



PARLIAMENT OF TASMANIA

LEGISLATIVE COUNCIL

REPORT OF DEBATES

Wednesday 16 November 2022

REVISED EDITION

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Wednesday 16 November 2022

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

SUSPENSION OF SITTING

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

That the sitting be suspended until the ringing of the Division bells.

This is to continue our briefings.

Recognition of Visitors

[11.03 a.m.]

Mr PRESIDENT - Before I put the motion, I welcome to the Chamber in this very brief period of time, the Year Six group from St Michael's Collegiate. There are two groups coming through the parliament today. We have just done the opening before we go into orders of the day, which are the bills before us. We are suspending the sitting to have a briefing to get further information on the bills we are debating.

I am sure all members will join me in welcoming you into the Legislative Council Chamber today.

Members - Hear, hear.

Sitting suspended from 11.04 a.m. until 12.00 p.m.

EXPANSION OF HOUSE OF ASSEMBLY BILL 2022 (No. 47)

Second Reading

[12.00 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I move that the bill now be read a second time.

Today is an important day for Tasmania, for our future and for the future of the House of Assembly. The significance of today is greater than this moment. It is for generations to come.

In October 1856, Tasmania became an independent self-governing colony, adopting our Westminster system of responsible government. The House of Assembly's first elections were called in October 1856. On 2 December, just over three weeks before Christmas, the House of Assembly met for the very first time. Then they numbered 30 members to represent fewer than 82 000 people across 24 electorates.

By the time we had federated as a nation, the Tasmanian Parliament had settled on 35 members in the House of Assembly. In 1906, there was further reform when Tasmania's current electoral system was established. It is that system that we retain today.

We became a state of five electorates, with each electorate equally represented by seven members in the House of Assembly. Over the course of the twentieth century, the House periodically fluctuated between 30 and 35 members.

In 1998, the House of Assembly was reduced from 35 to 25 seats. For almost 150 years before that moment, the House of Assembly had never fallen below 30 seats. Since 1998, that is, for almost a quarter of a century, Tasmanians have been represented by fewer members than ever before. Before 1998, many reports and commentators warned of the dangers of reducing the size of the House of Assembly, that a smaller House would have difficulty in adequately discharging its functions as the House of Government.

In 1998, we were an island community of approximately 475 000 people. Since then, we have continued to grow. Today we are a population of about 570 000 people; a people who need representation from all sides of the Chamber to meet the challenges we face.

On 25 May 2022, the Premier announced the Government's commitment to restoring the House of Assembly from 25 to 35 seats, which will come into effect at the next state election. The Premier is now making good on that promise.

As soon as the Premier announced the Government's commitment, he sought the advice of the Electoral Commissioner, Mr Andrew Hawkey. The Expansion of House of Assembly Bill has been informed by the report of the Electoral Commissioner. The Premier sought that advice underpinned by two key principles: 35 seats and maintaining the Hare-Clark system. Mr Hawkey examined two options for reform: retaining five electorates and increasing each to seven members, and revising Tasmania's electoral boundaries from five electorates to seven electorates, with five members in each electorate. The commissioner also considered the impact on quotas, related costs and communities of interest. The Premier raised this second matter with him because he was mindful of community discussion on the issue.

The Government has considered that advice closely, and resolved to proceed with the most timely and cost-effective measure - restoring the House of Assembly to an appropriate level of proportional representation and retaining our current five electorates.

There were a number of considerations in this decision, including that electorates should reflect communities of interest, and moving to seven electorates would necessarily entail spitting Hobart and the very real likelihood of confusion of having different electorates for state and federal elections.

The fundamental core of this reform is not new. There has been no shortage of examination and commentary on the impact and outcomes of the events of 1998. As recently as 2019, the tripartite parliamentary committee inquiry into a proposed House of Assembly restoration bill invited public submissions and held public hearings.

In its 2020 report, the committee unanimously recommended that the House of Assembly be restored to its former size. The committee found that the reduction in the number of members in 1998 eroded the fundamental purpose of the Hare-Clark system, which is to

achieve fair and proportional representation. So, too, the committee found that diversity of interest within the Tasmanian community would be better represented in a restored House of Assembly. Mr President, the committee's recommendations are as relevant and true today as they were two years ago.

The Government seeks to restore the House of Assembly to its former size so that we can better equip the parliament to drive a broader agenda of positive social change and greater proportional representation for all Tasmanians. We need a House of Assembly that, through its representation of seven members per electorate, delivers scope and space for a broad range of views to be represented.

The Premier is also acutely aware that this overdue reform does not come without impost on the budget. In 2019, when there was previous agreement to move forward on restoring the House of Assembly, the Department of Treasury and Finance provided costings on the proposal. It was noted that, given inflationary pressures, the costs may be more than initially proposed. These are costs that we must bear. The Department of Treasury and Finance, in conjunction with the Department of Premier and Cabinet, will work on revising those costings following the bill's passage through parliament.

Prior to 1998, Tasmanians had always been represented by no fewer than 30 members in the House of Assembly. We must restore the House of Assembly to deliver for the Tasmanian people, not just for the members gathered there or the Government, but for our future. Mr President, it is overdue.

The demands on government today are greater than ever. We understand that the world is a more complex place than it was in 1998, and we strive to face its challenges and complexities; not turn away from them.

Mr President, the Premier is grateful for the tripartite support that this announcement has received. This support was reflected through the public consultation on the bill. While only six submissions were received, all were in support of increasing the House of Assembly from 25 to 35.

We have also taken the opportunity in the bill to strengthen transparency by including a provision requiring the appointment of a minister or secretary to Cabinet to be gazetted, so information is publicly available.

The Premier also acknowledges that he is not the first member of the House of Assembly, or the first premier, to seek to put right the decision that was made in 1998. The reduction to the House of Assembly has long been recognised as a decision that adversely affected Tasmania. In the past, several former members of the House of Assembly came to agreement to resolve this. Together, the Premier hopes that we can do just that.

Mr President, I acknowledge former members of the House of Assembly who carried out their parliamentary functions and delivered effective representation, and the personal impact that can have. We have seen that impact on several former parliamentarians and ministers. Their tenacity has been remarkable.

We are a small island state, an island state known for its extraordinary beauty yet, despite our size, we must still deliver the same services that Australians in other states and territories receive and we must be well-equipped to do so.

In light of that, the bill also increases the number of ministers to no more than 11, one more than the pre-1998 provisions. This will futureproof the capacity of future governments to manage the ever-increasing complexities, pace and workload that come with ministerial responsibilities. It will help to support and protect ministers from burnout so Tasmania does not lose people of experience.

We must deliver education, hospitals and health care. We must conserve and protect the environment. We must reconcile and acknowledge our past and plan for our collective future. We must provide roads and public transport, we must deliver public works, we must support industries that we depend on. We must provide and support community services, we must protect and serve our people, we must develop social policies for an inclusive Tasmania for a state of kindness. We must protect our most vulnerable, we must nurture our community. We must plan for our future with vision and with heart.

To do that, we need more voices, more hands, more people - and greater and proper proportional representation of all Tasmanians. We must restore the House of Assembly to its former size. It is long overdue.

Mr President, I commend the bill to the Council.

[12.10 p.m.]

Ms WEBB (Nelson) - Mr President, the Expansion of House of Assembly Bill 2022 is one of the most significant pieces of legislation that have come before us in this place. It is also legislation nearly 25 years in the making. Although there are no current members of parliament who were also members at the time of the 1998 cut to MP numbers, there may be some who followed the public controversy at that time - some more closely, perhaps, than others. I certainly was one of them. For some, the mention of the Ogilvie Report and the Morling inquiry will immediately resonate. For others, this is getting into the realms of ancient history and hence I will indulge in a quick overview to set us up for discussion on this bill.

Prior to 1958, the House of Assembly consisted of 30 seats, as we have heard. The problematic nature of a Chamber with even numbers became apparent following the 1955 state election, which saw 15 Labor MPs and 15 Liberal MPs returned. In May 1958, the Assembly passed the Labor government's bill - under the premier, Robert Cosgrove - to increase the Assembly from 30 to 35 members on the model of seven member MPs from five electorates. This was passed by the Legislative Council in December of that year, seeing the first Assembly elections for 35 MPs held in May 1959.

The public record shows that since the early 1980s, the two major parties have flirted with the idea of reducing the number of MPs elected to the Tasmanian Parliament. Coincidentally, it was in the early 1980s that we saw the emerging trend of Green or progressive Independents. We saw Dr Bob Brown and minor party Independents like Norm Sanders from the Australian Democrats securing representation in our lower House here. However, the Liberal Party's preferred model for the entire parliament was for 44 MPs, which could not be reconciled with the Labor Party's preferred model of 40 MPs.

In attempts to find a circuit breaker and seek justification for reducing MP numbers, two key independent inquiries were established.

The first inquiry resulted in the 1984 Ogilvie Report. In 1983 the Advisory Committee on the Proposed Reduction in the Number of Members Elected to Both Houses of the Tasmanian Parliament, otherwise known as the Ogilvie Report, was established by the Liberal premier, Robin Gray.

In 1984, the Ogilvie Report recommended the following:

- No. 3 recommendation - retention of the existing number of members of the House of Assembly is desirable to minimise the risk of deadlocks and balance of power situations occurring, and to maximise the effectiveness of the Hare-Clark electoral system so that a majority of voters is likely to be represented by a majority of members in the House of Assembly; and
- No. 4 recommendation - the present size of the House of Assembly is appropriate when considered in the light of the history of the Tasmanian Parliament, the growth in governmental functions and activities and the growth in Tasmania's population since the inception of responsible government in 1856.

Mr President, on 1 November 1984, then premier Robin Gray delivered a ministerial statement in response to the Ogilvie Report declaring that, due to its recommendation to not reduce the number of MPs, his government would no longer pursue that policy.

Ten years later in 1994, the Board of Inquiry into the Size and Constitution of the Tasmanian Parliament, the Morling inquiry, was established by the Liberal premier, Ray Groom. The Morling report also advised against the reduction in MP numbers and, amongst others, recommended the following:

- (1) A House of Assembly with fewer than 35 members would have difficulty in discharging adequately its functions as the House of Government. We do not think the reduction in the numbers of members of the Assembly should be made at the risk of impairing its ability to discharge those functions

and also:

- (2) We recommend that members of the Assembly should continue to be elected from the existing five electorates, each returning seven members.

As we see here, we are building a picture of our actions being taken now being in line with evidence presented through expert processes of the past. However, despite both those independent inquiries at that time, each of which held extensive rounds of public consultations and being unequivocal in their advice against cutting MP numbers, the notion continued to be pushed. Following the 1996 state election, which returned the Rundle minority government, calls to cut the numbers returned to the parliamentary agenda.

It is worth noting that part of this push to reduce MP numbers included the option of abolishing the Legislative Council and a move to a unicameral system. This was consistent with the Morling inquiry which, although being explicit about the preferred option being no cut to numbers, did state that if reducing MPs remained an imperative, the best way to provide a functioning parliament was to move to a unicameral model.

This did not sit well with the members of the upper House at the time, which saw fit to pass a motion in October 1997 supporting a model of 25 MPs in the Assembly and no fewer than 15 MLCs, which was the Labor model at that time. It is also worth noting it took two attempts in 1998 to pass legislation to cut the number of MPs. On 21 May 1998, the Labor opposition brought on for debate their bill to cut numbers and establish five electorates with five MPs as a model for the Assembly.

Although the bill was defeated, Liberal backbencher Bob Cheek MP controversially crossed the floor and voted with Labor. Barely two months later following an unpopular budget, predicated upon the sale of Hydro, on Monday 13 July 1998, Liberal premier Tony Rundle announced parliament will be recalled for a special sitting on Wednesday 22 July 1998 to reduce the size of Tasmania's parliament. This would be done by first taking the highly unusual step of rescinding the previous 25 May vote, defeating Labor's model, and to enable the Assembly's Standing Orders of the House to re-debate the same bill with the five-by-five model.

The second time around, within the space of two months, the initially defeated bill passed the Assembly on 22 July 1998. The following day on the 23 July, the bill passed the Legislative Council, which saw its numbers reduced from 19 MLCs to the current 15. Then, on 29 August that same year, the first general election returning 25 MPs to the Assembly was held. The shocking thing that leaps out from this chronology, noting there is more than one shocking aspect to this history, what it leaves out is that from Tony Rundle's announcement on 13 July 1998 that the Liberals were going to change their opposition to the 25 MP model and the recall of parliament to specially vote for it, and to that vote on 22 July, the intervening period to expand was a whole nine days, ten days to include the upper House passing the bill unamended.

Ten days in which to entrench what has now been almost 25 years of, to some argument, a dysfunctional parliament, with eroded representation in the lower House. However, throughout those ten days, urgent voices were raised urging caution. There was a packed Hobart Town Hall meeting opposing the cuts. Many notable political commentators from around the nation raised concerns, including the Proportional Representation Society.

On 20 July 1998, an open letter to members of the House of Assembly and Legislative Council, calling for the cuts to be abandoned was published, signed by noted Tasmanian political scientists, Dr Rick Snell, Dr Kate Crowley, Dr Ralph Chapman, Dr Dallas Hanson, Professor David Hogan, Associate Professor Richard Herr, Associate Professor Peter Hay, Dr Bruce Davis, Associate Professor John Todd, and Professor W.A. Townsley. Yet, as history tells us, those calls were ignored, along with the findings of the previous two independent inquiries.

Recent history also continued reiterating those findings of the reports a 35-member Assembly is the minimum required. Due to time constraints, I will not go into a great detail of the post-1998 media reports inquiry supporting the restoration of the Assembly numbers, but for completion of the time line, I will cite each chronologically. In 2009, we had the Joint

Selection Committee on Ethical Conduct Final Report, 'Public Office is Public Trust' (No. 24), which raised the need to revisit restoring MP numbers.

In September 2010, the three party leaders signed the agreement on parliamentary reform, which included restoring Assembly numbers to 35 along the five electorates by seven MPs model. On 8 March 2011, the review of the proposal to restore the House of Assembly to 35 by independent appointee Emeritus Professor Peter J. Boyce AO was tabled and recommended the restoration of the Assembly to 35, by five electorates, each returning seven MPs.

In 2020, the House of Assembly Select Committee, established in 2019, on House of Assembly Restoration Bill, releases its final report which unanimously recommended the restoration of the Assembly to 35, on 5 electorates, each returning seven MPs model.

The latest source of expertise-based information is with the Tasmanian Electoral Commission's advice to the Premier in relation to revising Tasmania's electoral boundaries from five to seven divisions, released on 9 August 2022, although the TEC report focused upon the logistical considerations, more so than matters of policy. This bill before us, though, is consistent with the TEC findings in that document.

It is also worth noting that Tasmanians and we, here in parliament, have had considerably more than 10 days in which to consider and absorb the Premier's proposed changes to the Assembly, since his initial announcement on 25 May 2022, to return to the 35 Assembly MPs. Then this subsequent confirmation of 9 August 2022, to return to the former model of seven MPs from five electorates. This is a very welcome contrast to the time frame of 24 years ago.

That is the backdrop of the bill before us and while the consultation process and time frame may be an improvement of the process that occurred in 1998, we have to ask, how does this bill measure up?

At the outset, the bill's title, the Expansion, is a bit of a misnomer. This bill expands, or restores, the House of Assembly, to its pre-1998 cut in numbers and it also seeks to expand the allowable number of Cabinet members. The bill does not alter the current composition of the Legislative Council, which is not returning to the pre-1998 number of 19 MLCs.

This may appear a minor point of semantics; however, previous reports and inquiries have specifically used language of 'restore the Assembly', to accurately reflect the scope of their respective recommendations, and to recognise that the Council is part of the parliament, but outside the scope of their investigations and findings.

We, in the Legislative Council, have not been offered an explanation as to why this specific accuracy of recommendations leading up to this point has suddenly been abandoned, despite being part of this parliament, and the part that is not expanding. It is a point of interest. I will leave it at that, in terms of making a comment.

Clause 4 of the bill, section 8A amended (Limit on number of Ministers of the Crown), as mentioned previously, seeks to amend the Constitution Act 1934 to expand the allowable number of ministers. This goes beyond returning to the pre-1998 numbers of Cabinet ministers. That pre-1998, 35 MP Assembly may do with 10 ministers, yet this bill seeks to increase the number to 11 ministers. Ten with the Cabinet Secretary.

We have heard this is to better futureproof future governments and even in the instance of a future majority government, which would require 18 seats at least, a front bench of 11 ministers is still ministerial heavy when compared with the remaining backbench of seven that would allow. We have to acknowledge this is an improvement on current and recent situations.

I look at clause 5 of the bill, section 8I inserted. It is also not something that was in place in 1998 and nor was it included in the exposure draft of the bill released for public consultation. However, it is a welcome addition, as it seeks to provide the formalisation of the requirement of any ministerial and/or Cabinet appointment, to be formerly published in the *Government Gazette*. My experience is that such gazettals are established practice in Tasmania; however, it is worthwhile formalising that requirement, unlike recent experiences in the federal parliament which potentially prompted the inclusion of this clause in this bill. This is a good transparency and accountability measure and it is to be commended.

