrades to training and racing facilities, and providing training opportunities for industry participants, in order to secure the future of the racing industry in this state. In order to make this happen, the 2021-22 Budget allocates \$3 million into one-off infrastructure upgrades at the Longford Racecourse, the Brighton Training Centre and the Devonport Racing Club. This is on top of the \$7.5 million the Government will contribute over the next two years to underpin the development of the new harness and greyhound racing facility on the north-west coast.

The Brighton Training Centre will be provided \$800 000 to address infrastructure needs, including important track drainage upgrades and improvement to the Brighton Greyhound Straight Track and also the replacement of the lure. The Longford Racecourse, an important training facility for the thoroughbred code, will be provided with funding of \$700 000 towards upgrades at that facility, including the construction of an 800-metre trial start chute and track drainage works as well. The development will continue at the Devonport all-weather venue located at Spreyton. It is an all-year round thoroughbred training facility and also a key racing venue, especially during the winter period. A range of improvements are required to the Devonport Racing Club main buildings, especially the female jockey rooms.

Tasmanian racing is seeing an unprecedented number of female apprentices coming through the training program and the current facilities, like many of our sporting facilities, are not adequate. Funding of \$1.5 million will be allocated towards these upgrades which will also include new owners and participation areas. This will help develop modern and safe facilities for participants.

Racing is a critical industry for Tasmania, generating more than \$103 million per year in economic activity, particularly benefiting rural and regional areas. More than 5500 Tasmanians are either employed in the industry or indirectly employed and state government support for the industry gives it the confidence to continue growing. That is why we are also providing \$2 million over four years to deliver improved training for apprentice jockeys, including reintroducing jockey apprentices' training and mandatory packages linked to licences in Tasmania through TasTAFE.

We are also providing additional funding to support the thoroughbred and harness breeding industry by extending the current \$350 000 per year program to 2024-25. This critical funding has been allocated to increase foal numbers in Tasmania.

Increased stakes are the single most important driver for participation in the Tasmanian racing industry. Growth in stakes is being delivered under a majority Liberal Government. Over the forward Estimates we are increasing annual stakes across all three racing codes of 16 per cent over four years, including 6 per cent this financial year. This is on top of the 19 per cent increases we have already delivered in stakes over three years to February this year.

The Tasmanian Liberal Government will do everything it can to support the racing industry with further investments so those in the industry can thrive and succeed right here in Tasmania.

In the electorate of Prosser, this Budget delivers significant investment. We are continuing to invest in the \$350 million of upgrades to the Tasman Highway and the Hobart to Sorell corridor. For many years the residents of south east Tasmania have been calling out for investment to ease the traffic congestions between the southern beaches, Sorell and Hobart. The Government has listened to these calls and we are building on the necessary infrastructure that will ease the congestion burden.

As it stands, work on the Hobart Airport interchange and Midway Point intersection solution is progressing well and work commenced earlier this year on the Sorell Southern Bypass. All three of these projects are scheduled to be completed throughout 2022. This Budget will invest \$1 million to commence a resurfacing of Wielangta Road which will transform the road into an alternate access road to the east coast, as well as a scenic tourism route. I am not sure if you have travelled that road; I am sure you have, but it is an amazing road.

Mr Valentine - I had to put it into four-wheel drive to get out of a pothole.

Ms HOWLETT - Not anymore. I encourage you to take a trip up there, wind down your window and smell the amazing scents in the forest. It is beautiful.

This Budget provides \$12 million for the new construction of an emergency hub at Sorell. This Budget also provides \$3.5 million to upgrade the Midlands Multi-Purpose Health Centre. The upgrade to the centre will be focused on increasing the comfort of facilities for patients and residents, including delivering improved bathroom access as well as privacy.

These are just a few of the many initiatives that will support the electorate of Prosser.

In summary, this Budget is a clear investment in securing Tasmania's future and will deliver our plan, as we said we would. I note the Budget.

[3.45 p.m.]

Mr VALENTINE - I did not have any competition that time so I believe in chance. As usual I get a bit of an analysis done on the budget to put some structure around my speech and to have somebody who has a good understanding of the figures to assist with that. I rise to note the Budget.

The 2021-22 Budget has been labelled by Font PR as a time to take the hay out of the barn. This theme suggests the need to build on Tasmania's strong performance despite the ongoing pandemic.

The Budget continues the Government's focus on infrastructure investment with \$4.6 billion projected for 2021-22. They have maintained their goal of creating jobs with 28 000 predicted over the forward Estimates.

The 2021-22 Budget presents an improved debt picture to that provided in November 2020 in the previous budget. The 2020-21 Budget took the budget from being \$175 million in the black at the end of 2019-20 - largely due to a massive underspend in the ambitious infrastructure program outlined in the 2019-20 Budget - to a position that will be deep into the red by the end of 2023-24, with net debt estimated to be \$4.3 billion.

This Budget delivers a \$1.3 billion improvement on that outcome largely because the net debt for 2020-21 is just \$459.1 million, about \$1.4 billion lower than budgeted just eight months ago.

This outcome is lower than that expected in the Government's pre-COVID-19 2019-20 Budget which forecast a net debt of \$643.1 million for 2020-21. Clearly, the Government is having trouble spending the money it has set aside for projects.

If the Government cannot meet its expenditure targets similar to the last two budget cycles then we once again expect the planned infrastructure investments and expansion to programs will simply not be achieved. Try getting a builder at the moment. From what I keep hearing they are not easy to come by and it would appear Tasmania is facing a very significant skills shortage.

Yes, the Government is trying to address that, but is it too little too late? Is the move to turn TAFE into a GBE going to deliver any better outcomes than providing more teachers and more suitable teaching programs for students and industry?

Given its significant focus on the infrastructure spend, some with quite complex needs, the Budget may simply exacerbate this trend. The provision of major infrastructure projects is dependent upon significant levels of imported expertise from other parts of Australia. The level of available skilled medical and other professionals is likely to impede the Government in being able to deliver on its promises.

Unfortunately, by delivering a budget that relies on a substantial increase in the number of skilled workers to achieve its targets, there is a real risk that significant wages growth and potentially increased inflation in Tasmania will result due to the bargaining position that scarce skilled workers are likely to have.

The result of this circumstance will be a much lower net debt position by 2024-25 than indicated in the budget papers. This underspend will not help to reduce many of the crises Tasmania is currently experiencing like housing and cost-of-living pressures, participation rates, health crises et cetera. It is only likely to exacerbate things in a post COVID-19 world.

The Budget does not appear to adequately provide a mechanism to engage the Tasmanian skill base of its local workforce. Contracts with mainland contractors charged with delivering significant projects may allow for the engagement of a percentage of local workers and certain services but may not fully utilise available expertise in the higher skill levels in the construction industry. That would be at the discretion of the successful mainland tenderers and they will

only do that if it is economical viable. The contractors' own workforce will have been built up to deliver effective and efficient services at competitive rates, which gives them the edge in gaining such contracts in the first place. Conditioning state contracts to ensure our workers have their skill levels improved so they can eventually compete for work is what is needed, but may prove very hard to achieve. The focus on improving our current TasTAFE training system over recent years to develop and implement a Tasmanian workforce development strategy that will permit Tasmania to better meet its labour force requirements from local sources has been somewhat inadequate.

Rather than investing significant dollars in a restructure, perhaps providing more accredited teaching resources is a good alternative, with improved industry consultation to ensure the skills set is further validated as time progresses. It stands to reason that is the best way to go. I will always be open to being convinced otherwise. It is a concern to see it go down that path. Some would say it is going down the path of privatisation.

Another aspect of the training scene is the years 11 and 12 provision. Is this diverting our students away from the trade training route? The trades are increasingly involving higher levels of STEM training and years 11 and 12 education provides a fair degree of that, but some students do not get it with science, technology, engineering or maths principles until they are exposed to the practical application of them. VET courses provide this. Having years 11 and 12 in every high school might be doing the construction industry a disservice. It is an idea to think about. Are we actually 'crueling the pitch' of the construction industry by trying to keep kids in school for years 11 and 12 to improve their education outcome? That is fine, but it might not actually mean they end up doing the best job they would if they were otherwise funnelled into the VET courses. Some kids have it and some do not and we have to realise we need to maximise their opportunities but minimise their stress. I am saying it as I see it.

A much-needed upgrade of training infrastructure is starting to occur, like the Clarence TasTAFE Campus and other projects. The member for McIntyre will attest that the Public Works Committee recently scrutinised that project not long ago and, as previously mentioned, maybe too little, too late. But all I can say is they are actually putting in some facilities there that are certainly modernising the teaching environment. The capacity to be able to change as things change in the industry, in terms of the physical laying of pipes and those sorts of things in a circumstance where they can actually see what would normally be underground - it is very innovative and I think it could be a real positive.

Mr Willie - It was not what was promised. I have heard some feedback around the infrastructure in terms of what they thought they were going to get and what they are getting. It is called a centre of excellence, but I do not think the staff feel that way.

Mr VALENTINE - We will see how that goes and we will get a chance to debate and get a bit more information on it in the Chamber.

Ms Rattray - The Public Accounts Committee will have a chance to review what is put at that particular centre of excellence.

Mr VALENTINE - We certainly do not get a chance to review it and that is a good point you make. It is all very well for us to hear what is expected to be put into place, for us to judge whether the project has been properly thought through and whether there are aspects of it that might need further input from other sectors, depending on what the project is, but when it

comes to testing whether it is being delivered, that is the Public Accounts Committee's role. This is something the Public Accounts Committee should continue to keep in mind also.

Ms Rattray - The committee, as you know, as being a former member of the Public Works Committee, can only make a judgment on what we have before us for that particular reference, and if it changes, the committee does not know about those changes.

Mr VALENTINE - They cannot make a reference to another committee either. It is a point, it is all very well to have these ideas of projects, and some that have come before the Public Works Committee in the past have been less than adequate in terms of their submissions and we have had to ask for other information. It is all very well to have that detail, say yes, we think this is being done correctly, but whether it is delivered is a good point.

Ms Rattray - That was one of the points I was making yesterday in my contribution. These facilities are for a long time into the future. We have to take our time to get them right. If it is going to cost a little more at the time of construction, development or whatever then let us take that time and do that and not be in a rush and not get it right.

Mr VALENTINE - Yes. When it comes to the major infrastructure and the possibility of moving to a GBE structure for TAFE, it also means it will not provide the opportunity for greater scrutiny. We do GBEs once a year. Some of us here who who have been around a while will hear the same old mantra, 'you had better ask that of the board' during GBE scrutiny at the end of the year. That is what we get told if we go to a minister with a question that is about a government business enterprise, 'you had better go and put that to the GBE committee'. That is not what we want to hear. Something as crucial to our future - as far as TAFE is concerned - is important. It is a major training organisation and needs continuous scrutiny to ensure it is delivering effectively for our state. Making it a registered training organisation may have enabled access to some level of federal funding, but it is out there competing with private enterprise who are wanting to maximise their dollar, rather than guaranteeing the quality of the students coming out the other end. We have heard the horror stories about organisations set up which do not have any students and have been taking federal funding. That happened on one occasion. Heaven forbid if it happens too often.

We do not want that. We want to have control of our training as it is so crucial to our state to be able make sure we have sufficient resources to build the infrastructure we need. That is probably a greater debate in terms of government-registered training organisations versus private enterprise.

Ms Rattray - A notice of motion perhaps?

Mr VALENTINE - It could be, but whether we have full control over that or it is more in the federal domain is the other question.

The Government has abandoned the prudent budget management which put Tasmania in a strong position as COVID-19 emerged. However, their focus on infrastructure and the need to significantly upskill the state's workforce will seriously inhibit the Government to meet the emerging needs of Tasmanians in the period out to 2024-25.

Like last year's Budget, this Budget does not sugar-coat, but it does not appear that lessons have been learnt from the past 18 months. It has not realised Tasmania has an ability to deliver programs of a type and magnitude proposed. The Tasmanian Government needs to

engage more positively with its community. The caveat raised by Adrienne Picone of TasCOSS in her *Mercury* article on 28 August alludes to this:

Mostly importantly, this budget demonstrates a commitment to doing things differently. But as welcome as the announcements and the investments are, it comes as a caveat: the true test of this budget is yet to come. The onus is now on the government to measure the progress and effectiveness of funding allocations against metrics that matter - metrics that measure outcomes with regard to the wellbeing of our state's people.... and to ensure the Premier's words are translated into reality for every Tasmanian by making sure that every opportunity is a meaningful one. So, let's embed these green shoots and work together, across Government and with our communities - as we have successfully shown we can - to create opportunity and tap the potential of Tasmanians.

They are wise words from Adrienne Picone. The experience of the last couple of years highlights a need to do things differently. It highlights a need for the Government to work more closely with communities, and perhaps most importantly community groups and not-for-profit organisations. It highlights the need for the Government to become a more informed client when seeking services from outside its ranks.

It highlights a continuing and significant risk which the Government faces over the remainder of its term. Low interest rates mean that debt is affordable. Limited taxing powers and low levels of economic growth will mean the deficit built up over the next four years will weigh heavily on the Government's spending capacity into the medium term, and well beyond the four years of the forward Estimates.

I hear the member for Nelson and the member for Murchison's desire for a tax review. I have sponsored a petition that calls on the Government to revisit certain property taxes. I am not saying I agree with the changes that petitioners themselves may want in that regard, as I am not sure it would result in improved circumstances for all. However, they have the right to put the petition up as a way of demonstrating the strength of community support in such a move. We will consider that going forward.

PESRAC's recommendation in the tax reform space certainly needs consideration. The PESRAC report has some very interesting components to it and will quote one component, the third key message, on page 21 of the final PESRAC report:

The third key message we have taken away is the importance of community, and place-based responses to recovery, particularly from our cross-sector workshops and the regional round tables.

Community featured as the fourth most important indicator for Tasmanian's wellbeing, and while the impact of the COVID-19 suppression measures has interfered with the functioning of some community supports, the pandemic has also driven home to many Tasmanians a real sense of re-connecting with community in a way many found surprising. For some, it reinforced what is special about being Tasmanian - the sense of connectedness.

I believe that is one of the lenses that should help guide our Government as they focus on the next steps when dealing with taxation reform. The 2021-22 Budget continues the trend begun with the 2018-19 Budget and its significant infrastructure focus. This Budget better recognises the health and wellbeing of Tasmanians and extends the move in that direction taken in the 2020-21 Budget. However, as indicated above it has not adequately anticipated the workforce implications of this move and direction.

The Budget recognises Tasmania must address issues associated with energy costs, elective surgery, mental health, post-secondary training, school retention, unemployment and workforce participation, food security and emergency relief, isolation and dislocation from services, housing, children in out-of-home care, providing a higher profile for climate change and low-income levels and the associated level of reliance on welfare payments among other matters. The Budget continues to not have a balance between fixed infrastructure investment and critical social policy areas which are impacting negatively on Tasmanians. Its spending continues to lack a focus on the systems, programs and skilled people that support Tasmanians.

This is required to underpin the rebuilding of our health and wellbeing, enabling all Tasmanians to participate fully both socially and economically. As we face the future - and this has become evident during these COVID-19 times especially - digital inclusion and the training skills and resources needed to support it is an increasingly critical area for investment.

For those living on low incomes, those living with a disability, small to medium businesses, those in rural and regional communities and for many others in our society, digital access to services has become critically important to physical access but as with last year, it has been largely overlooked in this Budget.

It is within this background that I will try to focus my comments on Budget Paper No. 1; but first how did we do in 2020-21? Let us begin by considering the General Government Income Statement, Table A 1.1 on Page 138 of Budget Paper No 1.

This table sets the basis for the development of the 2021-22 Budget.

This table shows the preliminary net operating balance outcome for 2020-21 of - \$411.5 million, a significant improvement on the negative \$1.118 billion estimated in the 2020-21 Budget. This significant improvement in the net operating balance is primarily a result of a \$230 million increase in grants received by Tasmania, a \$110 million increase in state taxes and a \$95 million increase in other revenues.

On the expenditure side the two significant changes were reduced expenditure on supplies and consumables of \$130 million, and \$123 million reduction in grant and subsidy expenses.

A good outcome on Tasmania's General Government Income Statement is mirrored by the state's General Government Balance Sheet. While the 2020-21 Budget predicted a continuing decline in net assets to \$6.012 billion, for 2020-21 the actual outcome has been an improvement to \$9.382 billion. This contrasts with the significant deterioration in the net asset position experienced over 2019-20 where net assets were \$4.468 billion, lower than budgeted. Total assets fell by \$225 million during the year, mainly due a decline in investments and infrastructure which were offset by gains in cash and deposits.

Liability saw some significant changes including a \$2.416 billion decrease in the Superannuation Liability, largely due to an improvement in the discount and earnings rate from an estimated 1 per cent for 2020 to 2.15 per cent.

Madam DEPUTY PRESIDENT - So, a paper change.

Mr VALENTINE - In effect, yes because it is actuarial stuff.

While the Government projected an increase in its net debt to \$4.38 billion over the forward Estimates in the 2020-21 Budget, this deterioration in the state's Balance Sheet is projected to lessen in this year's Budget.

The preliminary outcome in net debt for 2020-21 is around \$1.4 billion, better than estimated in November and this improvement has been carried forward over the forward Estimates.

By 2025 the state is still projected to be carrying a significant debt but this position is an improvement on the outlook presented last year. These results for 2020-21 again highlight the well-recognised sensitivity of Tasmania's financial position to external shocks with COVID-19 being an extreme example of such a shock. However, the results also illustrate how the normal course of events such as staffing demands, pay rises, emergency events, the economic performance at a national level, the returns from state-owned corporations and the level of Commonwealth grants impact on the state's finances.

This Budget with substantial savings banked during 2020-21 leaves future governments with a slightly improved outlook, however, there is limited room to manoeuvre as net debt continues to rise until 2024-25, even though the net operating balance is supposed to move back into the black in 2023-24 and 2024-25 with what the Government sees as small cash surpluses.

This apparent conflicting result is due to a continued high level of borrowings over the forward Estimates with them increasing from \$2.87 billion for 2022-23 to nearly \$5 billion by 2024-25. This ongoing reliance on borrowings to fund the Government's budget is likely to mean that future governments will have to put in place strong austerity measures once the COVID-19 recovery has been realised.