While most of the bill appears as was expected, given the nature of the Premier's announcements and the subsequent release of the TEC advice, some concerns have been raised regarding the amendments to the Electoral Act 2004, under Part 3 of the bill. These concerns specifically focus on the need for specified measures to address the risk of increased informal votes, due to the legislated requirement, commencing from the next general state election, for voters to number a minimum of one to seven on the ballot papers.

As many of us here would recall, we had a similar debate regarding the proposal to introduce vote-saving measures and mandating the new compulsory voting requirements in the recent local government elections.

However, for state elections, none of the submissions received on the draft exposure bill proposed specific vote-saving measures as was introduced for the local council elections. Instead, Dr Kevin Bonham, did emphasise his support for the current bill is conditional, on the following:

- (1) At the time of the bill's introduction, the Government commit to resourcing the TEC to conduct a major, multi-media voter education campaign, aimed at not only ensuring voters are aware of the need to number seven boxes, but also at combatting the three commonest forms of unintended informal voting: omission and repetition of numbers; multiple first preferences; and use of ticks and crosses.
- (2) At the time of the bill's introduction the TEC be asked to prepare a report identifying any and all savings provisions that can adopted to reduce the number of votes disallowed as informal without severely compromising the operation of the voting system or the accuracy of the ballot paper instructions, with a view to legislating any provisions thus identified by the end of 2023.

Personally, I think ongoing and concerted public education campaigns on how to cast an informed and formal vote is always an investment in the health and robustness of our active democracy, no matter the official rate of informal voting actually occurring. While, to some degree, I share Dr Bonham's concerns regarding the rate of informal voting in our elections,

I believe there may be a broader range of reasons rather than just voters' capacity to number one to seven.

The recent *TEC 2019 to 2021 Report on Parliamentary Elections* details its informal ballot paper survey, on page 31 of that report, which provides a breakdown of unintentional informality trends. It reveals the following: the category with the largest number of invalidating errors is due to voters marking their ballot paper with ticks or crosses instead of numbers. This error is not due to voters losing track of voting either one-to-five or one-to-seven, but it reflects the fundamental lack of understanding on how to vote in state elections. The next highest category recorded repetitions or omissions between the numbers two-to-five, and this is a relevant category to these specific concerns regarding the one-to-seven potentially increasing the risk of informal votes. The third highest category of informal votes was due to voters repeating the number (1) two or more times. This error also reflects a fundamental lack of understanding on how to vote in state elections.

We need to be clear on all contributing factors to the rate of informal votes, particularly unintended informal votes. This data already collated by the TEC points to the need for increased research and investment in pre-election voter education, as very admirably called for by Dr Bonham. I am particularly interested in a further breakdown detailing the voting experience of first-time voters, either because it is their first time voting since they turned 18 years old or that they are new to Tasmania. For example, how, when and where do they get their information regarding how to vote in our Hare-Clark system? There would be a range of other factors which may also be at play here such as literacy or disengagement.

I want to hear from the Government on whether the TEC will be specifically resourced to undertake a major multimedia voter education campaign to ensure voters are aware of the need to number seven boxes and also to combat the three identified most common forms of unintended informal voting: omission, repetition of numbers and multiple first preferences.

Ms Forrest - The Electoral Commission has a very good video about the Hare-Clark system on their website and it has been very effective in educating the people.

Ms WEBB - Hopefully, people have seen it. It would be great to look into.

Ms Forrest - I have often shared it with people.

Ms WEBB - Absolutely. That is why the suggestion of looking into how people are getting that information and whether those excellent resources are being utilised as best they can, is a good suggestion.

To finish that thought, I am also interested to know from the Government if that is to be a task given to the TEC for an education campaign or research into those matters; when that may be undertaken; and will it be done prior to the first election under a new model that we bring in, in this bill, should it pass?

There were also other key significant opportunities missed by the Government when bringing forward this bill and its electoral reforms. I will touch on some of those.

Just as the restoration of the House of Assembly back to a viable 35 MPs is long overdue, as the Premier said, so is the provision of dedicated Tasmanian Aboriginal seats in this

parliament. The 2020 report of the House of Assembly Select Committee on the House of Assembly Restoration Bill presented 35 findings and two unanimous recommendations, remembering that that committee inquiry was a tripartite one. This bill before us delivers on the first of those unanimous recommendations. Yet, the second unanimous recommendation continues to be ignored, which called for, and I quote from that report:

That a Joint Parliamentary Inquiry be established in this term of Parliament to develop a preferred model that provides for dedicated seats for Tasmanian Aboriginal people in the Parliament.

While that preferred model may not have been identified and developed by this bill's time frame, it is a shame that the recommended joint parliamentary inquiry was not at least concurrently established to ensure that important, and as equally overdue, work could at least have commenced and be in progress. I recognise also that the Pathway to Truth-Telling and Treaty Report has also required consultative processes to be established. However, I doubt a parliamentary inquiry exploring how best to provide for dedicated seats for our Tasmanian Aboriginal citizens would interfere with those other processes. If anything, an inquiry on that may help inform those other processes.

Ms Forrest - Was there an inquiry proposed? Is that what you are suggesting?

Ms WEBB - The recommendation from that.

Ms Forrest - Oh, the recommendation, but it was not moved in the parliament, was it?

Ms WEBB - No, while it was recommended by that previous inquiry, it was never taken up and taken forward.

Ms Forrest - That was a while ago, though?

Ms WEBB - It was 2019. That is why I am speaking about it here as a missed opportunity, given we are progressing one of the two unanimous recommendations. That was the second unanimous recommendation from that tripartite committee, which we have not taken the opportunity to progress in a meaningful fashion alongside this. I ask the Leader whether she can provide an update on whether and how the Government intends to progress the long overdue matter of resolving dedicated seats for Tasmanian Aboriginal people in this parliament.

Another long overdue electoral reform which would add to the accountability and potentially the productivity of governments of the day, is the introduction of fixed four-year terms. All other states, and the two territories, have already legislated fixed terms for government. Tasmania is the outlier in that regard. Arguments for fixed-year terms include greater certainty and accountability for the electorate. Fixed terms have been shown elsewhere to reduce the impact of short-term political drama and provide for a more strategic approach to decision-making and delivery and fixed terms have been shown to support stable economic activity. Evidence shows that businesses and consumers tend to hold off on investment during election periods and the faux election periods that precede them, when everyone is shadow-boxing about when the premier of the day is going to drive to Government House.

Further, fixed year terms would make for a fairer system in this state. For example, it would provide a clear reminder to voters to update their electoral roll arrangements, if they had moved residence, and that was pointed out by an APH research paper from 2008. For newer voters, there might be a rise in the proportion of young people placing their name on the roll for the first time due to the predictability of a fixed election cycle.

Quoting *The Age* editorial from 13 September, 2007:

Such a change to the electoral arrangements would enable voters to enrol or update their details in good time and not be caught out by the calling of an election and thus disenfranchised by new laws that will close the electoral rolls on the day writs are issued. It will take a brave leader to introduce such a bold electoral reform, but it will build public trust in a functioning, modern democracy.

This reform is long-overdue.

That was from *The Age* in Victoria when they were contemplating such a thing in that state. Since then, Victoria has introduced fixed four-year terms and it is long overdue that Tasmania had a similar debate and looked to progress this in this state. It is a shame that it was not done alongside consideration of the matters in this bill.

Credit must go to the Premier, Jeremy Rockliff, for finally taking the plunge to break the decades-long paralysis that gripped both Labor and Liberal parties on this matter. It has been a refreshing example of decisive leadership.

Mr Duigan - Hear, hear.

Ms WEBB - Never let it be said. I am glad you are listening, Mr Duigan, member for Windermere. A position was announced along with a course of action outlined, a commitment to release an exposure draft bill for public consultation and an estimated time frame by which the community could see the bill tabled in the parliament. However, a lingering doubt remains in my mind, not a doubt about whether restoring the Assembly numbers is the right thing to do - absolutely, I believe it is - but a doubt about whether the lesson has been learnt.

It is all very well for the Labor and Liberal parties, the business lobby and others who lobbied in 1998 to cut MP numbers, to now admit to some form of buyer's remorse. I am sure some of those former advocates for MP cuts are genuine when they now express concern about the erosion of democratic representation and the entrenchment of dysfunction in our parliament.

Ms Forrest - Are they falling on their swords?

Ms WEBB - Well, no, that is what I am getting to. However, it is not being cynical to state up-front that, in many cases, the changed tune now being sung from former advocates of a smaller Assembly is influenced by the fact that the changes they sought did not deliver the benefits they expected would flow to fuel their respective interest.

As former Labor minister, David Llewellyn, said on ABC radio on 13 May 2011:

.... and I could admit now, I guess, as being part of the government back in 1998 or 1997 in conspiring - I suppose that's not the best of words but I think that's what it was - between the Liberal Party and the Labor Party to reduce the size of Parliament on the basis that it would take more percentage from minor parties to actually win a seat, and I think that was wrong. I'll admit it was wrong and I think we really should do something about that.

Another commentator describes in a 2015 *Mercury* Talking Point Opinion Piece, the Labor and Liberal parties sought to remake the parliament in their own image. Yet, as history tells us, this was not achieved. The Greens have retained continual representation in the Assembly since the 1998 cut and at the last 2021 state election, the electorate of Clark also returned an unaligned Independent, additional to the Greens, Labor and Liberal representatives. Nor did the shrunken Assembly provide the promised stable majority government.

As political commentators and experts warned in 1998, the shrunken Assembly exposed the state to more frequent minority governments and indeed, 2010 to 2014 was such a government. Nor was majority automatically stable, whether due to scandals resulting in government and ministerial resignations, plummeting public confidence and as we have experienced more recently, the spluttering stop-start due to proroguing of parliament should a government member retire from parliament while it is in session presenting a continual litany of disruption across these intervening decades.

The ongoing instability and lack of confidence, despite majority governments being in place, resulted in the TCCI acknowledging in 2016 that good governance was the crucial ingredient, rather than whether the state has a majority or minority government.

Clearly, Madam Deputy President, they were not going to stop campaigning for the former, but this was a huge admission the 1998 cuts had been counterproductive from one of the loudest voices calling for those cuts at the time. The point being, as mentioned earlier, there was a substantial, considered and rigorous research and evidence base provided to the decision-makers of 1998 warning them of the problems posed by the cuts and the magnitude of the ramifications for democracy, good governance and the parliament's capacity to fulfil its functions.

This was acknowledged by the Premier during his second reading speech which the Leader has reiterated in this Chamber. The information was there, the advice was there - nobody involved at the time can say they were not warned of the serious and deep ramifications of their decision to reduce the numbers, especially in the Assembly. Yet self-interest at the time won out.

It could be said, there is a considerable element of self-interest driving this belated and long-overdue move to restore Assembly numbers. Just as the 1998 cut to numbers was driven by what was perceived to be in the best interests of the major political parties at the time, it also appears this long-overdue move to undo that costly mistake is also driven, in no small degree, by the perception it is now in the best interests of those same major parties to do so.

As the Premier indicated in his second reading speech, the additional amendments to the Constitution Act 1934 contained in this bill to expand the current allowable members of Cabinet is needed to futureproof the government of the day. It is probably a sensible and healthy recognition and provision, absolutely. Recognising that as such does not negate, also

recognising that the move to restore numbers is now perceived by the major parties to better the chances of those who achieve power to remain in power.

This is further highlighted when considering the 2010 tripartite agreement of parliamentary reform mentioned earlier signed on 2 September 2010 by then premier David Bartlett, the then Liberal opposition leader, Will Hodgman and then leader of the Greens, Nick McKim. Yet on 16 February 2011 - months later - the Liberal opposition leader, Will Hodgman, suddenly withdrew his support, followed the next day by then premier Lara Giddings, despite the fact Labor presumably would still have had numbers with the Greens' support. Also despite the commissioned independent review established as part of delivering that tripartite agreement undertaken by Emeritus Professor Peter Boyce AO being still under way at the time. This review was still tabled in parliament on 8 March 2011 and recommended the Assembly be restored to 35 and yet the agreement disintegrated.

The theory circulating at the time, as an attempt to explain the sudden abandonment of the tripartite, was neither major party expected the minority government at that time to go full term. However, each of those two major parties thought it would be to their advantage in the next election that they expected to soon hold, to have to secure fewer seats to achieve government under a 25-seat model than potentially they would have to do under a restored assembly of 35. Whether that theory was wholly or partially correct, suffice to say it again indicates how many previous attempts to restore a functioning parliament were evaluated through the lens of particular political party interests which then took precedence over other considerations.

Clearly the revolving doors experienced in both parties of government and to a lesser degree opposition, the slim majorities exacerbated by non-conformist speakers, at times, and a minimal backbench with which to replace those existing, has proven to be a motivating factor for the bill before us.

It is not a coincidence that the Premier, Mr Rockliff, moved to break the paralysis on this matter after the fifth government member since the 2021 state election stood down from the ministry or the parliament with two of those occasions seeing the government resort to proroguing the parliament twice within four months to protect its numbers on the Floor of the House; once when former premier, Mr Gutwein, resigned in April this year and again when former minister, Jacque Petrusma resigned in July.

Clearly, more MPs in such situations would be in the interests of the government of the day. In this case, self-interest wins out over former ideological positions which is where the small voice of concern now makes itself heard above the sighs of relief that restoration is imminent.

It is of note and concern those key self-interested voices that justified the debilitation of our parliament in 1998 to themselves and to others, despite all available advice, while now saying the move to restoration of the Assembly is long overdue largely remains silent on accepting responsibility for those actions which see us here debating the bill today.

This lack of public acceptance and acknowledgement of responsibility is worrying. It also raises the question - to what extent has this lesson been learnt, particularly by those political parties, other organisations and sectors which drove the initial 1998 cut?

The only organisation I am aware of which has come out formerly and officially to say - you have it wrong - is the *Mercury*.

On the 29 June 2007 a *Mercury* editorial stated:

Back in the 1990s this newspaper argued in favour of a smaller parliament and abolition of the Upper House.

It is prepared to acknowledge past mistakes. Now the Upper House is all that stands between the Government and absolute power.

A year later on the 28 June 2008, the *Mercury* editorial reiterated:

This newspaper supported a smaller parliament when the Labor and Liberal parties introduced the change in 1998, but now acknowledges that it was a mistake.

Also, individuals such as Greg Barnes have also publicly acknowledged their role in the 1998 mistake. Mr Barnes is reported as saying that he:

... regrets pushing for a reduction in the number of seats in Tasmania's House of Assembly when he was working as a senior adviser to ex-Liberal premier, Ray Groom, more than 25 years ago.

Also, the former President of this Chamber, the honourable Sue Smith, who used the opportunity of her valedictory speech in this place on the 18 April 2013 to warn:

The people of Tasmania should accept and acknowledge that the cuts in the House of Assembly have cost them.

...

My opinion at the time the number cut came was, if the House of Assembly think they can work with 25, why should we in the Legislative Council interfere, but that was wrong. That did a disservice to the members there and it did a bigger disservice to the people of Tasmania because we had a wider brief than just if that is what they want to do, we should not interfere.

The public shows at least one media outlet and some individuals involved at the time had taken public responsibility for their lobbying or actions contributing to the fateful decision almost 25 years ago.

We have yet to see or hear similar formal statements acknowledging responsibility by those, particularly the parties involved, who were architects of the cuts at the time and they have resisted restoration until now.

Why should acceptance or otherwise of responsibility matter so much? Why am I raising this now? Because acceptance of responsibility is the first indicator that a lesson has been learnt. Importantly, a lesson learnt has a good chance of not being repeated and that is why

this silence on accepting responsibility from key players is concerning. To some extent, I find it unnerving.

If all of the evidence and expertise available in 1998 could be so wilfully ignored at times due to perceived best interests, we cannot presume something similar may not occur some time in the future when the composition of some future parliament is not to the liking of powerful vested interests of the major parties.

None of us has a crystal ball and I hope this lesson is learnt and any distant future reforms to Tasmania's parliament are fully informed and fully involve the Tasmanian community at the time.

Earlier, I mentioned two potential missed opportunities for greater electoral reform, establishing the clear process for determining dedicated seats for Tasmanian Aboriginal people and also legislating fixed four-year terms. In addition to those, there was another missed opportunity in the development of this bill to further strengthen our democracy, particularly against potential partisan ideologically driven changes where what may be in the party's best interests is presented as being in the community's best interests.

There was an opportunity for the consultation process here to also canvass further amendments to the Constitution Act 1934, requiring either a referendum on any future structural and/or composition changes to either House of this parliament or at least requiring a two-thirds majority vote in each Chamber on any bill seeking structural or composition changes to either House. As members may be aware, section 41A of the Constitution Act 1934 currently requires a two-thirds majority vote in the Assembly should that Chamber seek to amend section 23 of that act, which establishes maximum terms for that House.