Tasmania, like most economies, is in for a rocky and uncertain future. As we move through the COVID-19 recovery phase it is critical we have strong revenue and expenditure management and that need will increase exponentially as we move forward. The ability of the Tasmanian government to continue its large spending turnaround will eventually end.

So to some highlights. Pages 4 to 6 detail the key Budget highlights. These highlights are focused on delivering the Government's election promises with about \$1.6 billion in new funding over the forward Estimates.

The 2021-22 financial year also includes commitments in key priority areas including the COVID-19 response and recovery, increasing demand for health services and additional commitments announced in the 2020-21 Premier's Address. These commitments amount to almost \$1.2 billion. Included in this expenditure, amongst other things, is a whole list of things and I think you all know them. I do not want to bore you witless by running through them all but it commences with \$198 million to Tasmania's health system to meet expected increased

demand, \$120 million to address the pent-up elective surgery demand as a result of the pandemic, and on it goes. I do not think it serves any purpose to run through all of those. It has been covered in the Budget.

While significant, there remain some missing elements if the benefits of this wide program are to effectively support the Tasmanian community and fully realise the outcomes sought. In particular, the focus fails to adequately recognise the impact of COVID-19 on older Tasmanians from the perspective of employment, housing and income.

While having a significant ICT component in support of service delivery, the program also fails to support digital inclusion for Tasmanians in need. And we have seen the value of being connected. That is but a dream for some, unfortunately, and it is a pretty sad case.

The digital divide is real and it needs to be addressed. I am not suggesting that I have all the answers to that and I am not suggesting that the colour of the government is going to necessarily change that. It is just something that needs to be on the radar. We need to address it and hopefully we can get some non-partisan support, if I can put it that way, to really improve the circumstances given what we have all been through.

We have all been through that lockdown circumstance, some more than others. Certainly, on the mainland they are going through some really hard times. You listen to all sorts of programs that are pointing up some of the mental health issues that people are experiencing as a result. There needs to be an opportunity for people to be able to communicate, to help push back some of that isolation.

The program of projects on pages 4 and 5 of Budget Paper No. 1 represents a significant challenge for the Government. It represents a significant spending commitment and if the funds are to be effectively spent and deliver value for money outcomes for the community, high quality project management systems will need to be a priority across agencies.

Coupled with strong project management will be a need for those seeking to deliver across these programs to be skilled knowledgeable and well informed. This will be a challenge for a public sector which has been allowed to lose many skilled staff over recent years.

While there is some limited focus on preventive measures it remains disappointing that the Government is not highlighting more initiatives in that regard which would reduce demand for infrastructure such as acute care hospital places and the need for incarceration et cetera.

These areas impose significant costs on the budget and building our way out is no longer a sustainable solution, especially in light of the budget task ahead. We have to learn from the COVID-19 experience. A wide range of behaviour changes could be introduced across government services but to achieve good outcomes there needs to be stronger community engagement from across the government sector.

Organisations such as COTA, TasCOSS, Health Consumers Tasmania and arts organisations like Kickstart Arts could be more fully engaged with government to better design and deliver programs that reduce the demand for services over the medium to longer term through targeted initiatives.

I specifically mention Kickstart Arts and I think the member for Elwick will remember that because it is in his electorate, not mine anymore, unfortunately. They are not just

organisations that deliver one thing. They can have such an impact across a whole spectrum of services.

Mr Willie - Preventative health, a lot of it.

Mr VALENTINE - It is preventative in nature and it impacts on the need for mental health services for instance. It keeps people occupied. It gives them an outlet. It helps them to engage with other people. It reduces isolation. I do not know how much else I can go through but they are valuable organisations and they should not be just thought of as an arts organisation. They need to be thought of more fully than that.

Ms Webb - Community building.

Mr VALENTINE - Community building. That is exactly right, member for Nelson. The Government needs to fully engage with those sorts of non-government organisations. A specific budget initiative which looks more strategically at how demand for services can be better managed through preventative measures is becoming more obvious by its absence.

Government certainly holds some answers but they need to refocus on how they deliver on their promises. That goes for any government. I am not just having a poke at the Liberals here. There needs to be engagement. Apart from its COVID-19 response, where the Tasmanian Government has been highly proactive, it continues to prefer acute interventions - basically putting out fires - over early intervention, back-burning to stop problems.

The daily trial by media which the Government experiences simply adds to this problem. The apparent unwillingness of the Government to engage with communities at the earliest possible stage when identifying and addressing issues also highlights the current reluctance in seeking preventative solutions. To my mind, governments too often try to be the original thinker when the wheel has already been invented elsewhere. Some of the organisations I have mentioned are aware of solutions that work.

The Budget remains silent on how the decision of the Government to embark on a review of the Tasmanian State Service is unfolding and what improvements can be expected. A more efficient public sector is likely to result if some simple things are adopted, flatter structures, fewer silos - definitely fewer silos - more community engagement, as I said before, and activities provided through more efficient mechanisms, including increased use of digital service delivery. In particular, any root and branch reform should consider a stronger focus on actual service delivery and the outcomes provided, not just focusing on outputs all the time. We have to do that.

They are important but there is not much point in oiling the squeaky mouse wheel if all it continues to do is spin on the spot and does not achieve anything useful except to keep the mouse occupied.

Mr Willie - That is very colourful.

Mr VALENTINE - I do not mean to denigrate the public service.

Ms Forrest - Or the mice.

Mr VALENTINE - Or the mice, but it is an analogy. I gave 42 years of service to the public service and I can tell you that there are certain things that happen the same old way, time and time again. You try to introduce change and you get the 'No, we are not set up for that. We cannot do this. We cannot do that'. I was in the ICT space and we were forever putting in new systems. On the floor you get that pushback sometimes. There needs to be a focus on the outcomes, not the outputs.

I know how hard public servants work and I can tell you by far the majority are absolutely committed to delivering the services they are charged with. It is how they are managed that matters and what opportunity they have to be able to improvise and put in new initiatives. Outcomes are the most important thing. However, they need to be effectively measured before implementing any changes to the systems and processes that produce the outputs that achieve the outcomes.

If you cannot measure your outcomes you do not know what you are aiming for and we all know if you aim at nothing you hit it. It is true. It is an old adage but true that you have to be able to measure your outcomes. You cannot develop outcomes. Outcomes happen as a result of outputs being put into play, but you have to be able to measure the impact on the community or whatever it is the outputs are doing or attempting to achieve. If you cannot measure that outcome, you have to question why you are doing it.

Madam Deputy President, when it comes to the public service the disappearing skill bases as workers exit is a big problem. We are so focused on contracting in the skills required we are failing to see the benefit of certain in-house skills to keep the contractors focused on tasks and quality service delivery.

I use the example of the Public Works Committee. Way back when I first started working for the Public Works Department which then became the Department of Main Roads, they had a whole full floor of people doing all the jobs. They had quantity surveyors, engineers and all of those sorts of things and then they started to cut and outsource positions because they can do it more efficiently than we can. But who is going to keep them honest? You need real expertise and not just contract management. I am talking about expertise.

Take road building. Back in the 1970s and the 1980s there were roads built in this state that are probably still performing well today. Since I have been on the Public Works Committee I have seen new roads go down and three months later - if that - the aggregate is coming off the tarmac. Why is that? That is because a lot of mainland contractors are coming over not used to the cold environment. They are used to bitumen losing its temperature over a certain profile of time and come to Tassie and all of a sudden that profile is shortened and by the time they put the blue metal on it, it is not going deep enough into the tarmac. It is as simple as that.

Ms Rattray - They are in such a hurry they do not take the appropriate time.

Mr VALENTINE - Because they want to get it done to save dollars. What we have to do is concentrate on quality, but we have to have the people who have the skills to be able to keep them honest. I am not suggesting we have to have a whole expansion of the department to do that. They are just key, critical skills needed to be able to look at a tender and say: 'Are they going to achieve their end or not? Can we see them actually deliver and deliver well? and that is what we have to do.

The incoming Government has continued the current practice where each agency reports to multiple ministers. This will find a little bit of traction here. This is a recipe for inefficiency and the loss of clear lines of accountability, both within government and also within the public sector. Despite it being a generation ago that Tasmania moved to a streamlined agency structure, the minister remains tied to the past. I do not mean any one minister.

Now is the time to review the need for 40 separate portfolios ministers hold. Now is the time to recognise if the departmental head can manage work across a range of portfolios, a minister can do likewise and not be burdened with a range of titles.

Perhaps, this portfolio structure reflects the influence of various lobby groups rather than the need of efficient public administration.

Sadly, it is also used as a way of reducing accountability. You ask one minister at Estimates about 'x' and they say: "I'm sorry, that belongs to minister 'such and such'. You are going to have to ask them". Of course, that minister is not appearing before you so you have to work on getting your questions to some other person in a Committee B or Committee A to get your questions answered.

Ms Rattray - Or else, the other committee has already undertaken the scrutiny for the minister you should have asked and you have to come back to parliament to ask.

Mr VALENTINE - That is right. It is not good and used as a way of reducing accountability, sadly and avoiding some of the questions. Think of the dollars that could be saved by streamlining the process of budget Estimates.