There is a constitutional precedent for acquiring a higher threshold when it comes to fundamental alterations to some aspects of the House of Government. Just as the Premier went beyond simply returning the Assembly to 35 MPs by putting out to consultation his proposal to expand the allowable numbers in Cabinet in an effort to futureproof future governments as part of this bill, there was an opportunity to also consult on requiring a two-thirds vote for future structural change and/or requiring a referendum on any such change in order to futureproof future parliaments.

Neither are a panacea in themselves necessarily, but they do raise the decision-making bar. They would immediately signal that such a decision is not to be taken lightly and requires specific and focused engagement with the Tasmanian electorate.

To conclude, as I noted in my opening statements, this is incredibly significant legislation, yet its passage through the parliament thus far has occurred almost without any murmur or public comment.

That may be because, in the minds of many, this has been inevitable, if a long time, coming, an example of the parliament finally catching up with an informed community sentiment. The provisions to restore the House of Assembly to 35 MPs consisting of seven MPs from the current five electorates is consistent with the recommendations the 1984 report, the Advisory Committee on the Proposed Reduction in the Number of Members Elected to both Houses of the Tasmanian Parliament, known as the Ogilvie Report. Similarly, the

provisions of the bill are consistent with the recommendations of the Morling inquiry 10 years later.

It is consistent with the recommendations of the 1998 open letter, published by 10 of the state's pre-eminent political scientists. It is consistent with the 2010 commitment made by the three then-party leaders when they signed their agreement of parliamentary reform. It is consistent with the recommendations made by the 2011 independent Review of the Proposal to Restore the House of Assembly to 35 Members by Emeritus Professor Boyce. In regard to the composition of the Assembly, this bill is consistent with the 2020 House of Assembly Select Committee on the House of Assembly Restoration Bill, Final Report and in that regard, this bill delivers.

Hopefully it serves to raise the Cassandra-like curse from the extensive list of reports and commentary which doomed them to be disbelieved, it appears, when warning we could find ourselves in this position, having to resurrect the integrity capacity and effectiveness of the House of Government. However, to reiterate, we still have unfinished business that is of equal importance, that being dedicated seats for Tasmanian Aboriginal people, and whether this bill was the appropriate vehicle for that reform or not, we must not lose sight of that imperative. It was an opportunity to continue that conversation in the very least and make some progress down that pathway.

Lastly, there remains scope to futureproof the integrity of our parliament and democracy, just as the Government has moved to futureproof the Cabinet. By requiring a referendum or a two-thirds majority vote for any future substantial structural and composition changes to either House of Parliament, we could take out 'integrity insurance', if you will, against any potential future ideological changes to the parliament, driven by self-interested power grabs.

In the interim for most of the last 24 years, it has been widely recognised that the gutted Assembly resulted in a largely dysfunctional Chamber, which then impacted the capacity of the broader parliament to deliver on behalf of those who we are all elected to represent. To be able to take this concrete step to begin to address this situation is very welcome indeed.

I support this bill.

[12.49 p.m.]

Ms FORREST (Murchison) - I note the indulgence of the Leader and the Government in bringing this bill forward today to enable the member for Nelson to speak, as it was scheduled for tomorrow. I was intending to not speak today but to move that the debate stand adjourned and to meet with our previously agreed schedule.

I move the debate state adjourned.

Debate adjourned.

**APPROPRIATION (SUPPLEMENTARY APPROPRIATION FOR 2022-23) BILL
(No. 49)**

Second Reading

[12.50 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, the Appropriation (Supplementary Appropriation for 2022-23) Bill 2022 provides funding for the expenditure of the new dedicated housing authority, Homes Tasmania, for the period to 30 June 2023. Homes Tasmania will be responsible for delivering improved housing services for Tasmanians and for increasing the supply of social and affordable housing in our state.

The Appropriation (Supplementary Appropriation for 2022-23) Bill will facilitate the transfer of funding from the Public Account to Homes Tasmania through a grant payment from Finance-General.

The bill is an important step in the machinery of government changes to give effect to the restructure of the Department of Communities Tasmania and to implement the Government's reform to improve housing outcomes in Tasmania.

Seeking parliamentary endorsement of the funding to be provided to Homes Tasmania supports the Government's commitment to transparency. The bill will ensure that Homes Tasmania can achieve its objectives from its start date of 1 December 2022. The balance of the 2022-23 appropriation funding from the Housing portfolio in the Department of Communities Tasmania will be made available to the new authority.

In total, funding of \$163.4 million will be provided through the 2022-23 Supplementary appropriation bill to Finance-General for operating services. The amount of appropriation comprises \$36.5 million, being the balance of the original 2022-23 operating services appropriation for the Housing Services output within the Department of Communities Tasmania, as provided for in the 2022-23 Budget, and \$126.9 million, being the balance of the original 2022-23 capital services appropriation provided to the Department of Communities Tasmania in the 2022-23 Budget.

The purposes of the operating services appropriation to Finance-General is to provide a grant to Homes Tasmania to fund the continuation of the Government's Community Housing Growth Program; the Extended Social Housing Build; the Housing - New Projects initiative; and Tasmania's Affordable Housing Action Plan Stage 2.

It also provides for salary and non-salary costs to support the provision of housing assistance to Tasmanians across a range of housing programs including Housing Connect, homelessness accommodation, social housing and supported accommodation, private rental programs and assistance into affordable home ownership.

Homes Tasmania will work in partnership with housing providers and housing support providers to deliver housing and homelessness services in Tasmania with funding used to provide grants to meet the operating costs of these services. These funds are planned to be invested in Homes Tasmania in the period 30 June 2023. It is important to note that the Department of Communities Tasmania will declare an appropriation saving equivalent to the

new funding this bill includes. That means that there will be no net impact on the Public Account.

Homes Tasmania is established to promote the development of affordable housing and to enable the provision of housing assistance to, and improve the housing conditions of, eligible persons. Homes Tasmania will support the provision of affordable housing, housing support services and community support services to persons who require housing or services and will assist in developing policy for housing. Homes Tasmania will also be responsible for delivering the Tasmanian Government's record capital investment of \$1.5 billion to build 10 000 homes by 2032.

Mr President, I commend the bill to the House.

[12.55 p.m.]

Mr WILLIE (Elwick) - Mr President, some bills we consider are worth more than others - and this one is not a long bill, but involves \$163.4 million. I acknowledge that the parliament has previously approved this, but that appropriation was for the General Government sector and not the public non-financial corporations sector; and that is why we are here today.

To pick up on one of the comments in the second reading speech from the Leader, that this is a commitment from the Government to transparency, or an example of that. I suspect that it is the Government having to comply with the requirements of the Financial Management Act. You could call it transparency if you want.

It is an important bill. It will allow Homes Tasmania the ability to operate from 1 December. That was a bill that we did not agree to, Mr President, in this House and we will be monitoring the progress very closely, particularly in my role on Government Administration Committee B, to see whether those changes live up to the Government's rhetoric. However, we support the provision of funds to allow that to occur, now that the bill has passed.

[12.56 p.m.]

Ms RATTRAY (McIntyre) - Mr President, I am another non-supporter of the previous bill that has brought this to the Chamber today; but that is done and now we have this bill before us.

I asked the question in the briefing this morning and I will ask it again on the Floor. There is an allocation of \$36.484 million to provide grants to Homes Tasmania. It is for salary costs and non-salary costs of Homes Tasmania; and the other component of that \$36.484 million is the amount to housing providers and housing support providers so that the operating costs of those providers, in delivering housing assistance or housing support services, may be met or supplemented. I would like a breakdown of that. I ask that, so it will be readily available, as there has been some time since our briefing.

I, also, will be watching with great interest the delivery by Homes Tasmania on the committed promises that have been made, because I do not see as much activity as I would like as I travel around the electorate. Maybe the houses that are being built are mostly being built in the more built-up areas; but there is definitely significant need in the more rural and remote areas of the state.

[12.58 p.m.]

Ms FORREST (Murchison) - Mr President, I share the same question as the member for Elwick. If this funding was approved through the budget process and appropriation there - which, effectively, is an authority to spend the money - why do we need to reappropriate it? As described in the briefing, and also in the second reading speech - to a degree - and as referred to by the member for Elwick, the money was appropriated to the General Government sector through Communities Tasmania, which is going to entirely disappear as a department.

Anyway, I will get to that point, because it is relevant. It was appropriated to Communities Tasmania in view of the expectation that the Homes Tasmania legislation would be supported, and we would then need to provide appropriate funding and support to enable them to deliver the services they are established for.

I look forward to seeing some of these actions undertaken and the real focus on delivering housing across a broad range - including housing for workers on the west coast, where it is desperately needed and on King Island, where it is desperately needed -

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

QUESTIONS

Cam River Bridge - Monitoring

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

[2.31 p.m.]

I am making a little progress here, Mr President. Some of the older ones are not here but we will start with the newer ones.

Mr President, with regard to the Cam River Bridge that was damaged in a recent flooding event, I note ongoing monitoring of this bridge is occurring, on and around the bridge, following the repair work, as works restart on the replacement bridge.

- (1) What methods are being used to monitor the bridge for further sagging or signs of damage;
 - (a) how often is the bridge monitored and assessed;
- (2) has any further sagging or other movement in the section supported by the damaged pylon been detected;
- (3) has any damage to the bridge been identified since the reopening of both lanes;
- (4) if either or both of the answers to questions (2) and (3) are 'yes', what additional work is or may be necessary to prevent the need for partial or full closure of the bridge;

- (5) how will the community be informed if additional works are needed to ensure the safety of the bridge?

ANSWER

I thank the member for her question.

- (1) Three methods of monitoring are in use -
- (i) Motion detection is being used continually to detect movement in all three dimensions.
 - (ii) Visual inspection is also being used.
 - (iii) Traditional survey is being used.
- (1) (a) Motion detection is an automated system that reports whenever movement or more than five millimetres occurs.

Ms Forrest - Five centimeters and it would be under water.

Mrs HISCUTT -

The traditional survey occurs daily at the same time each day, and this will cease as of 18 November 2022. Visual inspections occur twice weekly until the end of the year.

- (2) No further sagging of the bridge or movement has been identified except for cyclical minor adjustments due to temperature changes that would be expected in any structure.
- (3) No further damage to the bridge has been identified.
- (4) No further works have been identified to manage the bridge.
- (5) Not applicable, as no works have been identified.

Antenatal and Postnatal Care of Mothers and Babies

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

[2.33 p.m.]

With regard to antenatal and postnatal care of mothers and babies:

- (1) Are antenatal classes being offered face to face? If so, in which hospitals or facilities;

- (2) what is the schedule of routine care provided by the Child Health and Parenting Services (CHaPS) nurses listed by:
 - (a) frequency;
 - (b) location - that is in home, in clinic, or other;
 - (c) are parenting groups being encouraged for new families;
- (3) how are the parents of babies born during the period of COVID-19-related restrictions, related to antenatal care, education, labour and birth care and home visits by CHaPS nurses, being specifically supported during their postnatal period?
- (4) What dedicated support is currently available to parents who have experienced birthing trauma and ongoing trauma related to impacts, to assist them?

ANSWER

I thank the honourable member for her question.

- (1) All public hospital antenatal classes are now offered face to face. Currently, at the Mersey Community Hospital and the North West Regional Hospital, these are delivered as one-on-one sessions with midwives. Full classes are recommencing in January 2023.
- (2) The Child Health and Parenting Services delivery model includes provisions of a routine schedule of voluntary assessments for children aged between zero and five years. This includes assessments at: two weeks; four weeks; eight weeks; six months; 12 months; two years; and four years; along with some appointments for families in relation to parenting support, breastfeeding, perinatal mental health, sleeping and settling. Two-week appointments can be offered as a home visit, along with some other appointments based on client need or their circumstances.

Other developmental assessments and appointments are routinely scheduled in the clinic. They are in the clinics or they may be offered using telehealth. New parent groups are offered by the Child Health and Parenting Service (CHaPS) scheduled to match available staffing and client numbers regionally. These groups have traditionally been scheduled face to face but were offered through an online format during the COVID-19 escalation periods.

- (3) The Child Health and Parenting Service continues to offer services to all families throughout the COVID-19 period from 2020 through until now. The service was required to be nimble and responsive at times, modifying some service delivery to include telehealth and telephone options combined with shorter clinic appointments. It continued to offer home visits to clients with new babies, as appropriate, along with providing a level of continuous face-to-face clinic-based service delivery options to families through the entire period.
- (4) For parents who have experienced previous birthing trauma, individual birthing plans are formulated. Follow-up may be arranged in the early postnatal period,

depending on the individual's needs. This may include a referral to a range of services, including:

- (a) support services;
- (b) social work; and
- (c) perinatal mental health, as needed.

General practitioners may also be notified of more complicated births for follow-up. For parents who have a more complicated birth, a debrief can be offered prior to discharge which can include a medical consultation to answer any questions which the parents may have.

St Helens Marine Rescue Survey Results Time Line

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

[2.36 p.m.]

My question is from a supplementary question that I asked last week with regard to the funding arrangements for the operations of the St Helens Marine Rescue organisation. Then I asked about the replacement vessel and I was told in that answer that there had been a completed survey and that we would have a follow-up once that survey was done so I asked about a time frame for the results of that survey. That is my supplementary question.

ANSWER

The Australian Maritime Safety Authority has recently completed a survey of existing Surf Life Saving Tasmania and volunteer marine rescue vessels with the marine surveyor currently assessing and interpreting the results. This information will go to Tasmania Police who will overlay the results with current coverage and future plans for new police vessels to determine the priority spent for replacement vessels and associated equipment. No decisions about new vessels will be made until this process has concluded with the recommendations determining the location and type of vessels and associated equipment.

This is also a special condition of the 2018 state Government election funding deed. Surf Life Saving Tasmania anticipates that this review process will be completed by the end of 2022.

Housing Pressure on North-West Coast

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

[2.38 p.m.]

Hot off the press, the answer to this one. The commencement of mining at Avebury Nickel Mine in September this year; the expansion of Bluestone Renison Tin Mine; the expected recommencement of mining at the Mount Lyell copper mine, now owned by New

Century Resources; the increase in tourism, particularly adventure tourism; and the lack of housing on the west coast have been constraining business and risking the tenure of locals living in rental properties. It is good news on one side; quite disturbing news for the other side.

This adds to the housing pressures in towns along the north-west coast as workers are forced to drive in and out of the west coast for work, particularly to the mines I have mentioned.

I know the Government's housing strategy is out for public comment at the moment - I am not sure if it still is out for comment because this was sent to the Government some time ago - a whole-state strategy.

The situation on the west coast is urgent and constraining business and employment for health workers, teachers and mining workers. My questions are:

- (1) will the Government provide the requested \$150 000 to the West Coast Council to develop a housing plan for the west coast, and if so, when;
- (2) will higher density apartment living be supported in these communities;
- (3) will the board of Homes Tasmania be tasked, as a matter of urgency, with fully assessing and understanding the housing needs of:
 - (a) cyclical economies;
 - (b) remote area needs; and
 - (c) build to rent on long-term leases to mining companies or other sectors needing worker accommodation?

ANSWER

- (1) The Tasmanian Government is currently developing a 20-year housing strategy for Tasmania. The West Coast Council has made a submission to the discussion paper which will help inform that strategy.

The new Homes Tasmania Board which will begin operation on 1 December 2022, will also consider proposals such as these informed by the strategic work currently being undertaken to inform the 20-year housing strategy.

The Office of the Coordinator-General, and Department of State Growth, have also been working with local governments and a not-for-profit housing provider, to identify opportunities and the best models for the establishment of long-term workforce accommodation in regional Tasmania.

Ms Forrest - The answer is 'no' to the \$150 000.

Mrs HISCUTT -

- (2) Increasing the supply of high-density dwellings, including infill development in existing urban areas, is critical to ensuring there is sufficient supply of secure and affordable housing to meet both current and future demand across Tasmania.

The Tasmanian Housing Strategy and its associated action plan, will promote new and innovative ways to deliver required housing supply which will include an increase in high-density apartment-style living where appropriate.

- (3) Homes Tasmania is due to commence operations on the 1 December 2022. The Homes Tasmania Board will be tasked with addressing Tasmania's housing challenges, include currently pressing issues such as key worker accommodation in regional and remote communities.

While solutions will need to be developed with input from affected communities to fully understand their housing needs, including the west coast, options are expected to include build-to-rent models and collaboration with key sectors such as mining on the west coast.

North Eastern Soldiers Memorial Hospital - James Scott Wing

**Ms RATTRAY question to DEPUTY LEADER in the LEGISLATIVE COUNCIL,
Ms PALMER**

[2.41 p.m.]

Deputy Leader, given there has been no progress to date on the former James Scott Wing located adjacent to the North Eastern Soldiers Memorial Hospital, would the Government consider to strongly support the community's suggestions for the use of the building as:

- (1) an additional palliative care facility to complement the existing, very successful, Foresters Suite at the NESM Hospital, where this facility has recently been named Outstanding Palliative Care Service Provider.
- (2) another alternative, established crisis accommodation to facilitate a safe place for those in our community who may be victims of domestic violence or in the same case, living in their cars or tents?

ANSWER

- (1) The Tasmanian Government acknowledges the work of the staff at the North Eastern Soldiers Memorial Hospital and as you mentioned, their recent Outstanding Palliative Care Service Provider award.

As part of the Government's Our Healthcare Future reforms, clinical service planning is currently underway across the state, encompassing primary and acute, subacute and community health services.

This regional clinical service planning work will inform the development of a new long-term plan for health care in Tasmania, which will inform the Department of Health future health infrastructure and workforce planning to deliver a more sustainable health system for the future, focused on better health outcomes.

At the same time, infrastructure master planning activities are also underway to assess the condition of buildings, functional relationships of buildings, access to and from facilities, and opportunities to improve the use of the land and buildings.

- (2) While the minister is advised that part of the James Scott Wing will be converted to accommodate the local Child Health and Parenting Service team that are relocating from the Ochre Medical Centre, future potential use of the facility for other purposes will be dependent on the outcomes of the long-term plan for health care in Tasmania, that will be released in early 2023.

COVID-19 - Indoor Area Air Quality Regulations

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

[2.44 p.m.]

In light of the new wave of COVID-19 infections and new strains of the virus, will the Government review and amend air quality regulations for indoor areas? Will they review those, and amend to require air quality that will reduce the risk of transmission of viruses, including air-borne viruses?

ANSWER

In Australia, the standards and requirements for ventilation and indoor air quality are contained within the National Construction Code, which is adopted in Tasmania by the Building Act 2016 and administered by Consumer Building and Occupational Services within the Department of Justice.

The requirements of the National Construction Code are subject to ongoing review and amendment with this process is overseen by the Australian Building Codes Board. The mandatory ventilation requirements within the National Construction Code are supported by guidance and advice from both Public Health and workplace safety authorities. Detailed and practical advice is available for building managers and business operators regarding building ventilation, with specific information relating to COVID-19. It is available at the coronavirus.tas.gov.au website and Safe Work Australia.

In Tasmania the Department of Health encourages everyone to practise safe COVID-19 behaviours. They include being up to date with vaccinations; staying home and getting tested if symptomatic; covering coughs and sneezes; regular use of hand sanitisers and handwashing; physical distancing where practical; and ventilation of indoor areas.

**APPROPRIATION (SUPPLEMENTARY APPROPRIATION FOR 2022-23) BILL
2022 (No. 49)**

Second Reading

Resumed from page 19.

[2.46 p.m.]

Ms FORREST (Murchison) - Before the lunchbreak we were talking about the fact that this money had been appropriated in the most recent state budget to the Department of Communities Tasmania. The Department of Communities Tasmania is to be no more. It was only four or five years ago when it became the thing. In any event, this begs the question when we hear from the Leader in her second reading where she says:

It is important to note that the Department of Communities Tasmania will declare an appropriation saving equivalent to the new funding this bill includes. That means that there will be no net impact on the Public Account.

One would expect that to be the case. However, how in hell are we going to follow the money, to see this is not just subsumed back into the Public Account somewhere and then reappropriated somewhere else or dealt with through a RAF or whatever? Once the Department of Communities is no more, and I assume in next year's budget it will not be there, for the committee scrutinising what was formally Communities Tasmania and now NRE, does that include the housing sector or does that go to State Growth?

Ms Rattray - It goes to construction?

Ms FORREST - Well, that is the question, where does that sit? How are we actually going to see the movement of the money? I am not suggesting anything is wrong here, but we are talking about openness and transparency and being able to follow the money.

I have been here long enough to see departments come and go. When I came here we had DIER, which is quite dire. If you are wondering how that was spelt it was DIER and then became State Growth or parts of it, with the whole amalgamation. We did not have Communities Tasmania; now we do and then we will not. We had DHHS, which included Housing and Human Services and Health and now we do not. Then we took Housing away from Communities.

You can see while we have this constant churn of departments and processes, it makes it almost impossible to follow the dollar and follow money when you are trying to scrutinise it. We take it on faith that the Department of Communities will declare an appropriation saving. Where will that be reported? How will we see that appropriation saving of Communities Tasmania if they are not even there in the budget next year? How will we see that?

Obviously, there will be an appropriation next year in the next budget to Homes Tasmania to fund the work from 1 July next year for that financial year. It will be easier to track that then. The question is, there is a bit of a gap here where money is said to go back to the Public Account. Appropriation is an authority to spend. It is not actual money as such but there is an agreement there, we will have this money and it will be drawn down by the relevant department who it has been appropriated to through the budget process. As has been alluded to by the

Leader and others, I note that in total, the funding of \$163.4 million was provided through this bill to Finance-General for operating services. I thought it was going to Homes Tasmania, so if it is going to Finance-General is that not still in the General Government sector? Yes, it is, to answer my own question there.

Then it goes on, the amount of appropriation comprises - what this bill is doing - \$36.5 million for the balance of the original 2022-23 operating services appropriation for the Housing Services output, which sits currently within Communities Tasmania. It is provided for in the 2022-23 Budget at \$126.9 million for the balance of the original funds for capital expenditure.

It seems a bit of an odd way to actually describe this but it was sitting with Finance-General, one assumes, and now it is being handed over to the statutory authority. It reads here that this supplementary appropriation bill is sending it to Finance-General. That is how it reads. Is it not going to the statutory authority?

You see my confusion here? So, that takes me full circle. Does that then mean we will follow the money through Finance-General? Finance-General will declare a budgetary saving or an appropriation saving of this amount of money. I hope the Leader can explain how we will follow the money, how the money will actually move, how we will see it in the various reports, because there is this big gap in the middle where we say there is a declared saving, but we cannot see it in our reporting of it.

In any event, that is about the bill itself. That is about the processes for the appropriation bill. If I am on the wrong track I am happy to be corrected, but it is always a concern because I talked to the member for Elwick earlier about this, the fact that it had already been appropriated. I did not sit on Committee B that looked at it this year and it was there in the budget. We are nearly into the next year but not quite. So, we did confirm that it was in that budget.

In terms of the purpose of the expenditure and the bill that this appropriates money for, I did support the legislation and I want to see Homes Tasmania get on with it. I am happy to see there is money being made available to them, to get on with it.

That answers the question that the Leader provided on housing for worker accommodation and other matters. I was pleased to hear that because I have had a number of conversations with the minister about the way I see Homes Tasmania can operate to address these very real and urgent problems in my electorate, and I am sure they are in everyone's electorate.

Ms Rattray - Including the building of the new windfarm in the north-east, and there is no accommodation. It looks like we will have to have a few dollars thrown around, I reckon.

Ms FORREST - On the west coast we have Avebury Mine operating, and a lot of the workers cannot get accommodation even though Avebury is doing up some worker accommodation in Zeehan. We have Bluestone Renison mine that is ramping up in a number of areas, which is great news for the west coast. They do not have enough housing for their workers, and they have told me, all of them, that it pushes the pressure back up the north-west coast, and so the pressure is in Burnie, Ulverstone, Penguin and in Wynyard, where the people who are coming to work in the mines are having to live there. Effectively, because they have

the bucks, they can pay the bigger rent, pushing people out. When New Century starts in six months - the first quarter of 2023, maybe second quarter - it will create a lot of employment at the Mt Lyell copper mine. I have talked to the GM down at on the west coast, I have talked to mining people down there.

These people who will work there will get decent salaries and wages. That is why mining is a good employer in that regard. That risks pushing the local people - who are barely affording their rent now - out of their homes because effectively, owners may put their rents up to meet the demand that the mining sector can pay.

I was pleased to hear the Leader say that the build to rent option to lease to mining companies might be an option, provided those buildings are constructed in the way they can be repurposed later on. A mining company will take out a 10-year lease. If they are going to be there that long, and even if the same worker might not be there, they will still need that accommodation.

I hope that it is a priority to prevent more of the people in these areas becoming homeless because the rents are ramped up, because they can be. Add to that, the mountain bike trails, which are great. I am going to the opening of the Silver City one, the Zeehan one, later this year.

That is a great thing to bring people into town, but you cannot - people do not come with their bikes, ride and go home again. They are looking for accommodation, and for the workforce you need to support those sorts of activities. There is a fantastic new bike shop and hire company in Queenstown at the moment to support the mountain bikes. Thankfully, they have not had too many serious injuries. There was one that was pretty bad. Thankfully, the really dangerous track is zigzagged, so you cannot go too fast. You have to hope you do not go off the edge.

There is a great wine bar. If you been watching me on Facebook, you will see where I have been. To the Moonscape -

Mr PRESIDENT - To the wine bar?

Ms FORREST - to the wine bar. This is in Queenstown, it is beautiful.

Mr PRESIDENT - Is that before or after you went down the mountain bike track?

Ms FORREST - I did not go down the mountain bike track. I did go underground in a mine, which is much safer in my view than going down the mountain bike trail.

I went underground at Avebury which is fantastic. It is great to see that mine going again. The state of the facilities is fantastic. It is as clean as any facility I have been to, not just in terms of mining, but in many others. It is amazing.

Mr Valentine - At least they let you go down. Once females were not allowed to go underground.

Ms FORREST - Not in my time, I have been down underground lots of times, for a little turn with a jumbo and a turn with a remote control bogger, drove back out the drive.

Anyway, I am off the track. This is the reality we are seeing when people are more cashed up because they are getting good jobs, which the mining sector does provide. However, it runs the risk of displacing people who live in those communities, who are finding the cost of living pressures enormous at the moment. I hope to see this money put to good effect, really promptly. I know there is a strategy being developed, but I do not want to hear years of talk and strategy development, and that sort of thing. I want to see some action. I want to see targeted action to deal with the very real problems we know are there, as well as building homes right across Tasmania.

I am sure Committee B - I am assuming that Housing and Construction stays with them. You never know from one month to the next. However, this \$1.5 billion to build 10 000 homes by 2032, I am not sure I will still be here in 2032. Either way, we will expect to see significant inroads into that 10 000 homes every year. Otherwise you do not have a snowflake's chance of getting there. That is Committee B's work to follow that up and make sure that they are actually staying on track.

I would appreciate a bit more explanation about how we follow the money.

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I have a couple of answers here.

The first one is to the member for McIntyre, talking about the breakdown. There is \$5.166 million that relates to salary costs; \$18.35 million relates to non-salary costs; \$13 million relates to amounts to housing providers and housing support providers so that the operating costs of these providers in delivering housing assistance or housing support services may be met or supplemented.

Turning to the question from the member for Elwick and the member for Murchison - the bill appropriates the unspent portion of Communities Tasmania's housing funds. The appropriation is for Finance-General to make a payment to Homes Tasmania. The unspent funds in Communities Tasmania will be returned to the Public Account as saving. These transactions will be reflected in the Revised Estimates Report.

Bill read the second time.

APPROPRIATION (SUPPLEMENTARY APPROPRIATION FOR 2022-23) BILL 2022 (No. 49)

In Committee

Clauses 1, 2 and 3 agreed to.

Clause 4 -

Issue, application and appropriation of \$163 408 000

Mrs HISCUTT - I move -

That the clause be postponed.

Clause 4 postponed.

Clause 5 -

Purposes of appropriation

Mrs HISCUTT - I move -

That the clause be postponed.

Clause 5 postponed.

Clause 6 agreed to.

Schedule 1

[3.03 p.m.]

Mr WILLIE - Madam Chair, picking up on what you were saying earlier, the first appropriation was for the General Government sector. Finance-General is part of that sector. I am asking for some clarification here - this appropriation is for Finance-General to then move that funding out of the General Government sector to the Public Non-Financial Corporations sector. Is that correct? I seek some clarification on that, because that was the explanation given, that we had to have a new appropriation because that was for a different sector.

Mrs HISCUTT - I can confirm that the member for Elwick understands it correctly.

Schedule 1 agreed to.

Postponed Clause 4 agreed to.

Postponed Clause 5 -

[3.05 p.m.]

Ms RATTRAY - I thank the Leader for her explanation to the salary cost and non-salary cost. Can I take it that the salary cost of \$5.166 million is to 30 June 2023? Is that correct?

I also seek some understanding of the \$18.35 million of non-salary costs. Is that setting up a very whiz-bang office with a lot of support? Where is that likely to be? I know that is part of the board's role, but I am interested in what the Government is thinking about the establishment of that office because I assume it is related to that.

The \$13 million that is being attributed to housing providers and housing support services - is that \$13 million what is left to be spent, again by the 30 June 2023?

Mrs HISCUTT - You do understand it correctly. The \$5.166 million is to be spent between 1 December 2022 to 30 June 2023. The \$18.35 million is with maintenance and property costs. The funding continues the housing operations of the Government.

Ms RATTRAY - The \$5.166 million in salary costs - is that for a board, a CEO?

Mrs HISCUTT - No.

Ms RATTRAY - It is not for the board of Homes Tasmania? -

Mrs HISCUTT - Through you, Madam Chair, it is the same as what was there before in the budget, it has not changed.

Ms RATTRAY - That is paid to Communities Tasmania?

Mrs HISCUTT - Yes.

Ms RATTRAY - Okay. Where is the money coming from for the board and accessories that go with establishing a board for Homes Tasmania out of this allocation of \$163.5 million if it is not coming out of the \$36 million? So that leaves \$126.924 million.

Mrs HISCUTT - I will seek advice.

At the moment, that money comes from Homes Tasmania - that is part of their revenue that they would raise. If there was extra money required, it may require a RAF or a supplementary appropriation; but at the minute we anticipate that the revenue will come through Homes Tasmania.

Mr WILLIE - Could the Government could give us a figure for the board costs to the end of the financial year in its establishment and all the things that go with that?

Mrs HISCUTT - Do you want to know where the funding comes from for the board?

Mr WILLIE - We want a breakdown of the funding for the board.

Mrs HISCUTT - So, it is irrelevant to this?

Mr WILLIE - It is not irrelevant.

Ms RATTRAY - It is seven months.

Mr WILLIE - Yes, it is seven months of funding. We want to know what the board costs are.

I remember when this Government had a policy to abolish boards. Yet, in the last 18 months alone - off the top of my head - we have established a board for The Office of Tasmanian Assessment, Standards and Certification (TASC), TasTAFE, Homes Tasmania, Stadiums Tasmania. It seems that we are establishing a board every couple of months at the moment. It seems to be one rule in opposition and one rule in government.

Mr Valentine - Getting rid of red tape.

Mr WILLIE - However, if we could get the funding allocation out of that envelope for the board costs, that would be good.

Mrs HISCUTT - This supplementary appropriation bill is not dealing with the establishment of the board. It is to do with Homes Tasmania. The costs have not been finalised yet for the establishment of the board.

Madam CHAIR - I remind members that we approved the expenditure when we dealt with the schedule. That is why I gave you time to stand on the schedule. A lot of these questions would have related to the schedule, not to this clause. I will allow the member for Hobart to have some leeway if he needs it. However, to clarify that, we have already approved schedule 1. That is why we postponed these clauses to enable the debate on the schedule.

[3.11 p.m.]

Mr VALENTINE - Thank you for that clarification, Madam Chair. My question is the same as the question I asked in the briefings, just to have it on the record. Are we expecting that Homes Tasmania, in a full year of operation, will basically be funded to the same level as the current operation within the department is funded?

Mrs HISCUTT - Yes, this is what the bill does.

Ms RATTRAY - I thank Madam Chair for the leeway in regard to this and apologies for not standing up on the schedule. How can Homes Tasmania be funded to the same level as it has when it was in Communities Tasmania, when you are going to take out seven months worth of funding of a board, and establishing an office, and all the things that go with establishing an office, and then say that they are going to be funded at the same level? I do not understand.

Mrs HISCUTT - It will come from within Housing Tasmania retained funding or, as I said before, they may need a RAF. I do not know what is going to happen in the future; but it is not part of this bill here in front of us.

Clause 5 agreed to.

Title agreed to.

Bill reported without request and without amendment.

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

That the third reading of the bill be made an order of the day for tomorrow.

Motion agreed to.

STADIUMS TASMANIA AMENDMENT (TRANSFERS) BILL 2022 (No. 39)

Second Reading

[3.14 p.m.]

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

That the bill be now read a second time.

Mr President, it gives me great pleasure to bring the bill before this Chamber that progresses the Tasmanian Government's commitment to establishment Stadiums Tasmania and

commence its operations. Our major stadiums are important for a range of reasons. They are spaces that bring people together to entertain them and to make them feel part of something bigger than themselves. They are home to sport of all levels, concerts, arts and cultural events, ceremonies, performances, eisteddfods and functions of all types.

Their primary and significant use is elite professional sport. Elite sport not only provides entertaining events for Tasmanians to enjoy, it provides inspiration for men, women and children to be fit and healthy individually or as part of a team. It supports the wider effort of our sporting clubs and organisations to bring people together and strengthen our communities. It serves as a key preventative health measure and is an investment in reducing longer term costs and pressures on health system. It also brings enormous economic benefits, business development and job opportunities and will help diversify our visitor economy.