With COVID-19 changing all our lives and the Budget focused on recovery, the loss of focus on the cost of living continues. The provision of many critical services in Tasmania is via government businesses, but they are also likely to have an increasing demand from government for strong dividend flows given the budget outlook. As a result, it ends up like a dog chasing its tail with prices kept high to see the delivery of strong profits and good dividends. But then spending must be increased to support those in the community affected by those high prices. Will the corporatisation of TasTAFE be just another step along this road where the returns to Government from its businesses overrides the focus of the delivery of lower cost quality services?

Aurora continues to spend heavily promoting the Aurora+ service. I do not know if you have seen this 'A+, I need a new badge'. That is what the add says. You buy this app, around \$40 a year. It spends a lot promoting it, so it has to be making something to promote it, and meanwhile consumers continue to be denied access to their own energy use data and with that the opportunity to better manage their energy bill.

The delivery of this product should offer saving for Aurora because it provides for revenue to be received in advance of electricity being consumed. Consumers to make smaller but more frequent payments. Lower cost interactions with customers and better energy efficiency in Tasmania. However, Aurora+ is an unregulated market offering and a clear example of monopoly price behaviour by a government business which adds to cost-of-living pressures at a time of critical community need, especially as more Tasmanians are now working from home. They should be giving that app away. They should not be charging for it and they should not be wasting money advertising it. Send it out with the bill or email it. Making

consumers pay to access their energy data is not a path other energy retailers across Australia have adopted. I really question that.

Mr Willie - They should look out at the end of the year.

Mr VALENTINE - And that is where I did ask it before. I did put quite a few questions to them. It is wrong for a government business enterprise - who are now forced to compete with other companies of course, all in the guise of creating competition and giving us cheaper power. Well, I have not seen too much cheapness in the power lately. It has come down a bit.

This year there appears to be focus on better transit for Tasmanians. Successful implementation of improved transit should reduce car dependency, provide better linkages for Tasmanian residents to the services they need to access and offset the need for increased roads expenditure.

Transport and energy are two examples where a strong focus on integrated smart infrastructure and services by the government will deliver both better outcomes for the community and also lower costs for the government.

Similar thinking could be applied across the board by considering smarter approaches to housing investment. More emphasis on preventive health. Better parenting support. Supporting prisoners on their release to limit reoffending. I hope that is heard. But, to take these steps requires a government and bureaucracy which is open, transparent and willing to engage with new and innovative ideas.

So, the Estimates summary. In delivering the budget, there is always a trade-off between income, expenditure and debt. However, the 2019-2020 Budget abandoned the cautious and responsible approach. In response to COVID-19 the approach of the 2020-21 Budget verged on the reckless in respect of its treatment of debt and maintaining the more delicate balance of the Government's previous budgets.

The environment of 2020-21 required this approach. The uncertainty was unprecedented and governments need to act with strong resolve.

The 2021-22 Budget continues down the path set last year with largely unwavering determination. The idea of trade-offs between expenditure revenue and debt have been abandoned over the forward Estimates. The one highlight within the 2021-22 Budget is that the deterioration of net debt will be significantly less than projected in 2020-21. However, this improvement from last year's estimate of \$4.4 billion to \$3.48 billion is reflective of not being able to spend at the levels anticipated in last year's Budget, which I was talking about earlier, rather than any sound financial management by the Government.

Tasmania will remain reliant on increased borrowings over the forward Estimates to support both the operations of government and also expenditure in support of the COVID-19 recovery. While this expenditure and debt build-up is necessary given the conditions we face, we cannot lose sight of the longer term implications of this debt load on the Tasmanian economy. Low interest rates reduce the impact of debt on the budget. However, with low levels of inflation, coupled with low levels of economic growth, the effect of expanding debt will be felt for many years beyond the forward Estimates and will constrain the options available to future governments.

Many see the approach of increased government spending and increased debt as not being a problem, as evidenced by the support being gained for modern monetary theory. While in times of low inflation and low interest rates, debt is not an issue, but as interest rates rise and inflation again gathers pace - as will inevitably happen - an accumulation of debt becomes a serious issue. This will be exacerbated for Tasmania should exchange rates fall as money supply increases due to the actions of the Commonwealth government as it addresses the national issues associated with COVID-19 recovery.

As such, in the short term the Government's actions are low risk but medium term, more discipline should be a more urgent objective for the Government of Tasmania when setting their budgets. This Budget shows nothing of the discipline that was evident during the early years of the Liberal Government which put Tasmania on a reasonable footing to address COVID-19. Since the 2019-20 Budget, the infrastructure demands of 2021-22 and 2022-23 have increased from \$630.1 million to \$828.5 million and \$695 million to \$982 million respectively. These levels of infrastructure expenditure are well in excess of levels prior to 2019-20 when the big spending infrastructure budgets were introduced.

Comparing the budgeted infrastructure expenditure to actual expenditure over these three budget cycles highlights a critical issue for the Government. In 2018-19 the shortfall was just \$33 million; in 2019-20, \$202 million of budgeted expenditure remained unspent. In 2020-21 this shortfall against budget had grown to \$431 million. This raises the critical question of the Government's ability to deliver such large infrastructure programs and allied to this, the value for money being achieved in such a tight infrastructure marketplace.

The inability to be able to spend together with the quantum of this increase in infrastructure spending within three budget cycles puts into question the strategy underlying these infrastructure investments. This then raises questions about the need for such a high level of infrastructure expenditure, the ability of this expenditure to be effectively delivered and managed and whether preventative programs would deliver better long-term value. That is a key thing about preventative programs. We have to get to the point. I know government is reticent to actually invest in it because they do not see that they can determine the true value of it here and now and therefore spruik it and get votes for it.

Ms Webb - Before the next election you mean?

Mr VALENTINE - Yes, these things are long term. You are not going to keep people out of hospital simply by introducing a preventive program this year and then 18 months later, hey presto, they are all well. It does not work like that but with long-term health outcomes, it is really important to be concentrating on preventive health. I am sure I am talking to the converted here.

This Budget like the previous two is based on the perceived economic injection that infrastructure expenditure provides during a period of economic downturn. Given the recent experience, the ability of such expenditure to provide the best value to the Tasmanian economy and local sustainable jobs growth must be seriously questioned. Preventive measure which limit demand for services do not appear to be a strong priority area for government spending.

I am talking about governments of any colour because I have not seen a really strong preventive health line item, if you like, across the various services provided by government. I

do not think I have seen a really good strong preventative health program. You might say that this happened at certain times in the past but -

Madam DEPUTY PRESIDENT - It has always been a lack. I think we can all agree on that.

Ms Webb - Where is our coordinator-general for preventative health?

Mr VALENTINE - That would be an interesting one, would it not?

Ms Webb - Where is that entity to guide us? \$15 million could set it up.

Mr VALENTINE - In nearly every portfolio area it can be argued that there are clear preventive pathways that could be followed. There is clear evidence that these pathways deliver significant returns on investment and at the same time involve much lower outlays by government. Such pathways also provide more sustainable jobs elsewhere in the economy that are perhaps better suited to the characteristics of the local labour market, which is an interesting point my researcher makes.

However, such approaches involve spending on soft infrastructure and it is much harder to identify and measure short-term outcomes from such programs. They do not suit the 'firefighter' approach dominating government operations as we address the COVID-19 recovery and beyond. In fact, the approach to COVID-19 over the last two budgets has tended to supercharge an outdated approach to addressing an economic downturn such as the one induced by COVID-19.

Ever-increasing infrastructure expenditure was the wrong approach in 2019-20 before COVID-19, let alone basing a budget on substantial infrastructure spending today, two years later. To change takes strong leadership and listening to a new cohort of advisers in community interests. A budget focused on soft infrastructure would deliver a budget less focused on fixed infrastructure and more focused on long-term sustainable social policy expenditure and the jobs it would bring.

Such expenditure would also likely have a higher jobs multiplier for each dollar invested by government and such jobs would also be more sustainable given the current skill base of the Tasmanian workforce. With more expenditure from the Tasmanian government circulating locally, a better and more sustainable base for local economic development would be created.

Ms Webb - Female-dominated industries too.

Mr VALENTINE - Yes. Hard infrastructure expenditure is obvious, as are the short-term jobs it brings but many of these jobs come from outside Tasmania and the investment delivers few longer term jobs locally.

Treasuries tend to be more favourably inclined to hard infrastructure expenditure. Such investments are treated as one-off expenditures in the budget whereas social policy expenditures tend to become recurrent expenditures unless managed carefully.

It is easier to slow down or defer infrastructure expenditure than it is to put a halt to recurrent programs focused on particular issues within society. That is so true. While I say

that it is also easy for a government to come up with a one-off bit of infrastructure, 'Oh we will put that out there. They will like that,' do they really take account of the depreciation of that item over time? Do they put aside dollars in the budget for maintenance of that project so that it is there when required? Or do they simply say, 'Well, we will deal with that maintenance issue when it arises.' No, they do not put money aside because it means that there is no flexibility and every government is guilty of it.

There needs to be a stronger focus on providing for future maintenance and depreciation so that for the things that are built and are likely to be long term, their maintenance is effectively provided for. That is my take on that.

While the 2019-20 Budget showed an upward and positive trend in the net operating surplus across the forward Estimates, this year compounds the turnaround that began last year where the net operating surplus moved deeply into the red during 2020-21 and 2021-22.