I am pleased to confirm the Stadiums Tasmania Act 2022 commenced on 25 May 2022. This created a new statutory authority that can own, manage and develop our major stadiums as a Crown entity with a skills-based board and a statewide perspective. It will enable each stadium to continue to operate effectively and efficiently and meet the needs of their local communities, major sporting codes and competitions, other users and their audiences now and into the future. It also positions us to better identify the local needs and sporting and entertainment trends to inform future development that will enhance the assets.

In introducing the bill, I am particularly conscious of the important role that major stadiums play in our cities and regions. They are assets that generate visitor interest that greatly contribute to and broaden the Tasmanian visitor economy.

If you are out and about on an event day at one of our major stadiums, you would know how much energy, local engagement and interstate, intrastate and international visitation it can generate. It is important our stadiums are contemporary, relevant and competitive. We need to continue to strategically invest in our major stadium infrastructure to ensure that it remains current, contemporary and respond to the changing needs and expectations of sporting codes, competitions, audiences and other users.

The Stadiums Tasmania Act 2022 positions us to focus on these challenges and opportunities and will draw together a currently disaggregated set of important assets under the one umbrella. Both the election commitment from 2021 and state of the state address 2022 included several tasks that the Government is keen to have Stadiums Tasmania fulfil, drawing on the professional and technical expertise that will be available to it.

We will position Stadiums Tasmania to explore the feasibility of future potential developments, work in partnership with the Department of State Growth to progress major stadium capital developments, develop a 10-year strategic stadium plan and fulfil other responsibilities assigned to it in its statement of expectations. Each of these are important aspects of the role Stadium Tasmania is being equipped to fulfil within government and they reinforce its mandate.

The Stadiums Tasmania Amendment (Transfers) Bill 2022, completes a two-stage legislative process. The first stage established a statutory authority that can own, manage and oversee the development of major stadiums and other related assets. As I noted earlier, I am pleased to confirm this is a task that has already been achieved.

The second stage of this reform process comes with the tabling of this bill. This is an administrative and an amending bill. It will introduce the provision needed to smoothly transfer stadiums and related assets, contracts and liabilities and the ongoing employment provisions it will need to operate effectively. It also includes some additional governance provisions like those used by other state entities.

The transfers bill approaches its desired outcome in a tried and tested way and draws on the practical experience of similar statutory bodies here in Tasmania.

The bill has been crafted in a way that will enable the smooth transfer of major stadiums and related assets to and from Stadiums Tasmania, and provides ongoing employment and governance provisions. The provisions in this bill are commensurate with the functions, powers and governance structure established for Stadiums Tasmania.

I now turn my attention to providing an overview of the key provisions contained within the bill.

The Stadiums Tasmania Amendment (Transfers) Bill 2022 will update and expand the list of definitions used in the principal act to ensure the list of terminology used and transfer provisions are comprehensive, recognising transfers may involve the Crown, the authority, and non-Crown entities and ensuring the transfer processes are clear, flexible and fit for purpose.

The bill amends the time frames contained in the principal act under which the board is to prepare its first business plan under section 19 and its first annual report under section 32. These provisions recognise Stadiums Tasmania commenced on 25 May 2022, and its inaugural leadership are now being recruited. They will give the board the time it needs to begin operating, develop its first business plan as soon as is practicable, and clarifies when it is to prepare its first annual report.

The bill also outlines the employment arrangements of the chief executive officer and staff, and enables their employment pursuant to the Fair Work Act 2009. This will replace the interim provisions built into the principal act and introduces ongoing provisions that will enable Stadiums Tasmania to employ staff.

It also recognises the importance of positioning Stadiums Tasmania to be as commercially focused as possible whilst still a Crown entity. These capabilities align with the employment provisions the majority of stadiums proposed for transfer and better align with the variable staffing requirements and non-standard work hours associated with operating stadiums.

The bill also confirms the process upon which employees who are proposed to transfer, are to be made an offer of employment. This is a standalone part which reinforces the importance of current stadium employees and their knowledge, skills and expertise they possess.

Use of the term 'offer' is to consciously reinforce the fact that each employee proposed to transfer must agree to his or her transfer. The bill confirms that if they decline an offer, they will remain with their current employer.

Importantly, the transfer bill preserves specific agreed employment entitlements. While the transfer provisions for employees from the state to federal system, and federal to federal system, are generally prescribed under the Fair Work provisions, the bill reinforces these provisions and contains some additional provisions designed to ease the transition process for employees. These provisions include recognising remuneration entitlements and benefits, general leave and long service leave, continuous service and preserving the defined benefit superannuation arrangements of eligible State Service employees.

They also allow for agreements to be formed to achieve the same outcome for non-Crown employees and provide state servants who transfer with the ability to have their years of service with the State Service and Stadiums Tasmania recognised if they return to the State Service.

The bill outlines two distinct processes in Part 4B that give the minister the ability to transfer an agreed set of assets, liabilities and contracts to or from Stadiums Tasmania via a *Gazette* notice or a transfer agreement. Using a notice in the *Gazette* is consistent with the provisions in the Rail Company Act 2009 and Irrigation Company Act 2011, whereas the flexibility to use a transfer agreement is an option that gives the minister the ability to develop more tailored transfer arrangements should this be warranted. These transfer provisions will apply to the Crown, the authority and non-Crown entities.

The bill introduces a provision that waives the need for Stadiums Tasmania to pay state taxes. It is a common practice built into the Rail Company Act 2009, the Irrigation Company Act 2011, the Macquarie Point Development Corporation 2012 and the Water and Sewerage Corporation Act 2012.

The bill also builds on the governance provisions contained in the principal act by amending Part 6 to outline the duties, responsibilities and expectations of the board, officers and employees and former board members, officers and employees and makes them more explicit. These provisions are consistent with governance provisions contained in the Government Business Enterprises Act 1995 and Corporations Act 2001.

Last summer, Tasmania hosted an historic Ashes test match for the first time. In June 2021, the AFL blockbuster between Hawthorn and Essendon at UTAS Stadium was sold out, as were two historic AFL finals matches played at UTAS Stadium in September, the very first time we have hosted AFL finals in the state.

Ms Rattray - Does that tell the Government how strong it is in the north?

Mrs HISCUTT - Across the state, the support for and pride in our teams, like the Tasmanian JackJumpers and Hobart Hurricanes, has been nothing short of outstanding. These are prime examples of the sort of events and elite sporting opportunities Tasmania can and should aspire to now and in the future. These types of events are of great appeal. They showcase Tasmania to visitors and prospective visitors and inspire people to strive to compete at higher level of elite sport. Working together this will help stimulate grassroots participation and help build a more active and healthier Tasmanian population.

As the members of this Chamber would know, Stadiums Tasmania is initially expected to assume responsibility for the Crown-owned MyState Bank Arena in Hobart and the Silverdome in Launceston. The potential inclusion of Blundstone Arena, Dial Park in Penguin

and UTAS Stadium remains subject to negotiation with their respective owners. These negotiations can start to progress once we have greater certainty on the transfer process.

Ms Forrest - They cannot wait to give them up.

Mrs HISCUTT - Each stadium has the potential to generate their own income by arranging and hosting events through leases and licences, hospitality, merchandise, sponsorship deals, pourage and naming rights and other similar mechanisms. This will continue to be encouraged; however, as is the case with similar stadium authorities elsewhere, the Government recognises that to succeed, Stadiums Tasmania will need ongoing financial support to maintain its board and establishment and cover each stadium's operating expenses.

Mr WILLIE - Deficits for stadiums, fancy that?

Mrs HISCUTT - The 2021-22 state Budget included a total allocation of \$16 million in recurrent funding for Stadiums Tasmania over the forward Estimates to help cover these expenses. A financial profile of each stadium and their specific financial needs will need to be considered by the board once it is appointed.

While Stadiums Tasmania will have a role planning and facilitating new infrastructure, the primary responsibility of major stadium development projects will remain with the Department of State Growth. This means Stadiums Tasmania will not have direct responsibility for facilitating major capital developments announced by Government involving Blundstone Arena, Dial Park, the Silverdome, UTAS Stadium, Wilkinsons Point or the proposed new arts, entertainment and sports precinct in Hobart. However, as the owner-operator they will be clearly be a primary stakeholder.

I am conscious that some members have raised concerns about the risk that Stadiums Tasmania could become disproportionately influential in relation to publicly funded projects. Recognising this, the principal act includes the requirement for a ministerial statement of expectations to be developed, introduces ministerial direction, requires the board to follow the Treasurer's Instructions and to seek the Treasurer's endorsement to borrow funds. These checks and balances are important, contemporary governance provisions.

In addition to these checks and balances, section 7(2) of the principal act requires the board to obtain the Minister for Hospitality and Events and the Treasurer's approval, acting as shareholder ministers if it intends to progress plans to acquire, dispose of or demolish a stadium. Furthermore, as an added safeguard, parliament will need to endorse the allocation of any additional funding required to implement such a plan as part of the state budget. This makes them subject to scrutiny by parliament and the budget Estimates process.

I can also reassure members while the focus of Stadiums Tasmania is on major stadiums and related assets, this work does not in any way diminish the importance of other community-based assets. It does, however, direct and focus attention on the role major stadiums fulfil in maximising our ability to engage in elite national and international competitions and events. The nature of major stadiums is that they are complex and resource-intensive to own, operate, maintain and upgrade. We also need to ensure they remain safe, competitive and fit for purpose. Our stadium assets are vital components of our community's infrastructure. They play a critical role in bringing Tasmanians together and drawing people to our state from across the country and from around the world.

The Tasmanian Government's plans to prepare Stadiums Tasmania to begin operating through the transfers bill will position us to better meet these needs and maximise the role and benefits these important assets fulfil in our local communities and our state. I am sure all members present will join me in expressing our gratitude to all the staff, volunteers, sporting codes and competitions, community organisations and management of Tasmanian stadiums for the excellent work they do.

I trust they will see the ongoing establishment of Stadiums Tasmania as a reflection of our commitment to them. I am pleased to say the Government has delivered its commitment and Stadiums Tasmania has been created. We expect it will have its leadership appointed and commence operating in the coming months.

While its focus is on drawing our major stadiums together, it also represents several important objectives that unite us. The opportunity to attend or participate in an event at one of our major stadiums not only creates the ability to showcase our talent on the sporting field, on stage or by hosting a memorable event, it also gives us the ability to build and enhance our communities.

Mr President, I commend the bill to the Council.

[3.32 p.m.]

Ms RATTRAY (McIntyre) - Mr President, where do I start? I am somewhat confused - that is the word. We established Stadiums Tasmania because they are going to have all the expertise and the right people in place, a fantastic board, they are going to have a skills-based board and they are going to be able to do this, this and this. Then I read that:

Each stadium has the potential to generate their own income by arranging and hosting events through leases and licences, hospitality, merchandise, sponsorship deals, pourage and naming rights and other similar mechanisms.

...

... however, as is the case with similar stadium authorities elsewhere, the Government recognises that to succeed, Stadiums Tasmania will need ongoing financial support to maintain its board and establishment and cover ...

Each stadium's operating expenses. Then we have to find a bucket of money if they want to do something as well, Mr President.

I am somewhat confused about how we are establishing this organisation, that it is going to be able to deliver all the things that were promised in the Stadiums Tasmania Bill and then we need this bill somewhat to facilitate employees moving over to the new arrangement. I understand all that, but this is in the second reading speech, so obviously this is part of it.

All I can see is a big cost-shifting exercise. We have taken it away from local government who already have these stadiums and they pay the money. We know what the DEC is. That was one that was bought by the Government - this Government. I do not understand. If we are going to allow this new organisation to do all these whiz-bang things, then we are talking about all the money that they are going to need to do it, we are taking it away from local government

that is used to funding it by their community, and the community had investment and ownership, and management.

Ms Armitage - Also costs. It seems only fair that those who use it pay for it.

Ms RATTRAY - They do.

Ms Forrest - That is a very local government attitude.

Ms RATTRAY - When they turn up to the footy, we pay for it. When we turn up to an event, at any of those wonderful big facilities, as a consumer, we pay for it. However, we also pay indirectly through rates and taxes if they are owned by the government.

Ms Armitage - With all fairness, not if it is not your council. You are not paying rates.

Ms RATTRAY - Well, a lot of people who do not necessarily live in Launceston still pay rates.

Ms Armitage - No, but for that council. I am saying you are talking about cost shifting but someone always has to pay.

Ms RATTRAY - However, it is. It is a cost-shifting exercise, from local government, if they already own the facility, now to the state Government. It is the same people who are paying, exactly the same people. We have not been able to generate a whole bunch of people who live outside of the state and they want to pay for a lot of these things. Unless we can get them to come in and host some events, leasing and licensing, and hospitality and merchandising, sponsorship deals -

Ms Armitage - It is not the same people, but I will not argue with you on the Floor.

Ms RATTRAY - Feel free.

Ms Armitage - Mr President might not like it.

Mr PRESIDENT - No, there is a standing order about promoting debate. The member will have her chance to put her points.

Ms Armitage - Thank you, Mr President.

Ms RATTRAY - I am sure she will. I always enjoy the interjections, Mr President.

Mr PRESIDENT - Indeed.

Ms RATTRAY - So, as we know there is \$16 million in recurrent funding for Stadiums Tasmania over the forward Estimates to help cover some of these expenses. We might even get a RAF or two, in case they do not get enough money in the first need.

I wanted to make the point that I still find this difficult to swallow. I understand completely that you need to have some transfer pieces in place for those who decide to come across and be an employee of Stadiums Tasmania. I am interested - I know the employees who

decide not to come across can remain with their existing employer. I am interested if you have just one or two who decide, 'No, I think I want to stay'. I will say in this case - I am hesitant to use the Launceston City Council, because it might cause a problem.

Ms Armitage - Oh, feel free.

Ms Forrest - The Central Coast Council, they have one.

Ms RATTRAY - Yes, but theirs is not transferred yet, they are still working on theirs. So, that is a problem.

Mr Duigan - Neither is the Launceston one.

Ms Forrest - Neither is the UTAS one.

Ms RATTRAY - If you just have one or two, a small number of employees who decide that they do not want to take up the offer to be transferred across to the new arrangements, how does that work with their current employers?

I am interested in that. They might say, 'Look, this is not useful for our organisation to still have these two employees who should have gone across but decided not to. So, there is no obligation'. I am interested in how that might work as well.

By interjection, the Leader talked about Tasmania hosting the historic Ashes test, in June 2021, and then the blockbusters. Those blockbusters and two historic AFL matches were played in the north of the state. I said by interjection, does that not tell the Government something? It tells the Government that matches that are played in the north of the state are very well attended. Something for them to keep in their kitbag.

Ms Forrest - Well, perhaps if it was finals, they could not have anybody else because of COVID-19.

Ms RATTRAY - Yes, I understand that. I am saying that it was still well attended.

Mr Willie - For that cap, 10 000, they sold out like that.

Ms Forrest - How long? Four hours?

Mr Willie - One of them. Not the Sydney one.

Ms RATTRAY - I ask the question about the potential inclusion of Blundstone Arena. We had a lot of talk about Dial Park in Penguin, and I know it is dear to the heart of the Leader, and then the UTAS Stadium remains subject to negotiation.

I am interested in the status of those negotiations at this point in time. It appears that perhaps UTAS is jumping at the chance and Dial Park. I am not sure about Blundstone Arena, particularly when it talks about the new entity being able to demolish - so if I was Blundstone Arena and had a strong interest, I would start to think, are they thinking of demolishing Blundstone Arena and building a very large new spectacular centre?

Ms Forrest - Stadiums Tasmania will not build that but they might demolish Blundstone Arena if the minister for Events and the Treasurer say they can.

Ms RATTRAY - However, it still talks about 'demolishing' in this bill. It is an observation because I have no inside knowledge. You would not expect me to

A couple of questions. Obviously, Stadiums Tasmania will not pay state taxes and we understand that. The practice is built around the rail company, and we will not talk about the rail company, and the Irrigation Company Act 2011 and the very successful Macquarie Point Development Corporation Act 2012, and we probably will not talk about that one either. I am not sure that there is a lot to hang your hat on here.

Ms Forrest - It is only the decision not to pay the tax liability. It has nothing to do with them.

Ms RATTRAY - I still do not support the establishment of Stadiums Tasmania and I could well be proven to be absolutely wrong. I am happy to do so in my time in this place.

[3.42 p.m.]

Mr WILLIE (Elwick) - Stadiums seem to be quite topical in our community at the moment. Like the member for McIntyre, it was interesting that the Government acknowledged the ongoing expenses and operational deficits. That is what was mentioned in the lower House in the second reading speech. It has been changed just to 'expenses' in this House.

Ms Forrest - She did not say 'deficits'?

Mr WILLIE - No, I did that by interjection because I was reading the lower House speech.