This year the deficit in the net operating surplus of \$689.8 million is \$408 million higher than that budgeted for 2021-22 last year. However, in contrast to the 2020-21 Budget, the net operating surplus shows a stronger return to surplus in the final two years of the forward Estimates. This Budget, like the 2020-21 Budget, which also addressed the COVID-19 recovery effort, supercharges the need for effective budget management at a time when our net debt position is forecast to balloon substantially as expenditure pressures dominate the forward Estimates. As is normal for a Tasmanian budget, the major source of revenue is the Commonwealth government, followed by state taxation, sale of goods and services, and dividends and tax equivalents. Health, education, and public safety dominate the expenditure side of the budget.

This Budget shows an increasing reliance on revenue from the Commonwealth over the forward Estimates as grants increase from 63.25 per cent of total revenue to 65.3 per cent. The reliance upon state taxation is also increased by 2 percentage points to 20.92 per cent over the forward Estimates. Contrasting this dependence upon grants and taxation, is a significant decline in the income provided from dividends, tax and rate equivalents which fall from 6.43 per cent total receipts to 3.83 per cent in 2024-25. This reflects a loss of income of around \$105 million per annum from \$413 million down to \$308 million. No longer is the Government relying upon increasing dividends from its businesses, understandably; due to COVID-19 I guess.

Over the forward Estimates, the pressure from dividends is moving away from the energy businesses and on to the Government's monopoly no-fault motor accidents insurer, with its dividend projected to increase from 14.7 per cent of dividend receipts to 41.7 per cent. This is a worrying trend, as pressure on the MAIB to deliver increasing dividends has significant implications for those in Tasmania who are dependent upon using the private motor car.

Nearly all the revenue losses are a result of \$95 million fall in dividends paid by the Hydro. One wonders why that is. Is it because they are going to be using a lot of their dollars in the pumped hydro project? It will be something we can ask at the end of the year - again. The TT-Line also shows a significant reduction in its dividend payments with no dividends being paid by the end of the forward Estimates period. Tax equivalents paid by the Hydro are also projected to fall substantially. The marked decline in the contribution being provided by the Hydro may be an indication of less favourable trading conditions as the impact of the National Electricity Market impacts on its returns, and it returns to long-run average levels of

generation; or is work associated with pumped hydro again the reason? Perhaps that is a question for Estimates. TasNetworks is forecast to provide a steady stream of dividends and tax equivalent payments, reflective of the highly regulated nature of its pricing and returns.

Where the Government seeks to increase dividends and tax equivalent payments, the higher prices these organisation are then forced to charge in order to maintain such high returns does a number of things. It places significant pressure on Tasmania's most vulnerable consumers, resulting in higher costs to support the provision of services to these sections of the community due to higher demand for such services; although I know the government gives some relief there; a certain number of people get the equivalent of heating allowance. This dampens spending elsewhere in the economy as these organisations supply essential services. The strategy can be likened to a highly regressive tax on Tasmanian consumers. For example, the special dividend being sought from the MAIB in 2019-20 was akin to the Government applying a \$100 tax on each motor vehicle in Tasmania.

This Budget creates significant risk and sensitivities beyond the control of the Tasmanian Government and previous budgets delivered by them. The most obvious of these is the future of COVID-19 and whether or not Tasmania can maintain its COVID zero status as borders reopen. With the handing down of the last two budgets, any prudent financial buffer has disappeared. Yes, I realise funds are being set aside to cope with another lockdown. We know that. However, given the experiences of other states and how virulent the Delta strain is, the question is, will the funds set aside be sufficient; and will business continuity planning be robust enough to see effective governance at a parliamentary level into the future in case of a lockdown? We talked about that the other day.

Revenue from the Commonwealth continues to dominate the Budget. Changes to the method of GST distribution and the way the Commonwealth is applying grants under a range of agreements are reducing the budget flexibility available to the Tasmanian government.

Ms Forrest - Rivers of gold have come in this year, that is what has been the big uplift: the GST.

Mr VALENTINE - On top of these largely normal risks lies the impact of COVID-19 on GST receipts during a period of national recession.

The nature of tied grants and specific purpose payments to Tasmania are becoming critical.

The trend for funding from the Commonwealth to come with specific strings attached is increasing.

Funding seeks to address national problems. This constrains the manner in which Tasmanian-specific problems can be addressed, and can lead to less than optimal outcomes for the Tasmanian community. In particular, such programs place a large administrative burden on a small jurisdiction, further limiting our ability to address local issues. Responses to COVID-19 simply exacerbate any existing concerns in this regard.

State taxation is the next most important source of revenue for the government. In this Budget there are many risks associated with the Estimates provided. Most critically significant

revenue flows continue to be derived from the property sector, with revenues expected to increase from \$469.6 million to \$756.5 million over the forward Estimates.

COVID-19 will have an uncertain impact on this sector, creating a significant risk for government. So far, the outcome has been positive; but any slowdown in the property market such as that which may result from increases in interest rates, could have significant implications for the state's budget.

Over the last 12 months the Government's Battery of the Nation initiative has gained momentum. A key aspect of this is the development of Marinus Link at an expected cost of some \$3.5 billion. Studies into the link show little direct benefit to local energy consumers, with most benefits being experienced by interstate consumers having access to our secure renewable power resources.

Who funds the construction of Marinus Link and who pays for its operation are critical risks for Tasmania over these forward Estimates and in the period out to 2030. Can it be guaranteed not to become a stranded asset, is my question, with renewable energy projects of other states being implemented, given that there is around a 10 per cent generation loss through the transmission process? The Australian Energy Market Operator is facilitating retail competition by enabling all customers to purchase energy from the supplier of their choice, and so perhaps it may not be as profitable as it may once have appeared. However, I am not an electricity market expert and there may be significant holes in the arguments - but for a layman that is the way it could happen, as renewable energy projects get taken up on the mainland. Only time will tell, and hopefully not at our expense. I know it is not baseload power and I suppose that is something in our favour but who knows what the future will bring there? Can we afford to spend that money or be tied up to it into the future?

Think about the infrastructure we have at the moment. Remember the gas pipeline right around the whole state? If you have a look at some of the usage statistics I wonder whether the company that owns that is satisfied with what is happening? I am not sure.

Ms Rattray - It certainly did not get around the state.

Mr VALENTINE - It got up the middle and across. Are you saying it did not come to the north-east?

Ms Rattray - No.

Mr VALENTINE - COVID-19 has placed significant pressure on agency costs and these will need close management as the recovery process is undertaken across all agencies. Critical to this will be the impact of salaries and wages, that is 40.4 per cent of budget expenditure in 2020-21, in the out-years as pressure for wage rises increase during a period of very low inflation and increasing demand for skilled workers.

Other significant risks to this budget outlook come from: the significant infrastructure spend and the ability to effectively deliver such a large increase; the continued threat of a major natural disaster in addition to the impact of COVID-19; the outcome from the TT-Line Vessel Replacement Taskforce; the claims that may be made against the budget from the survivors of institutional child abuse; the outcomes flowing from the Royal Commission into Aged Care Quality and Safety; and some possible service delivery matters as a result of what the federal

government may provide for people with a disability in their National Disability Insurance Scheme (NDIS) program. There are all sorts of pressures.

In conclusion, a number of things stand out from the reading and assessment of Budget Paper No 1. Like the 2020-21 Budget, this is a necessary but high-risk budget that seeks to jump-start the economy as it opens up following the COVID-19 pandemic.

This Budget continues the departure from the more or less steady as she goes approach to government spending which has characterised government spending in Tasmania for generations. Effectively managing this Budget and delivering on the broad suite of programs and initiatives being proposed will require a skill set within government that fully understands the risks associated with ballooning debt.

A particular concern is the prevailing view that debt and deficits are not the problem they were previously considered to be that has emerged from those who follow modern monetary theory. This Budget continues to expand infrastructure expenditure significantly at a time when perhaps new strategies should be investigated, but reduce the pressure on existing infrastructure across government.

COVID-19 provides an opportunity to investigate and implement new ideas. This Budget, like the 2020-21 Budget seems to be falling back into the old ways. This Budget involves a sustained period of increasing net debt associated with the COVID-19 recovery and the infrastructure spending being undertaken to kickstart the economy. It is worrying. There is no long-term strategy for addressing the emerging debt problem.

The Government is continuing to kick the debt can down the road and beyond the reach of the forward Estimates. It is perhaps time for the Government to produce some kind of statement which extends beyond the four-year forward Estimates to address the emerging debt build-up.

Even more worrying is the view this debt is somehow sustainable. Such views depend upon interest rates and inflation remaining low and that created the problems we experienced a generation ago. We seem to be reverting into that cycle. Any reversal of existing interest rate trend will place a future government in the unenviable position of having to undertake a significant program of service rationalisation as debt-servicing costs will increase substantially.

An increase in inflationary pressures resulting from the accelerated government expenditure and also the potential for reductions in our exchange rate also pose significant issues in the out-years of this Budget.

This Budget accelerates the accumulation of debt and places substantial costs on future generations. It does not introduce the change towards more effort on preventive measure whether they be in health, education, transport or public safety. It would be nice to see some more innovation in service delivery reflected in this budget given the challenges ahead addressing the COVID-19 recovery. In many ways, this Budget may accelerate a return to the very difficult financial position the Tasmanian Government faced during the late 1980s and early 1990s. We seem to be repeating history rather than learning from it.