Ms Forrest - I was reading the lower House speech.

Mr WILLIE - It has been changed to 'expenses' in this House if I heard correctly.

The Government acknowledges the ongoing operational deficits of stadiums, \$16 million in the forward Estimates already and I hope that the state of Tasmania and its people are getting a good deal here. We have a new skills-based board that is being established. We have heard in the briefings that there is a new business unit within State Growth called Major Stadiums that will develop new stadia and look at feasibilities and things like that.

I thought when we were debating the first tranche of this that is what Stadiums Tasmania would do.

Ms Forrest - There it is.

Mr WILLIE - This has been a two-part process. The first half, as the Leader said in her second reading speech, the commencement of Stadiums Tasmania Act 2022 was in May and established the new authority and its board and the initial employment provisions and provided it with its functions, powers and governance provisions. Members would probably remember me trying to move that bill off to a committee at the time because of some of the things a former

premier was saying about the new stadium, saying not to worry about the funding. At the time, I believed that this new entity was going to look at the feasibility for those sorts of things.

We had that debate. I lost by a vote or two but I still think that is an important area of scrutiny for parliament - potentially, this House - and I will look at other forums to do that because there so many unanswered questions.

I had a question the other day in question time last week. They could not tell me the ongoing interest costs; the operational costs of a new stadium. There is no business case.

Ms Forrest - Interest rates are changing quite frequently at the moment.

Mr WILLIE - They do not even have a payment schedule.

Ms Forrest - Yes, the cost of interest payments.

Mr WILLIE - There is a whole lot that is questionable about that proposal that we have signed up to, apparently without those questions being answered, which I find extraordinary. This is the second phase to that process or second tranche, where Stadiums Tasmania within this bill - this bill is needed to smoothly transfer stadiums and related assets, contracts and liabilities and the ongoing employment provisions. It will need to operate effectively. It also includes some additional governance provisions like those by other entities. The member for Murchison mentioned some of those entities that were in the second reading speech as well, not giving some members a lot of confidence.

So, I will not try to move this off to a committee. The Leader asked me a week or two ago whether I was planning on doing that. I do not think it is appropriate because there are other stakeholders involved here that currently own assets. I know the member for Launceston is very passionate about this. I would not want interfere with the Launceston City Council's budget, for example -

Ms Armitage - Would not get in her way, would you?

Mr WILLIE - or the ratepayers who are forking out their hard-earned dollars.

Ms Armitage - They could take our aquatic centre and museum as well.

Mr Valentine - I think this is a northern plot.

Mr WILLIE - It would not be appropriate to move this off for scrutiny because there are stakeholders involved who have a financial interest and are working with the Government to transfer some of these assets as we speak. I will not do that to them.

When I flagged that as a potential when we were establishing Stadiums Tasmania, they contacted a number of parliamentarians and the member for McIntyre mentioned Blundstone Arena. There are a few stakeholders there and that is why that one is towards the back end of this process because you have Cricket Tasmania that has made significant investments there. You have the Clarence City Council, and there would be a lot of negotiation to make sure everyone's interests are looked after before there was a transfer, and what happens.

I know Cricket Tasmania is in the media and I have privately spoken with Dom Baker who is quite supportive of the new stadium because they want to play their major content there. I suspect they would want to keep Blundstone Arena for their performance centre and everything else, which would be quite a good arrangement for them, I would imagine, to have that major stadium on the eastern shore and playing their major content over the river a couple of kilometres within sight.

Ms Rattray - That is called having your cake and eating it too.

Mr WILLIE - Potentially. They are going to fight for their interests and that is what they need to do as an organisation, and I support major cricket content and a lot of sporting content in our state. We can see that when we do get it, like the Ashes, people show up. We have been treated with quite a lot of disrespect at times by national sporting codes, not getting the cricket content that we deserve, having to fight for blockbuster AFL games. It is quite rare to get two Melbourne teams. We might get them once a year playing against each other here, that have big followings in Tasmania. Traditionally, it has been an issue for us. I understand Cricket Tasmania's position, wanting to fight for their interests. That is why it is at the back end of this process.

An important point that was raised in the briefing, and I do have a little understanding of this, but it is important to get it on the record here, is that we have a new skills-based board that is going to have ongoing support of \$16 million across the forward Estimates for all of the costs of Stadiums Tasmania. We have a new business unit in State Growth - Major Stadiums - looking at feasibility and things like that. They have a lot of consultants involved here too. We have had a slide provided to us, KPMG developed business and infrastructure profiles.

Ms Rattray - The Leader is going to provide a copy of that.

Mr WILLIE - The staff transfer process has been developed and subject to staff and union consultations, they have been involved with that. I would be interested in the costs of that. I know that answer but there are some other consultants too, so, if we could get a breakdown of all the consultants that have been used so far by Stadiums Tasmania and the cost for each and what work they have been undertaking, that would be useful.

I know you do have it, Leader. I can tell you the cost for the KPMG one, that is \$450 000, but I know that other consultants have been involved. My question is - and it probably is a bit of repetition - are we getting good value for money here? These stadiums are in operation now, and some of them are probably working quite successfully. I always enjoy going to UTAS Stadium to watch the football - I did go to one of those finals at the end of last year, and you saw Launceston come alive. We stayed there for the weekend. All the hotels are full, and the restaurants. The city is buzzing, when there is major sporting content.**Ms Armitage** - I like it when you come to Launceston.

Mr WILLIE - I enjoy catching up with my old friends in Launceston. It is a great ground to watch football. I go to Melbourne with my family and watch the football each winter as well. I particularly enjoy Marvel Stadium in Melbourne, but I equally enjoy going to UTAS Stadium and it is renowned in the AFL community as being a great playing surface.

Ms Rattray - The best playing field in the competition.

Mr WILLIE - One of the best playing surfaces in the country. It is a great ground to watch the football because you are so close to the action that you can hear what the players are saying to each other, and it is a great atmosphere in that stadium. I enjoy going there; but I can understand the Launceston City Council's position too. We have those issues here; one of the stadiums that is being talked about in this debate is MyState. As a long-suffering Glenorchy City Council ratepayer, we were subsidising that stadium but there was no investment in that facility, or next to none, for many years. It probably was at the point where the state Government had to take it over or it had to be knocked flat.

Ms Rattray - Maybe that is the one to demolish, then. Oh, that is right; we have just been spending money on it.

Mr WILLIE - I note that the council area that I reside in was able to negotiate a transfer without this process and off-load that asset - so it can be done. There are many council assets in greater Hobart. Hobart City Council often talks about the Taste of Tasmania. I know they have changed the arrangements there, but they were subsidising the cost for many years. There is the Doone Kennedy swimming facility. A whole range of things happen when you have so many neighbouring councils where everyone is using the facilities and you might have one section of ratepayers bearing the costs. However, as the member for McIntyre says, we all pay in some way; even with the UTAS Stadium, we have all paid significantly in our taxpayer dollars in upgrading the facility over the years.

Mr Valentine - Also the Doone Kennedy aquatic centre; basically, Hobart City Council.

Ms Rattray - Good management. Well done.

Mr WILLIE - The swimming facility has struggled to get federal funding in particular. They received a one-off and that upgraded it significantly. However, we all contribute in some way. I do not have an issue with this bill, in terms of trying to get economies of scale and attracting events. I do not have an issue with that; it is whether we are getting value for money and it produces the outcomes.

[3.54 p.m.]

Mr GAFFNEY (Mersey) - Mr President, I appreciate the contribution from members so far and there will be more to come, I am sure. I also appreciated the briefings that we received. I liked the way they have looked at other states for guidance and they have looked at other legislation. They have looked at Fair Work, and I was interested to find out they have not had any approaches from any of the unions about any of the issues they might have. That was a positive, because usually when you are going to play around with people's working conditions, you will get a representation. I also acknowledge it is a small number of people so far.

I looked at the fact sheet, which is very good because it fine-tunes what this bill is about, and what this transfer bill is about. We have the opportunity here, in a political forum, to say how we feel about the concept that has been announced as well. In April 2021, Stadiums Tasmania, a new statutory authority to oversee the sound use, management and future capital development of Tasmania's public stadiums and related assets. That is fine. They want an effective and official operation. That makes sense. The act establishes the functions, powers and governance arrangements for Stadiums Tasmania to operate. That was the Stadiums Tasmania Act 2022.

This transfer bill is primarily about the employment arrangements for the new statutory authority and provisions to facilitate the transfer of current and future stadium assets, liabilities, contracts and employees. Whilst there is the rhetoric about the bigger picture, what this bill is about is that transfer stuff. I consider we should focus on that but take the opportunity to have a bit of a smack at them about the other things, as well.

Ms Forrest - So, it is your position on the AFL football team. Are you going to get to that?

Mr GAFFNEY - Exactly.

Ms FORREST - I thought so.

Mr GAFFNEY - This is really about a staged approach to implement Stadiums Tasmania. The group that is in charge of getting this work done have come back with something that they feel is workable, has apparently been appraised by other legislation in other states. Obviously, there will be some finer questions we have during the Committee stage, but by and large, I think we all know this is going to pass, because it makes sense. We have to do the transfer part. So, this is the second part of it.

However, now I will have my chance to have my say about the AFL. It will not take that long.

Ms Forrest - Just say 'no'.

Mr GAFFNEY - I rise to give my contribution with an almost perfect sense of *déjà vu*. It seems as though it was only a few months ago that the original bill, which established Stadiums Tasmania, came our way. Maybe now it should be a simple housekeeping exercise to tidy up some of those loose ends, as part two of the original bill.

However, at that time, we had not long learned of the Premier's audacious and, dare I say, stunning move to build what was then to be a \$750 million, brand spanking new stadium, with all the latest bells and whistles.

That is where people's alarms went off about this bill, about this act, and about what they were doing. We were not quite certain where this fitted, and that was a bit scary for everyone. Yet, one stadium is going to be built that is barely bigger than either of two of our existing large stadiums - that is, the UTAS Stadium in Launceston, and the Blundstone Arena, which is just across the water from the intended site of the proposed new stadium - without many more seats, relative to the cost of it.

It is all going to be entirely dependent on the AFL awarding Tasmania a nineteenth licence for our own AFL team by the end of the year. With Christmas only just over five weeks away, I cannot help thinking the Government must almost be hoping that they are not on the AFL's naughty list, as far as Santa is concerned. If we add this to the fact that two aspiring Hawks' heroes are apparently meeting the Premier to put their case for continued Tasmanian sponsorship, it seems there is a lot at stake.

Taking this a little further - if the AFL licence does not come our way by the end of the year, does this mean the idea of a stadium is off, to be seen as another white elephant in the historical boxroom of political ideas that did not quite happen?

The AFL does appear to be the master of the art of deferred enjoyment, as they seem to be stringing us along in a 'will we, won't we' dance that would be a perfect plotline for an episode of Utopia or its nation building authority. Maybe it could be a Hobart special, to couple with the UTAS move to sell off the Sandy Bay campus and move into the city. Perhaps these two projects give a whiff of provenance to the phrase 'truth is sometimes stranger than fiction'.

I am a bit concerned that the skyline of our chief city is resting on an AFL subcommittee that is looking at a licence. That is a concern to me, when you have a look at the history; but that is aside from this transfer bill.

However, I must say, I am keenly aware, as are most Tasmanians, of current challenges in our health services. That is clearly brought home by an ongoing shortage of 60-plus GP positions vacant across a field of under 600 full-time equivalents.

Adding to this is the recent surge in our population, with almost double the anticipated population growth in the five years to 2021, with a total figure rapidly closing in on 570 000.

It may suggest that our secret is out. Tasmania is a fabulous place to live, and yet one that is struggling to keep up with the demand for housing, schools, and health services, in the face of our growing population. However, we already have two stadiums that will cater for 20 000-plus people.

Members of the Opposition have been keen to point out the possible anomaly of the Government's enthusiasm for a stadium, that will cost close to a \$1 billion; and, given current inflation and rising interest -

Sitting suspended from 4.00 p.m to 4.30 p.m.

LEAVE OF ABSENCE

Member for Nelson - Ms Webb

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council)(by leave) - Mr President, I move that the member for Nelson, Ms Webb, be granted leave of absence from the service of the Council for the remainder of today's sitting and for tomorrow's sitting.

Leave granted.

STADIUMS TASMANIA AMENDMENT (TRANSFERS) BILL 2022 (No. 39)

Second Reading

Resumed from above.

[4.31 p.m.]

Mr GAFFNEY (Mersey) - Mr President, I was speaking about the fact that members of the Opposition have been keen to point out the possible anomaly of the Government's enthusiasm for a stadium that will cost close to a billion dollars and given current inflation and rising interest rates, that may yet be a conservative estimate. It is not my place to judge whether this is political posturing from both sides or not, but certainly upping the ante.

What I do know is that many people in our community are highly sceptical that hundreds of millions of dollars being promised to what might be seen as a want, over the need for the basics in life of health, housing, and education, and one that struggles to justify the Government's argument that a new stadium will drive a resurgence in economic activity.

We are all aware of the Government's declaration of record levels of spending for health, housing and education, yet we are still faced with challenges in capacity and levels of service. Perhaps it points to the complexities of the problem as one that is not easily solved and suggests other factors at play. The fact is that maybe the consequence of past decisions by governments on both sides, both at a state and national level, may not have delivered what was expected.

The current public service pay disputes is another case in point, with the Premier's declarations of final offers with empty coffers and unions demanding more. A point that has rung hollow with the UTAS economist who suggested ample capacity within the state's budget to absorb a higher offer. This also seems to fail the community's pub test when we consider the estimated cost of a new stadium for wealthy elite sports and put it against rapidly rising costs of living and growing inflation that erodes the value of wages in real terms.

Dare I quote the infamous Darryl Kerrigan and tell him 'he's dreaming' about the price for a bright, new, shiny stadium in Hobart as there are community stakeholders and members of my electorate who wish they could, especially when the beating heart of the AFL is in the north and north-west of Tasmania.

I acknowledge the Government's recognition of the concerns of possible impacts of Stadiums Tasmania on investment and community-based sports infrastructure. However, acknowledgement is only an awareness and given that grassroots community sport has the highest level of engagement and community support, I strongly believe these facilities should be the absolute focus for future investment. There are a number of lower level sporting facilities and community initiatives that would greatly benefit from a statewide perspective as part of a wider portfolio of sports venues.

I like to think we can expect tangible support in an holistic approach to sporting infrastructure and not just focus on the top end of the town, maybe as part of the ministerial direction to the board of Stadiums Tasmania that is defined in this bill. The promise of hundreds of millions of dollars of spending to sweeten the deal for the AFL licence when we already have two perfectly adequate stadiums that are larger than a number of mainland equivalents, seems to be a farcical waste of resources.

We must look at how we help our younger generations have fun and truly enjoy their chosen sport without the pressure and expense that comes with the expectation of moving to the highest levels, as elite sport is exactly that, for the elite, the very few. Sport is all about having fun and enjoying the activity, when the individual has a team, be you participant or spectator, win or lose; whereas the elite has no place other than the effort you put in to give it your best. I believe this bill as part two of the original Stadiums Tasmania bill is as inevitable as night follows day. It will be interesting in GBE questions over the next two years to explore the establishment and acquisition phases of Stadiums Tasmania and its progress regardless of whether or not it is foreseeable that the AFL allows Tasmania to eventually have its own AFL licence.

As I stated earlier, it is a pity that this has been complicated. There are things I am more concerned about in relation to our elite sportspeople or spectators getting to see those games; the number of kids we have sitting on couches with obesity and those sort of health problems and issues.

However, as far as the transfer amendment bill goes, I will be supporting it because we have made the bigger decision about going down this pathway. I see no sense in not supporting this. It may be refined in a few areas if the people feel that is the case but I will be supporting the transfer amendment bill.

[4.36 p.m.]

Ms FORREST (Murchison) - I thought the member for Mersey was going to rev up and tell us what he really thought, but no.

As other members have alluded to, including the member for Mersey, it is really part two of a process and the overall intent was dealt with at a previous time this year.

There are a few questions I will ask about the bill but also to clarify the role of Stadiums Tasmania in light of the transfer provisions. I will refer to some of the comments made by the Leader and some of the notes I have taken. I appreciate the briefing today and the information that was provided, and the PowerPoint that was distributed yesterday.

The bill deals with the transfer of assets and people. I am not sure that anyone specifically asked the number of employees who potentially could be transferred through this process. I will be interested to know the number of how many we are talking about. I know it is not a large number and hopefully you have that information.

I also note in the provisions in the bill the person has to agree in writing to that transfer and notionally if they do not, according to the second reading speech and the bill as I read it, they will stay with their current employer. This makes me think, who is their current employer and what job will they have? Is it a 'no choice' thing because if you do not transfer with Stadiums Tasmania which is taking over the management, operation and oversight of the stadium, what will your job be?