Perhaps of even greater concern is this Budget does not address the ageing of Tasmania's population and the demands this will place on service delivery into the near future. but of

particular concern is the increasing cost-of-living pressures from essential services, and our developing housing crisis for older Tasmanians who may have been long-term renters or are retiring with a significant mortgage.

Finally, the Budget lacks a strategy around enhanced digital access to services to offset infrastructure demands and the associated expenditures. Such a program is needed to address the digital divide and create a greater capacity within Tasmania across all age cohorts to improve access to a wide range of goods and services.

There is no real comment, the Government has provided a quantum of expenditure that is needed in the current circumstances to address the COVID-19 recovery process. However, there are opportunities for the mix of expenditure to be varied and a degree of innovation in house services as seen and delivered is encouraged.

During the COVID-19 pandemic we have seen large changes in how we go about a range of everyday tasks and this Budget could have provided that opportunity to give better leverage to such opportunities.

It has, however, not sought such leverage and this is a disappointment. Instead the Budget continues to rely on a huge infrastructure spend to support recovery of the Tasmanian economy.

This Budget requires extensive risk management, which is not obviously apparent and highlights the need for the Government to look beyond traditional approaches to service delivery and infrastructure investment in order to support the future wellbeing of the Tasmanian economy and community.

I should wrap it up and have a couple of points to make as I conclude. A point on environment. The PESRAC report's final main message reads as follows:

Finally, the importance of the environment to Tasmanians has very much come through our consultation processes. The well-being survey showed that this is the fifth most important indicator for both well-being and in relation to Tasmanians' concerns for the future.

The survey highlighted to us that the environment plays a key role in Tasmanians' recreation and leisure, and is seen by Tasmanians as important to maintain Tasmania's brand.

Our cross-sector workshops and regional roundtables had much to say about the importance of the environment in underpinning the State's competitive advantage and the jobs and economic activity supported by it.

These sessions also highlighted that with global shifts toward greater environmental awareness, there are both real opportunities for Tasmania (emerging industry and renewable energy), and the threat to our current position is if our brand promise is not backed up by demonstrated environmental outcomes. Accordingly, we see the well-being indicator of environment as the foundation upon which the other recommendations are based

That comes from 2.6 Stepping Back, the Main Messages, page 22 of PESRAC. It is interesting reading.

Climate change is another real concern of mine and I am pleased to see the creation of the department of Renewables, Climate and Future Industries and will be watching very closely how that shapes up. One can only hope that all things climate change related will be placed under the one umbrella so it can be holistically be reported on.

The recent Intergovernmental Panel on Climate Change report, certainly demonstrates we are in the throes of a climate emergency. And I am also looking forward to the briefing being offered by Professor Richard Eccleston of the Institute for the Study of Social Change on that report. People say how can little Tassie really have an impact? Every jurisdiction that determines future action on this adds to the mixture of leadership in this area. The world needs that right now and I am absolutely sure that report shows changes are human-induced. We can no longer afford to let climate change denial be a handbrake on our work in this area. Firstly, as a state but also as a nation.

If watching extreme weather or big weather television programs does not wake us up as a nation, I do not know what will.

The steps this Government takes will be of interest to many, but whatever those steps are, I hope they consult with the scientific community fully in deciding those steps. We definitely have the world's best climate change-related scientists across the road in the CSIRO and IMAS. We are well placed to be a world leader in this area, tapping into extremely well-informed scientists. I encourage the Government to fully engage with them in this critical area that will affect not only our little island at the bottom end of the world, but the whole globe. We are well placed to be a world leader in the climate change science base and resulting policy area also. If we just grasp the opportunities.

I must have many small businesses in my electorate. I do not know how many there would be but there are a lot. To say they are hurting is an understatement. We hear of the stress being experienced by them on a daily basis and every one of us hear how difficult it is for them.

Annual turnover down to \$25 000 for eligibility for government assistance grants is certainly encouraging, because this sector has around 37 100 small businesses, employing about 100 000 workers in Tasmanian. That is not insignificant. The Government needs to get them through this COVID-19 crisis and help them to come out the other end in one piece. And while I say that, we are really going to need to learn to live with this circumstance, so vaccinate, vaccinate, vaccinate is the answer at this particular point in time.

I hear what you say and it might well be the virus mutates and then we are on another round of vaccinations if it gets to that point. The point is, without vaccination, we know what the outcome is going to be.

Ms Forrest - But the point is that the original strain the vaccine was effective against is also effective against the Delta strain.

Mr VALENTINE - It is, I am just saying whatever the habit of this virus is, vaccination is the only weapon in our arsenal with which we can make inroads on the impact it might have on the community. And so, it is important that everybody vaccinates.

Aboriginal Affairs. As I mentioned in the State of the State speech in this house, we really need to chart our way forward in this area. I am eager to see what Professor Tim McCormack and the Honourable Kate Warner find during their work in this area. Wherever it goes, I hope the Aboriginal community are fully respected and engaged in the process. We cannot do it as a government, it has got to be together. I will not try to second-guess those outcomes now because we need to see what they come forward with. I look forward to having the opportunity to explore some of the budget areas next week during Estimates especially as I am now on a different committee with different portfolios. I will need to reacquaint myself with those. As we always do, we learn a lot although not as much as we might like in some areas, I am sure of that. It has been a long speech, I understand that, but it has covered quite a lot of ground. I note the Budget.

[5.00 p.m.]

Mr GAFFNEY (Mersey) - I congratulate the Gutwein Government on delivering this Budget for 2021-22. In 2020 we did not know what state our economy would be in 10 months down the line. To now be able to claim the highest level of employment on record for Tasmania, the unemployment rate well below the national average, is an achievement that no-one anticipated

I also congratulate the members in this place on the diverse range of contributions. It is always interesting to hear different viewpoints and priorities from individual members and I think that keeps it really interesting. Addressing the elephant in the room, we all know how difficult the last financial year has been for Tasmanians during the COVID-19 pandemic. It is heartening to see a state budget that has been constructed first and foremost for the safety and education of our people.

The necessary health measures implemented to control the spread of COVID-19 have undoubtedly had an impact on both our economy and the lives of our people. Some Mersey constituents have expressed their concerns to me regarding the revitalisation of the economy through the easing of restrictions and the importance of ensuring that Tasmanians are supported through these difficult times. I am pleased to see the Government has set aside \$300 million to allow a swift response to support those affected by possible future health measures.

One particular concern that has been raised by my constituents is the effect of restrictions on the mental health of Tasmanians. To this end, I commend the Government for the allocation of \$26 million towards supporting mental health services in Tasmania, notably the \$7.8 million over two years to expand COVID-19 introduced mental health services and the \$8.5 million over two years towards the Mental Health Hospital in the Home pilot to be launched in the north-west.

The CEO of the Mental Health Council of Tasmania, Connie Digolis, stated that:

These ambitious initiatives are set to be a game changer for everyone's mental health and wellbeing. Mental health is intrinsic to how we function as individuals, as communities, as an economy and as a society.

It is interesting in all of the elements covered by the budget there is always the request for more funding that is the balancing act that we have to take on board. Mental health support has been a service that, historically and seemingly, has been very heavily focused upon in southern Tasmania. The option for locals of the north-west and west coast to remain close to home surrounded by the support networks whilst having their mental health attended to is an invaluable opportunity that deserves special mention. I hope to see services such as these continue to expand in the north-west in the years to come.

I imagine we have all received opinions from individuals who wish that the Government could reassess the COVID-19 restrictions, both federally and as a state, for a number of reasons such as financial and social. I think we all received the following emails along the lines of:

Dear Mr Gaffney

As my representative I am asking you to bring an end to all of the COVID-19 lockdowns, border closures and restrictions because they are doing far more damage than good. The Prime Minister himself has said this is not a sustainable solution. Australia can't stay in a cave forever.

We have to open up and accept the fact that the virus will always be in our midst and yet some people will die from COVID-19 just as they die from all manner of other illnesses. As soon as everyone who wants the vaccine has had it everything should be open, borders, businesses, schools, everything.

Ongoing restrictions are causing immeasurable extra harm to lives, livelihoods and democracy.

I am calling on you to put an end to all of these restrictions and see that our freedoms and livelihoods are restored.

Yours truly

John

I take all those emails and messages on board because they are coming from constituents in my electorate. I usually respond along the lines of:

Dear John

I do appreciate receiving your message regarding the imposed COVID-19 restrictions which are occurring in various council areas, in towns, cities and regions across all states and territories in Australia. Both state and federal leaders are empowered by various legislation to make decisions they believe appropriate to protect not only the individual, but also the wider community.' One of the strengths of our democracy is that people do have the right to voice their opinion without fear or favour.

When compared to some other places, we really are the lucky country. It is not possible, however, for the respective governments - local, state and federal - to address all of the concerns of each person because of a myriad of divergent views within our communities. Thus, I don't envy those decision-

makers who are entrusted by the people to keep the majority of Australians as safe as possible, as soon as practicable, and for as long as possible.

Indeed, revitalising the economy through the lifting of restrictions, increasing the number of vaccinations, allowing more travel in and out of areas and the wearing of face masks are just a few of the measures governments have introduced as safeguards and will regularly need to reassess.

As Australia and the rest of the world come to realise that the COVID pandemic and associated viruses are here to stay, decision-makers will be grappling with priorities in the way they introduce certain measures and strategies to keep the country and its people safe but also economically viable.

I will definitely take the opportunity, John, when it presents, to ensure all voices and differing opinions from my electorate are given a chance to be heard.

Mr President, this is one of those times when I can raise the issue of a concerned person in my electorate.

Mrs Hiscutt - Can I compliment the member for Mersey for his response that he is giving to his constituent. It is much more in depth than the ones I have supplied. Well done.

Mr GAFFNEY - The 2021-22 Budget has committed to further fortifying our health services across the state, making up 32 per cent of the overall budget. This is an important step as we come to terms with the apparent permanency of COVID-19 and associated viruses. For those in the north-west, it is essential that there are effective and accessible local healthcare options. As the population of the north-west continues to grow it is crucial that our district hospitals and community care centres are able to offer the necessary procedures and treatments.

Dr Annette Barratt of the Australian Medical Association noted that Tasmania has a population growing older and sicker each year, increasing the demand on our services. We need more vision, more action.

This speaks to the need of a long-term solution, not just a temporary fix for our health services struggling to keep up with demand but a vision to create a sustainable health system based on prevention. The announcement of \$18.3 million over four years to increase staffing in Tasmania's district hospitals as part of the Safe Staffing model, is welcomed by the north-west community. A further \$4.3 million over four years has been allocated to establish a new rural health medical workforce centre at the Mersey Community Hospital, combined with a \$10 million expanded redevelopment of the Mersey Community Hospital, over the next three years. This, in conjunction with \$8.4 million for rural hospital equipment and staffing statewide over the next three to four years will continue to support the north-west in offering quality health care to our residents.

For health services and specialist procedures that the north-west infrastructure is unable to provide us yet, the \$1.4 million delivered over four years for community transport services will prove to be a valuable asset to those who live in regional areas of our state.

All these new developments would not reach their full potential of service to the community without the work of our paramedics. The additional 48 paramedics to be hired in the incoming four years statewide under this Budget will be an integral investment in the health and wellbeing of those in regional Tasmania. An additional \$4.3 million has been set aside for the new Burnie Ambulance Station this year in conjunction with \$9 million for new ambulances and equipment over three years. These increased services will allow locals in the north-west to better receive the very best medical care and attention in their region.

It is worth noting that while this Budget will help alleviate the strain on the healthcare system by providing increased services, it does little to address preventative health measures. Future budgets would do well to include further support towards community-based wellbeing and prevention programs to help keep Tasmanians healthy rather than aiming to only provide assistance after they are ill.

It should also be noted that the previous catchcry from the Government - 'the healthiest state by 2025' - has interestingly slipped off the Liberal agenda and is no longer in vogue. I imagine we all knew it was a nonsense. I believe the government of the day actually did as well; however, it is a clever marketing strategy. It seems that the more the members of the Government repeat the same slogan, the more Tasmanians are expected to believe it.

I believe that Tasmanians are smarter than that when it comes to health and equity and health outcomes. I believe, and it has been reinforced to me in recent times, that Tasmanians are by and large practical, pragmatic and able to accept the reality of the situation and circumstances.

I also believe that it is a sign of respect to be honest with any community group that we represent.

It is important that we appreciate the impact that climate change will have on various aspects of our livelihood, one of those being health. Throughout my speech I will weave in some of the information regarding climate change.

The Intergovernmental Panel on Climate Change (IPCC) report used words like 'code red', citing only five to ten years to make significant inroads to carbon pollution reduction and even then, the likelihood of keeping temperature increases to 1.5 degrees is looking unlikely.

With regard to health, that only means increasing the presentation of sick patients to our GP clinics and hospital emergency departments due to heat and bushfires, smoke-related illness, asthma, cardiovascular disease, heart attacks and strokes; and that is just the tip of the health iceberg as a climate change is heading our way. Superimpose that on an already stretched health system in Tasmania, or even a COVID-19 outbreak on top of that, and we are in a precarious position.

On the topic of health, it would be remiss of me not to direct attention to the Government's commitment to \$9.2 million this year to support the implementation of the End-of-Life Choices (Voluntary Assisted Dying) Bill 2020 that was enacted earlier this year. The member for McIntyre mentioned that I might be able to shed some light on the funding, as suggested in the brochures.

The total amount of \$9.2 million is spread over the four years: \$1.579 million this year; \$2.737 million in 2023; and then it levels out at \$2.417 million for the following two years.

I imagine, as more information comes to light and the end-of-life choices pathway is being utilised by those eligible Tasmanians suffering intolerably, that the budget will more likely reflect the need to fulfil the act.

Voluntary assisted dying remains a difficult topic for many. I am cognisant of the fact that the setting up of necessary processes to support access to voluntary assisted dying (VAD) are still very much in their early stages before the act comes into operation next year.

I am reassured by this Budget that as anticipated, palliative care of Tasmanians and access to voluntary assisted dying are not mutually exclusive areas of health care. Over \$21.5 million allocated over four years to a variety of palliative care services across the state is testament to the importance of giving Tasmanians end-of-life choices, whatever those choices may be.

Indeed, as is consistent with all jurisdictions worldwide, whenever voluntary assisted dying or euthanasia legislation has been passed, it has shown there has been a significant increase in government funding committed to end-of-life choices. This increase is evident in this state as well - as it should be.

I again take this opportunity to thank all of those who were involved in the realisation of this legislation. With the parliamentary debates and over 100 community consultations coming to a close, the work is just beginning for the Voluntary Assisted Dying Taskforce so it is successful and regulated for those in our community who need it most.

Many people are aware that I am a passionate advocate for quality education in Tasmania. Quality education is a product of quality infrastructure, staff and training. I am pleased to see that education features as almost a quarter of the 2021-22 Budget, as promised in the Government's election campaign earlier this year.

I actually do not mind where the dollars are spent, as long as the funds are well spent in Tasmania.

Education infrastructure in the north-west is set to improve based on this year's allocations. \$16.2 million has been dedicated this year to assist in the construction of a new north-west special support school as well as to upgrade the North West Support School, Burnie Campus.

In my previous life, I had an office at the North West Support School and anything we can do for those families and young people involved in that facility, we should do.

The Devonport High School is planned to proceed to the final stage of redevelopment thanks to another \$4.6 million commitment this year from the Government. Other schools, including the Penguin District School and the Montello Primary School, have also been allocated for funding for redevelopments - although obviously not enough.

It is worth noting that many of these infrastructure developments are not anticipated to have substantial progress achieved until 2023-2024. Indeed, the spend on the north-west special support school will occur over more than four years with no current location nor

construction date yet determined. It is projects such as these that all in the north-west want to ensure we remain committed to in future budgets.

Further, without a stable pool of teachers and staff to run our schools, as mentioned by the member for Elwick, infrastructure will be rendered redundant. Education shortages across the state need to be addressed to equally support our students. The creation of a pipeline of future teachers that want to remain in Tasmania will be essential.

In the digital age that we have been thrown into as a result of remote learning the Budget offers significant foresight in contributing \$4.7 million over four years to the building of an online assessment platform for senior secondary assessment and exams. Steps such as these ensure our youth will be supported in achieving their best possible academic performance and set them up to succeed in further education. This is supported by a \$10 million commitment over four years to the creation of a virtual TasTAFE campus, allowing students in regional areas such as the north-west to have greater access to study without leaving their communities.

One notable commitment in the 2021-22 Budget that I would like to draw attention to is the allocation of \$6 million over four years towards assisting and supporting students impacted by trauma and to help with behavioural changes. As a teacher, I undertook additional study in emotional disturbances and behavioural disorders at the University of Newcastle. That postgraduate work has actually helped me in this place.

This eventually led to me to be heavily involved with the Barrington District Support Team and as a senior education officer within the statewide behaviour management team. The provision of \$2 million towards the rollout over two years of a new professional development program in trauma for school leaders, teachers and teacher assistants is a considerable step forward in supporting our most vulnerable youth.

Indeed, the Trauma Awareness Network Australia (TANA) is a grassroots, north-west coast-registered charitable organisation which is aiming to increase the awareness of complex trauma and its potentially devastating consequences for many individuals and community members.

TANA has the capacity to create real change and promote awareness and a better understanding of those impacted by trauma. One only has to look closely at the many individuals within our prison system who have been greatly impacted by trauma. On many occasions it can be unknown and intergenerational. Acquired brain injury and fetal alcohol syndrome are just two examples which indeed make life for some so challenging.

I hope that groups like TANA are given the opportunity and support needed to be able to provide authentic experiences and training for many Tasmanians.

The focus of the rollout of this program will prioritise remote and regional schools such as those in the north-west by providing staff with the necessary skills and understanding of complex trauma and behaviour management.

We will be creating an environment where students feel safe and supported to learn. There are light-bulb moments when people realise the situation they are in, and have that awareness that some of the challenges they are facing are beyond their control.

Again, I turn to the issue of climate change and its impacts. I received the following comments from a doctor, along the lines that, 'one thing is certain. Taking decisive action on climate change is far less scary to the kiddies than not acting or only taking half-hearted action on climate change'.

Climate change is causing psychological trauma amongst not just our children, but all cohorts of society. Taking action on climate change is the best way to negate the psychological distress rather than sweeping it under the carpet.