I am trying to understand - you can say 'yes' or 'no'. It does not necessarily mean you are still going to have a job. If you say 'no,' you do not want to transfer with Stadiums Tasmania, you are going to stay with your current employer but your current employer does not have anything for you to do now because the management and operation of the facility has been taken over by Stadiums Tasmania, so it is not much of a choice.

If you have a number of employees who potentially could be transferred across and what that means if they are to stay with their original employer, that is a matter for the employee in many respects because they will make their own decision on that but it does not seem potentially like much of a choice if a current employer may not have a meaningful job for you.

I hope that the Leader can alert me to some of those things.

I noted in the briefing that there was a comment made about Stadiums Tasmania, the organisation, being involved in feasibility testing for new stadia and in the second reading speech it talks about them as being a primary stakeholder. I will read the relevant sections from the second reading speech:

While Stadiums Tasmania will have a role planning and facilitating new infrastructure, the primary responsibility of major stadium development projects will remain with the Department of State Growth. This means Stadiums Tasmania will not have direct responsibility for facilitating major capital developments announced by government involving Blundstone Arena, Dial Park, the Silverdome, UTAS Stadium, Wilkinsons Point or the proposed new arts, entertainment and sports precinct in Hobart. However, as the owner-operator they will be a primary stakeholder.

When we dealt with this bill, and maybe I misunderstood the overall intent, I thought at that time that Stadiums Tasmania was to take over all aspects, including consideration of the new stadium. It seems that their role in that new stadium process will be in terms of being a primary stakeholder. They are going to be given the task of running any new stadium or major new stadium that is built. Not your local footy stadium, but a major stadium.

I am interested to know a little more about what that will actually look like. How much of the feasibility testing - the term used in the briefing - for a new stadium, and what would be the scope and the criteria? What would be the expectation of Stadiums Tasmania in that process acknowledging that they will need to take it over? They may say, we need so many rooms and office space for our staff who will need to be onsite to manage this stadium. Is that it? So other external parties, government or others, do the rest of the work?

Yesterday, when we had that PowerPoint presentation in the briefing, it was the first time I was aware that there is a new department within State Growth called Major Stadiums. This is why I was quite confused about this because I thought that that work was to be undertaken by Stadiums Tasmania. We are setting up yet another statutory authority, which is arm's length in some respects from government, to look after significant state assets, and they are only doing part of the job.

I know there is an expectation, and I went back to the principal act to remind myself where the functions of the authority are clearly outlined. There is a page and a bit of them, and under the functions, one of them is to be the custodians of major public stadiums and other assigned assets on behalf of the Crown and the Tasmanian community. These matters were debated back then, I get that, about what sort of assets that could include, but then, 6(b) says:

to own, acquire, manage, operate, maintain, plan for and invest in the development of, assigned assets.

I assume that means they will not have any involvement in the new assets. This is the assigned assets. We are assigning assets to them, a couple in the initial consideration, as we have been informed and, probably a range of others. I actually misunderstood that at the time, I will say.

I thought it was going to be a much broader remit and role. To me, we have another area within a department that to date I have not seen any funding for, but must have funding to do the work of actually developing new stadia.

Mr McLachlan is in town on Friday. Mr McLachlan is meeting the Premier on Friday. Who knows what he will have to say? Some are waiting with bated breath for the outcome of this decision, a decision that if it is to be affirmative, relies on the building of a new stadium at the place that Gill McLachlan thinks is best.

Mr Willie - We were supposed to have an answer in August too, were we not?

Ms FORREST - We were, but, you know, August which year?

Anyway, I have real problems with Mr McLachlan telling us how to do our business in the state. If he wants to insist on a new stadium on our state, perhaps he could fund it through his AFL organisation.

Mrs Hiscutt - AFL largesse.

Ms FORREST - Or, he can butt out and let Tasmania decide what is the best location for a stadium for their AFL matches, if and when we have our own AFL team.

Whenever I talk to members of my community, they have that very strong view as well. I have not met anyone who has not wanted to tell Mr McLachlan where he can go. It is not onto Macquarie Point and say this is the spot. That is pretty disappointing that someone from outside the state can say, 'We will have it here, thanks', without any regard to the debacle that Macquarie Point has been. The fact is, he is trying to dictate to the state not only that we have to have a new stadium, when we have two others that are almost at the capacity required - albeit with their challenges, particularly Blundstone Arena.

Mr Willie - It is not like the state's not underwriting the rest of the team in the operations, anyway.

Ms FORREST - It does concern me to a degree. Other members have pointed to section 7(2) in the principal act that this relates to:

The Authority must not acquire, dispose of or demolish major assets or property without the approval of the Minister and the Treasurer.

It can do so; it just needs to get the approval of two ministers, assuming the minister is not the same person in both, which sometimes happens in these circumstances.

It does concern me that this is a side issue to this. I do not oppose the transfer of these assets and employees; that was basically agreed in the last iteration, in many respects. Our job here is to scrutinise whether this is the most effective mechanism to do it.

I note that decisions are to be made about the location of the head office. I am interested on how that will be determined. Is it based on where the CEO is going to live? Is it based on where the chair lives? What are the criteria around that? Does everything have to be in Hobart, in terms of the head office for this? The CEO may well come from outside the state. I do not imagine we are going to be happy to have a CEO based over on the mainland; but there may be an expectation that they move to a certain part of the state. I want to know about some of those considerations that are part of this process.

In the briefing, in terms of the transfer of assets across, we know that MyState is owned by the state - one could argue at great expense to the state - and there is a range of lease arrangements that sit around that. I was interested in the length of time that those lease arrangements exist. As I understand these sorts of arrangements, they would have to take those lease arrangements across too. You cannot separate; well, you could; but it would probably come at a significant cost if you were going to break a lease. You do not do that sort of thing without costing money.

I also want to note in the last debate on the principal act, we did have significant representation, particularly from Launceston City Council and they were desperate to give away not just UTAS Stadium but several other assets - if you listen to the member for Launceston. Some of them are not stadiums. A lot of councils might like to give away a lot of things. The West Coast Council might want to give away a lot of their pools - they are extraordinarily expensive to run and maintain.

Mr Valentine - The word 'millstone' comes to mind.

Ms FORREST - However, they are not a stadium, as such. This is a true story of the cost of some of these assets run by very small councils. The late Darryl Gerrity - everyone loved Darryl; well, most people did anyway - but good old Darryl, sitting around the council table as mayor, discussing the cost of running one of their many pools on the west coast; they are all heated, for obvious reasons, and indoors. They were trying to deal with their budgetary issues, and the costs of running and maintaining the pools were significant. So, he suggested at the council meeting that only three of the six lanes were heated. They actually had a debate for a little while about that, before anyone cottoned on that maybe that was not possible. Seriously. You can understand how Darryl would have done it with a deadpan straight face and got away with it.

The former member for Rosevears could also tell you some stories about Mr Gerrity. He was a fantastic representative and he fought tooth and nail for the west coast; often without success on things like the paying of rates by government-owned businesses et cetera.

I was reading along with the speech; maybe I did not print the updated version, but I was following along. We know that one of the reasons Launceston City Council wanted to hand over their very expensive stadium was the operational deficits that the stadium attracts. They cost money to run. You are not making money out of them. Despite a couple of blockbuster, sell-out crowds, they still run at a deficit. It is over to the taxpayers of Tasmania, as a whole.

I understand the arguments about people who use it can pay. However, Launceston does benefit. The stadium in Launceston, for example, is a much better located stadium than Blundstone - as those from Launceston would probably agree. It is in the city, it is near

accommodation, it is near the restaurants, it is near other services, and people spend money when they are there.

So, Launceston does benefit. Sure, the UTAS Stadium may run at a loss and have an operating deficit, but there are other benefits. Launceston City Council get all the benefits through their -

Mrs Hiscutt - It is a bash at Launceston.

Ms FORREST - No, she can have a crack at me afterwards, and she probably will.

Mrs Hiscutt - I reckon she will.

Ms FORREST - The reality is that we, as a state, are taking over the assets and all the costs that go with it, including the operating deficit. I cast my mind back, boys and girls in this House, as the member for Apsley, as it was then, will remember, with our water and sewerage legislation. Maybe the member for Derwent was here then?

Mr PRESIDENT - No, the previous member; but I had to pick up the bits and pieces on it.

Ms FORREST - It was a bit before your time. The previous member was in charge of it. It was his fault.

Mr PRESIDENT - I had to campaign on the back of that.

Ms Rattray - It was not the one he had a nose for, but it was one.

Ms FORREST - Yes, he did have a nose for it. I know he tried awfully hard to get it across as a state-owned company. That was not to be successful; and we ended up with this hybrid model that no-one has ever seen the like of before or since. However, courtesy of the taxpayers we took over a heap of assets that were noncompliant and were, effectively, operating at a loss. Here we are - doing it again.

I want people to be aware of what we are doing here. We are transferring over assets that run at a loss. It is clear, because in the second reading speech we talk about the community service obligation aspect of that. I am going to come to the community service aspect of this, and the obligation.

I absolutely agree that the benefits that come from participating in sport, cultural and arts events are very significant. I do not doubt that for a minute. When people have asked me about whether we should have a new stadium in Hobart, I have said that I have no issue with considering a new stadium somewhere - whether it is in Hobart, Launceston or on the north-west coast, or wherever - because it does bring the opportunity to bring big events, whole big festivals, and play and attract major sporting events. That is great but it should not be a condition of something else. It should be because we need that asset, because it will bring benefit.

I go to the comment that the Leader made about investment in stadia, and attracting elite professional sport. We watch elite professional sport - unless you are really good and you are

participating. The member for Mersey might have done some elite stuff. I think he is the only one who can claim that in this Chamber, if anyone can. The Leader said it serves as a key preventative health measure and is an investment in reducing longer term costs and pressures on the health system. So is providing housing to people; so is providing a good education to people and so is lifting people out of poverty.

They have a much bigger impact on the health and wellbeing of Tasmanians than a stadium will have. I took some offence at that comment, to suggest that it is going to save our health budget. It is probably last down the list of those things I have mentioned by a long shot. I absolutely agree we need to have funding for the arts and sport to support the health and wellbeing of our community, but not in preference to lifting people out of poverty, access to housing and access to education and health services, which should actually become part of that.

I note the Leader said we need to continue to strategically invest in our major stadium infrastructure. When Mr McLachlan turns up and says; 'You'll build it there', there is hardly anything strategic about that. That is so far from a strategic approach there is nothing further away from it. So, Mr McLachlan, let us decide if and when we need a stadium and I am happy to meet with him on Friday if he needs and I would be happy to tell him my view of the world.

Mrs Hiscutt - I may have to call standing order 100 pretty soon.

Ms FORREST - On what basis? Provoking an argument?

Mrs Hiscutt - Relevance.

Ms FORREST - No, this is relevant. I am talking about this is what the second reading speech says.

Mrs Hiscutt - It has nothing to do with the stadiums, this is a transfer bill.

Ms FORREST - However, it might transfer a future stadium to it and that is the point.

Mrs Hiscutt - Where is it?

Ms FORREST - Well, Mr McLachlan thinks he knows.

Ms Rattray - That was my argument too, Mr President, if it is in the second reading speech, then any of our comments are relevant.

Ms FORREST - Yes, that is right.

Ms Rattray - That is why you had to pull this up.

Mr PRESIDENT - That is why you have short second reading speeches.

Ms FORREST - I will focus now on another aspect of the second reading speech and the bill, particularly the principal legislation in relation to the functions of the board and the organisation, as such, Stadiums Tasmania. However, this is on supporting, attracting and delivering international and national sporting, entertainment, and event content and to host a statewide regional and local sporting entertainment and event content - much easier to do for

the centre of the state, that would be the go if you are going to attract visitation. I might get into an argument with the member for Windermere here.

Mr Gaffney - Dig an underground tunnel at Campbell Town, across the road.

Ms FORREST - It was pretty wet and boggy out there at the moment with all the rain, probably the snow as well. Mr President, I accept that it is important that someone is directly focusing on events attraction and such things and if we do not take over these assets, we need to maximise their use to try to reduce the operating deficit. Not that we will, but there is a community service benefit there. We have talked about that, but it is not as great as some of the other investments that could be made in our society.

However, I want to be sure this work in Stadiums Tasmania to attract events, to support events, and the question of whether they will actually also fund events through their operating expenses - or, it will not be capital expenditure obviously, but have they money to support events, what is the funding that is going to be available for this purpose? To attract, hold, and promote events.

There is a big funding task there. What does that mean if anything, and I hope it is nothing, to the current events budget that so many other organisations in our state rely on to hold events. I declare my interest in Unconformity, we do get significant funding from Events Tasmania, for which we are very grateful and I declare that. There are many other events, the Junction Arts Festival, the Taste, car racing, Dark Mofo, all of those, they get funding from Events Tasmania and it is welcome, a lot of that.

However, what is key to me is that we are not going to see an erosion of that funding to pop over here and support funding to prop up our stadium because they need to try to earn their way more than they currently do. These are very relevant to this bill, Leader, just so you know we are not off on standing order 100. However, as the member for Mersey said, we are not going to oppose this bill, we have been going through the progress of supporting the establishment of the organisation as such, but the questions I have asked are important questions and I need to have responses to them.

There is great community interest in what Stadiums Tasmania will do, particularly with the very public commentary on a new AFL stadium that allegedly is a condition of an AFL nineteenth team, which I find very difficult to defend in my electorate. In fact, I am unable to defend in my electorate.

[5.00 p.m.]

Mr VALENTINE (Hobart) - I saw the Leader about to hop up. I had better get up there before she closes it off.

Mr PRESIDENT - Absolutely. That is how it works.

Mr VALENTINE - Mr President, I was looking up the previous debate on this and noted that there was not a division and I supported the concept of Stadiums Tasmania. I refused to comment on the new stadium when it was dealt with because we might have to deal with that in the Public Works Committee, if it would get to us. It might not before I leave, but nevertheless.

All I can say is, if anybody had attended the Town Hall at lunchtime, which I did to inform myself and nothing more -

Ms Forrest - What of?

Mr VALENTINE - It was a meeting by the Planning Matters Alliance on Macquarie Point.

Ms Forrest - I had a committee meeting.

Mr VALENTINE - The new stadium was referred to as Jeremy Rockliff's wart.

Mr Duigan - What was it called?

Mr VALENTINE - Jeremy Rockliff's wart on Macquarie Point. That was something it was referred to as.

Mr Duigan - Positive approach.

Mrs Hiscutt - I assume it was a one-sided argument, are we saying?

Mr VALENTINE - Well, it appeared to be a one-sided argument, but I took notes, as I should do and of course, you have to listen to both sides, but that was one-sided.

Mr Willie - I think the Government -

Mr VALENTINE - They did not turn up, but neither did the Opposition.

Mr Willie - I do not think we were invited.

Mr VALENTINE - Just to put that clearly. Anyway, there were quite a number of aspects of that development that were drawn to the attention of those who were present.

No doubt you will read it in tomorrow's press. There would be a number in this room who would have been quite heartened by some of the thoughts and feelings that were going down there at the Town Hall.

However, what we are dealing with today is not the new stadium, although it might find its way into Stadiums Tasmania if it ever comes into fruition.

In looking at this particular bill with regard to the transfer of staff, and it has already been mentioned by the member for Murchison. Previously, I had written down the question, what can those who are not transferred expect going forward? Will they have a chance for a meaningful job?

I would like to see that answered. It is all very well for us to set these facilities and structures up, but at the end of the day, it is people who run them. It is people who are currently employed looking after these facilities and mechanisms that relate to their maintenance and upkeep. It would be good to know the Government is providing a meaningful existence for those people who choose not to transfer across.

It is clear from the briefings and from the second reading speech that they will have an option. When it comes to staff, it is almost like they are given an ultimatum and I hope that in this case, it is not an ultimatum, but they have fair options. Fair options is what I want to see.

I understand there are different operational circumstances for each of the stadiums that are to be managed by Stadiums Tasmania. I can understand that. The member for McIntyre and I, as members of the Public Works Committee, went to the Dial Regional Sports Complex at Penguin, but it was to look at the school which is adjacent. It is a great location for a facility - there would be no question about that but its operational circumstances would be way different to something like MyState Arena or 'Boot Park', as they call it, or the UTAS Stadium. They are totally different.

In setting up a new board and all of the expenses that go with that, you think, 'How can the Government be saving money out of this when these facilities are currently run by others?', but that debate was had way back. We agreed with setting it up.

Ms Rattray - Some did.

Mr VALENTINE - Some did but there was no division so we do not really know how many did or did not. the point is that it is a way forward. I hope that it is not simply a way forward to prop up unviable facilities that might exist at the moment, that is the important thing.

I note that we have two different aspects to this: the major stadiums back in the department and that looks after the development side of it, we have been told, and Stadiums Tasmania looks after the operational side.

I had some questions that I asked during briefings on this, particularly with respect to the statement of expectations, that the minister cannot override any strictures that are contained within the act. I was told, no, the minister cannot override strictures that are contained within the act so therefore is not able to orchestrate things necessarily to the Government's advantage, if I can put it that way, or bring facilities in. The processes in the act have to continue and have to be applied. I was comforted by that.