As always, it is fantastic to see our local sporting and community organisations being supported in this Budget, especially during this Olympic period both for our Olympians and our Paralympians. North-west cricket, soccer, gymnastics, golf and football clubs have all been supported in development or upgrade of their facilities, so they can continue to offer sporting opportunities to local residents. In this COVID-19 time I believe our sporting groups and our community clubs have played a more vital role in supporting people with social outlets as well.

Continuing my theme on the importance of climate change, it is interesting to note even our sporting heroes are calling on significant action - the Cool Down campaign launched only a few days ago, bringing together over 300 current and former athletes who are encouraging our leaders to take bold action before the Australian way of life is jeopardised. The campaign highlights the connection between extreme weather events and sports. Former Wallaby, David Pocock, said:

The people and places we love, as well as the sports we love so much are threatened by climate change...We have the resources in our own backyard to be a world leader in this field and, as a sporting nation, we're used to performing on the world stage. It's time we harness that to focus on strong climate action.

Other highlights for me included: funding toward the extension of the Devonport Men's Shed, providing a valuable opportunity for men in Devonport and surrounds to connect and give back to their communities; funding toward a new all-abilities playground, The Fairy Godmothers, will ensure we have inclusive playgrounds available for families; and three new soup vans for St Vincent de Paul in the north-west and the north.

The development of Tasmania's first Food Security Strategy over the next four years is also an invaluable commitment to supporting the most vulnerable in our community, particularly, through the provision of emergency food relief.

I am also pleased to see the Government pledge \$5 million over the forward Estimates for cultural and creative industry assistance to support local Tasmanian artists. Our artists, musicians and creatives have been among those hardest hit by the pandemic and have only had access to minimal support from the state and federal governments. The \$5 million is a good beginning, but we will see the arts industry requiring significantly more assistance to recover in the coming years.

In terms of the safety of the community, I am glad to see an additional \$25 million over two years to support the development of a contemporary court complex for the north-west region. Whilst the complex is to be developed in Burnie and there are some issues there, many practitioners in the Mersey region will be using its facilities. This new complex will be

complemented by the \$8.8 million being injected into the legal assistance sector over four years.

There will also be an additional \$320 000 over four years allowing for children and youth in the north-west to access legal representation after hours. Research has shown the younger a child is when they first encounter the justice system, the more likely they are to reoffend later in life. Consequently, access to free or low-cost legal services are essential for not only a fair and equitable justice system but to protect our young people.

On the topic of our justice system, I am pleased to see \$1 million over two years toward increasing therapeutic employees within our prison system, in addition to programs to reduce recidivism. I have mentioned on a number of occasions the importance of addressing the causes of offending in Tasmania. The additional \$4 million to the Tasmania Prison Service each year over the next four years to address the increasing prison populations serves as a temporary solution to a much larger societal problem. I go back to the member for Murchison's comment that it is simply doing the same thing over and over again.

Ms Forrest - It is why I have a bruise on my forehead.

Mr GAFFNEY - Yes, and it is all your fault.

Tasmania has one of the highest recidivism rates in Australia. Instead of consistently spending money on prison capacities, we should be focusing on lowering offending through increased funding for education and community engagement programs. The \$1 million toward increasing access to therapeutic justice for those in our prisons is only the first step of many in keeping our communities safe.

Mr Valentine - It is when they come out that it matters also.

Mr GAFFNEY - Exactly.

Tourism is another area that has largely benefited from this Budget. I am pleased to see local tourist destinations of the north-west coast, such as the Don River Railway, being provided significant funding to progress their expansion and just below \$50 000 to renovate the associated railway buildings, although a long-term development is expecting to see \$240 million committed to the development of the Port of Devonport.

For many tourists coming to Tasmania, Devonport is their first introduction to the unique experience and culture we have to offer here in Tasmania. Such a massive development will benefit Devonport and surrounds and the whole of Tasmania as it acts as a gateway for the tourism industry through the *Spirit of Tasmania*. I attended the recent tourism conference in Launceston, which was a very exciting event. With the move to the *Spirit's* docking in Geelong, only a much larger area of land, means the current docking area in Devonport will move further down the river to access a larger tract of land to cater for the extra freight and vehicles on boats with larger carrying capacity. When I saw the designs of the Geelong docking area compared to what is there at the moment it is going to be money well worth spent, so I commend the Government on that initiative.

The Port of Devonport development is complemented by planned upgrades to our roads and infrastructure ensuring tourists are able to easily and safely access all that the north-west has to offer. These projects will include a \$25 million upgrade to the road from Devonport

leading to Cradle Mountain and similarly, \$10 million towards upgrading the Stanley Highway to be able to accommodate for increased traffic flow each over the next four years respectively.

These projects are three to four years away from being significantly progressed. There is only \$500 000 anticipated to be spent on each project respectively by June 2025. The latest assessment by the Intergovernmental Panel on Climate Change found human activities were unequivocally heating the planet. Greenhouse gas emissions were already affecting weather and climate extremes in every region across the globe helping cause increased heat waves, heavier rainfall events, more intense droughts and devastating cyclones.

I can remember vividly the devastating floods experienced in my hometown of Latrobe just over five years ago with the tragic loss of human life, devastating impact on livestock, livelihoods and property and my wife ringing up in tears because the water was coming up to the back step and she thought the dogs were going to drown. I told her about dog paddle.

It was pleasing to see all levels of government working together - local, state and federal - to ensure the flood mitigation strategies and infrastructure will minimise further impacts of flooding. However, I must congratulate the Government on their commitment to creating Renewables, Climate and Future Industries Tasmania by October of this year. A focus on Tasmania's unique position to supply renewable energy as a welcome addition to the budget. However, some might say this announcement is perhaps to be taken with a grain of salt in light of the Governments continued commitment to the subsidisation of and grants towards explorative drilling and mining in the sector of exploration. There is a fine line to tread between providing appropriate funding to increase and assist with exploratory licences and balancing the protection of our incredibly unique and pristine natural environment.

Housing and employment. Of all sectors considered within the 2021-22 Budget, public housing again appears to have drawn the short straw. I commend the Government on their aim to reduce the average waiting time to access public housing from 68 weeks to 41.5 weeks through distribution of \$315 million into social and affordable housing and homelessness. The public waiting is anticipated to grow well beyond 5000 applications.

I am going to read in a letter I just received regarding the situation. I was waiting for the person to get back to me to see whether I could use her name so I will not:

I was shocked to see that the latest state Budget seemed designed to increase the divide between those fortunate to own investment properties and those living with housing insecurity, if not actual homelessness. Let us not forget this group includes children, young adults and older women. On the one hand, the Government's plan for creating new affordable housing does not match up numerically with the numbers of people on the waiting list and that number will only increase as there are no measures in place to stop it increasing.

The sight of homeless people in the streets of central Hobart is relatively new. I do not recall seeing this 10 years ago. On the other hand, there is the Government's handout of \$100 000 to the new Tasmanian Residential Rental Property Owner's Association. Why do these people need a hand out? They surely are a group that wishes to further their own interest which in some cases would be directly against the interest of their tenants. Who is the

Government governing for? We know that having a secure place to live is the foundation for so much of what we take for granted, including physical and mental health and holding or looking for paid work and self-esteem. How can the Government justify its priorities?

Yours Faithfully.

Mrs Hiscutt - If the member is inclined to adjourn that would be fine, if you are nearly finished please feel free to go ahead.

Mr GAFFNEY - Homeless and housing-insecure Tasmanians have been a group on the periphery of many budgets now as the CEO of the Tasmanian Council of Social Service has pointed out, and we need to measure progress against metrics that actually matter. Metrics that measure the wellbeing of our greatest asset, our people. I hope in future years as Tasmania recovers from the economic impact of the COVID-19 pandemic, we will see those most vulnerable in our community offered more support. It is only then that we will be able to truly say our metrics of success are accurate.

For older Tasmanians based in the north and north-west, I am pleased to see a \$6 million contribution over the next two years towards two new accommodation facilities to ensure that our older population does not suffer from housing insecurity. On the opposite end of the spectrum, \$15.3 million support over the next three years towards new youth housing and homelessness initiatives will be another step forward to helping our young people have the housing security that is so essential for their development. Our children and young people need more support than ever before which is why I applaud the Government's \$100 million allocation to the first long-term Child and Youth Wellbeing Strategy in Tasmania. Programs such as the Child and Youth Wellbeing Strategy are supported perfectly by youth employment initiatives around the state.

One such initiative of particular reference to the Mersey region is the new Fit for Work Program, run by Youth, Family and Community Connections in Devonport. The program will work to identify young jobseekers in the Mersey region who require additional support to enter the workforce. This initiative and others like it will be integral in the upskilling of our young people to enter a job market in the uncertain times ahead.

In conclusion, the 2021-22 state Budget on the face of it appears to be a confident one. However, a number of members have highlighted certain concerns and anomalies within the Budget and the Government needs to address those concerns. While allocations to certain sectors leaves something to be desired, largely the Budget has offered a sense of stability to the public as we begin to emerge into our economic recovery. Now it is just a matter of waiting to see if these commitments become a reality.

Mr President, I note the 2021-22 Budget and I move that the debate stands adjourned.

Debate adjourned.

ADJOURNMENT

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

That the Council at its rising adjourn until 11 a.m. on Thursday
2 September 2021.

Motion agreed to.

The Council adjourned at 5.31 p.m.