The other thing that I was concerned about was the Public Works Committee and that all developments - whether Stadiums Tasmania does those developments or whether Major Stadiums Tasmania within the department does those developments - whether they will be subject to the Public Works Committee scrutiny. I was informed that they were and I want that confirmed by the Leader so that we know that this is not a backdoor way of getting developments done without fair and reasonable scrutiny from the parliament through the normal processes of the Public Works Committee.

That covers off on three of the concerns that I had. I hope that this proves to be a successful model and I guess we will have the opportunity to scrutinise it through the various processes and procedures that we have in this House.

I support the bill and I look forward to listening to further comment on it.

[5.09 p.m.]

Ms ARMITAGE (Launceston) - Most things have been said. I agree with others that many people benefit from sports, and stadiums are very important.

I thank the Leader for the briefings today and it made it very clear - the exact reason behind this bill - that the Stadiums Tasmania Amendment (Transfers) Bill is an administrative bill that amends the act and adds provisions that enable the transfer of stadiums, liabilities, agreements and employees, and employment under the Fair Work Act 2009.

I note that work is currently being undertaken within the Department of State Growth regarding employees who are currently engaged and I believe that work is being undertaken with unions to negotiate with those workers for the transfer. That is important to make sure that everything goes smoothly and that workers feel safe in the positions that they have and do not have that concern that all of a sudden, as has been mentioned by others, that perhaps the stadium might be demolished and they are out of work. It is important that the unions and others are involved and it comes under Fair Work to make sure their rights are upheld.

As has been mentioned, some of the stadiums currently are funded by councils. Launceston City Council currently does manage the UTAS Stadium, formerly known as York Park. Having been a past councillor, I have always been of the opinion, as many of the councillors were, that it is unfair for a state asset to be managed and financed by a local council when it is used by the whole state. I see this as a good move to transfer to state ownership and I accept the member for Murchison saying that when people come to UTAS Stadium, they spend money in the city. When they spend money in the city, which is fabulous, they are spending it where they are staying, they are spending it on food and drink and restaurants. That is not going into the council, so the ratepayers are still -

Mrs Rattray - They pay the rates.

Ms ARMITAGE - I am not going to debate with people in this House. My husband having owned a business, when people used the services of his hotel, he was still paying the same rates whether the people came in or not. It simply made it easier for him to pay the rates when they purchased the food and drink that was provided. No extra money went into his rates, he did not pay any extra rates that went towards the provision of UTAS Stadium, or the museum or the swimming pool. Also, it would be pleasing if the state might like to take them over.

I do not see the common sense in the statement that people spending money in businesses, helps the council, because the council do not get any extra rates.

Ms Forrest - The businesses stay in business though, that is the point, and new business can develop.

Mr Valentine - It boosts the value of the city, which boosts the rates.

Ms ARMITAGE - I am supporting the transfers.

Mr Valentine - Of course you are.

Ms ARMITAGE - In actual fact, Aurora Stadium, or UTAS stadium, is in the member for Windermere's electorate.

Ms Forrest - It is his fault.

Ms ARMITAGE - However, I am defending the ratepayers of Launceston because they have been the long-suffering ratepayers who have been funding these state assets. I know many times in Estimates it has been brought up, that the museum, we would love the museum, which is also in the member for Windermere's electorate, it would be wonderful if that could be taken over. I am sure the aquatic centre, we could probably put an argument that it almost is a stadium; it is certainly a sports facility.

I support the bill before us. I am pleased to see the Silverdome and when I was on Launceston City Council, the then government tried to sell it to us for \$1. Fortunately, the council saw the error in the ways of taking that on and left it to the government, which was very pleasing. We all know the cost of maintaining and every year the cost of just maintenance on UTAS Stadium was about \$2.3 million.

Mr Valentine - I wonder who lobbied for that?

Ms ARMITAGE - For which?

Mr Valentine - For getting it built.

Ms ARMITAGE - Which one?

Mr Valentine - The Silverdome.

Ms ARMITAGE - I know it was not me, because I was not on the council at that time.

Ms Forrest - It was 1998.

Ms ARMITAGE - Mr President, in all fairness, they really are trying to quarrel with me.

Mr Gaffney - Launceston has received the benefits of the velodrome for many years without paying them for it.

Mrs Hiscutt - Do not bite, just keep going.

Ms ARMITAGE - We had the common sense not to take it on. It is another statewide facility. I thank the Leader for the briefing today. It made things a lot clearer, we have had the first bill and it is only natural we proceed with the second bill, which is the transfer and I will be supporting it.

[5.15 p.m.]

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, I have a very lengthy one. From the briefings, there were a few things that arose which will cover a couple of questions that have been asked now. Firstly, I remind members of our need to be conscious of the fact that the transfers bill is on the administration of the transfer of stadiums and the employment arrangements for Stadiums Tasmania, not the capital projects being pursued by Major Stadiums in the Department of State Growth.

A separate briefing on that can be arranged if members are interested in that for another time. Major Stadiums was spoken about this morning, and to close the loop on that process, I can confirm that Major Stadiums is a business unit in the Department of State Growth. It is

being funded from project-specific funding and some internal funding and will be subject to parliamentary scrutiny as part of the usual annual budget process.

Ms Forrest - It will have its own line item, I assume?

Mrs HISCUTT - I will seek some further advice and will come back to that. The member for Hobart, two of your questions are covered. In response to a question about whether the minister can include content in the ministerial statement of expectations that is inconsistent with the provisions of the legislation, I can advise that the issuing of a statement of expectations in the ministerial direction under section 15(2) and section 16(2) of the principal act needs to have regard to the authorities, functions, and powers as a result of these provisions and the minister's input must be consistent with the provisions of the legislation. Under section 15 (8) the minister is to consult with the Treasurer and the board in preparing the statement of expectations, which is another checks and balance mechanism built into the principal act.

Mr Valentine - Thank you, I appreciate that answer.

Mrs HISCUTT - The Standing Committee on Public Works; I can confirm that departments and statutory authorities are both subject to scrutiny by this standing committee, which includes the Infrastructure Tasmania and Major Stadiums teams in the Department of State Growth and Stadiums Tasmania as a statutory authority.

Some questions from the member for McIntyre.

Ms Rattray - That will resolve my confusion.

Mrs HISCUTT - I need to get that standing order number ready.

Is this not all about cost shifting? The development, management and maintenance of the major stadiums is a costly exercise. These expenses are currently being covered by the current Crown and non-Crown stadium owners with support from government at all levels. Stadiums Tasmania will assume responsibility for these costs so, yes, it is in part a cost-shifting exercise.

The need to better coordinate the management of major stadiums and maximise their capacity to generate income to cover their expenses is part of the rationale for establishing Stadiums Tasmania. However, we also need to recognise that government has a long history in investing in these stadiums. For example, it has made a significant contribution to the construction of the northern grandstand at UTAS Stadium in 2009 and the western grandstand at Blundstone Arena in 2013.

As we saw with MyState Bank Arena, which reflects the experience of other Australian jurisdictions, it is difficult for local government to maintain major stadiums to the standard required by sporting codes and event organisers. The state Government is much better equipped and resourced to own, manage and develop our major stadiums, keep them current and work with national and international sporting codes and event organisers to acquire content. Whilst Stadiums Tasmania is expected to result in some cost shifting between local and state government in particular, in the long term, the benefits of essentialising the management and operations of stadium infrastructure while having a statewide perspective and the ability to

strategically plan, maintain and develop the stadiums that transferred to Stadiums Tasmania will generate many benefits.

There were quite a few members who talked about staffing arrangements. The member for Hobart, the member for Launceston, the member for McIntyre and the member for Murchison to name a few - what is the staffing profile of each stadium? There is a bit on the end of that.

As members are aware, Stadiums Tasmania's operational employees will be based at each of the stadiums it owns.

Once the initial stadium employee transfers, it is expected to employ approximately 16 operational staff and the casual staff it will need to operate them and start to establish a modest head office.

The Silverdome currently employs seven individuals and draws on a team of casuals on fixed-term contracts to assist with front and back of house roles at events.

UTAS Stadium currently employs nine individuals and accesses its casual staff from a private provider. MyState Bank Arena is a venue that is leased to the LK Group. It employs all the staff based at the arena and none of them will transfer to Stadiums Tasmania.

The authority will have some responsibility for maintaining the grounds, but this is expected to continue to be contracted out.

Blundstone Arena and Dial Park have been earmarked for potential transfer to Stadiums Tasmania if this can be negotiated with their owners. Blundstone employs between 15 to 20 individuals to operate the arena, although some of these individuals also fulfil other tasks for Cricket Tasmania. Dial Park is owned by the Central Coast Council. It is currently maintained and serviced by council's park and recreational team who work across this local government area.

Ms Forrest - They will not transfer then?

Mrs HISCUTT - They do not need to.

Ms Forrest - No; they will stay and work for the council.

Mrs HISCUTT - They are employed by the council.

Affected employees are continuing to be briefed on these developments by their management and the project team. Under this bill, stadium employees will be offered the ability to transfer to Stadiums Tasmania. If they elect to transfer they will move on an agreed transfer date. If they do not accept the offer they will remain the responsibility of their current employer, be managed in accordance their employment arrangements and the intention will be to find them a role comparable with their current one.

The member for McIntyre was talking about the status of Blundstone Arena. Blundstone Arena is jointly owned by the City of Clarence and Cricket Tasmania, and Cricket Tasmania manages and operates it on a long-term lease.

Blundstone Arena is expected to transfer if it can be negotiated with its owners. Discussions with its owners have commenced and have been welcomed. Cricket Tasmania is working proactively with KPMG and Infrastructure Tasmania to provide stadium information. This work is informing the due diligence process and will facilitate future discussions regarding the stadium's potential transfer. Cricket Tasmania has indicated its support and welcomes the path to establish Stadiums Tasmania, but it not yet able to determine whether or not it should transfer the stadium at this time.

The Government respects this decision and has provided some financial support to assist it with assessing the proposed transfer.

The Department of State Growth has provided a grant to Cricket Tasmania worth \$145 000 to assist it to confirm its vision for cricket in Tasmania, its purpose, role and strategy, its needs, priorities and objectives, consider the options available to it in continuing to own and operate Blundstone Arena and explore and assess the impacts of transferring Blundstone Arena to Stadiums Tasmania.

This work is underway and is expected to be completed over the next three months. We will continue to work with the stakeholders involved and support them to reach informed decisions.

Importantly, the Stadiums Tasmania Act 2022 has been drafted in a way that enables it to assume responsibility for this and any other stadium assets that are agreed to transfer into the future.

The member for Elwick has the longest answer - what is the cost of establishing Stadiums Tasmania?

Stadiums Tasmania has been established with a recurrent appropriation from the state budget of \$16 million over four years and commenced in 2020-21. It is expected to have an annual operational budget of approximately \$10 million and initially be responsible for up to \$300 million in stadium infrastructure.

Each of the stadium venues proposed to transfer to it currently generates income by organising and hosting events of various sizes. Venue hires, operating food, beverage and merchandise concessions and generating income through things like naming rights, sponsorship deals, office rent and other sources such as by hosting telecommunications towers.

The cost of operating a stadium venue in Tasmania and elsewhere tends to exceed their capacity to generate income that covers their expenses. While the Government is keen to encourage Stadiums Tasmania to maximise their income, limit their expenses and recoup their costs where possible, it also recognises the venues it will operate provide a public benefit and incur public costs. This is not uncommon with venues of this nature and important given the role they play locally and their community service obligations. The appropriation from government will help to cover the sitting fees, on-costs, reasonable travel expenses, operating and government costs including board meeting expenses, an annual audit, annual report and strategic planning, the cost of establishing a modest head office to enable this new authority to coordinate its operation statewide and access the corporate support it needs to operate effectively and the gap between their annual operating income and expenditure that will occur

at each venue. This is currently estimated to be in the vicinity of approximately \$2.5 million for the Silverdome and UTAS stadiums.

The annual remuneration payable to the chairperson is subject to negotiations and has been set at \$30 000 per annum for board members plus on-costs. The salary for the CEO is subject to further discussion, but will need to reflect the market to attract the right person and skill set. How the board generates income and manages its expenses will be its responsibility. It is not up to the Government to set this for them.

The board will be expected to be prudent financial managers and operate with a commercial mindset, while continuing to ensure they manage their stadium venues in a way that continues to provide affordable local access.

Once the board of Stadiums Tasmania has been appointed, it will be able to confirm its operating model, strategic priorities and operating needs. This will enable it to develop a budget that gives it the capacity to expand or contract as it considers the range of roles and strategic directions it might pursue.

Business and financial expertise is a key role of board expertise. Its affairs will be audited and reported to parliament each year. The principal act contains several safeguards that govern its affairs including needing to comply with the Treasurer's Instructions, adhere to its statement of expectations, manage its finances soundly and in accordance with the provisions of the act. The transfer bill will enhance the act by adding the duties and good governance provisions contained in section 10 of the bill.

These provisions position Stadiums Tasmania to be a sound, contemporary and accountable authority. The member for Elwick also asked about costs of consultants. The total cost for consultants is around \$500 000 including an upper ceiling for the KPMG report of \$450 000. That includes the cost of recruitment. Additionally, a grant was provided to Cricket Tasmania for them to engage Deloitte to look at their future options and ownership models of Blundstone Arena. The grant was worth \$145 000.

The member for Murchison - why establish Stadiums Tasmania? Stadiums Tasmania is being established to better coordinate the ownership, management and future development of our major stadiums. It will enhance our ability to engage with major national and international competitions, entertainment and community events, enable us to better plan and target future capital investment for these assets and facilitate local access while generating employment and growing local and wider visitor economies.

It recognises the state Government is the best placed to manage major public infrastructure and engage with national and international bodies that produce content. It will provide a statewide perspective and complement the work being done in the community by local organisations in the private sector.

The management of major stadiums is a highly specialised function, quite distinct from traditional State Service roles. It recognises their dual commercial and community nature and will draw together the expertise and resources needed to meet the future needs of their host community's users and audiences.

As well as operating stadiums, Stadiums Tasmania has a role under its act to provide advice to the Government. This includes exploring the feasibility of potential developments such as those noted in election commitments and the more recent state of the state address in 2022.

The member for Murchison also asked, what is the status of the development of Blundstone Arena, Dial Park, UTAS Stadium and Wilkinsons Point?

As members would be aware, the Government has committed funding to enhance the experience and facilities on offer at Blundstone Arena, Dial Park, UTAS Stadium and Wilkinson Point. Much of this work reflects the Government's election commitment released on 25 April 2021.

This includes the work going into exploring the feasibility of the proposed art, entertainment and sports precinct in Hobart. This work is being coordinated for the Minister for State Development, Construction and Housing by Major Stadiums in the Department of State Growth.

While Stadiums Tasmania will eventually assume responsibility for these assets, the unit is expected to continue to be responsible for major developments. With this in mind, if members have an interest in receiving a briefing from Major Stadiums on these projects, this can be arranged, but they have no direct bearing on the transfer bill. That is the focus of our discussion today, so, if anybody wishes to pursue that, please let me know.

Ms Forrest - Yes please.

Mrs HISCUTT - The member for Murchison also talked about the location of the head office of Stadiums Tasmania and that will be one of the first decisions the inaugural bill will need to attend to. The decision will need to reflect the best interest of Stadiums Tasmania, taking into account a range of factors of relevance.

Ms Forrest - That does not say anything. Non answer.

Mrs HISCUTT - The member for Murchison also asked about Events Tasmania funding. Stadiums Tasmania would have responsibility for attracting events to its managed assets.

This forms part of the ongoing financial viability of the Stadiums Tasmania assets portfolio. This will operate separately to the ongoing event attractions and management undertaken by Events Tasmania and will mean no reduction in Events Tasmania's budget for their funding program as a result of Stadiums Tasmania.

The new leadership of Stadiums Tasmania will be tasked with devising a 10-year plan for the entity, which will include their event attractions strategy, including the costs for this activity.

While we will leave this plan for the stadium experts, it would be safe to assume it would have more of a commercial focus than currently exists within the Events Tasmania program.

I have one more piece of advice to seek. I wanted to clarify, I was talking about the head office. I think I said the bill, but it is the board. The inaugural board will need to make that, not the bill.

The Major Stadiums unit does not, and will not, have its own line item in the budget papers. It draws on project-specific funding and some internal funding. It will be covered by the portfolio of State Development, Construction and Housing.

Ms Forrest - So Committee B over to you.

Ms Rattray - We have a lot of work to do.

Bill read the second time.

STADIUMS TASMANIA AMENDMENT (TRANSFERS) BILL 2022 (No. 39)

In Committee

[5.35 p.m.]

Madam CHAIR - In terms of how we manage clause 9, as you can see it is divided into two parts: part 4A, and part 4B. The acting Deputy Clerk will call part 4A and then part 4B separately, so you get three speaks on each of those parts.

Clauses 1, 2 and 3 agreed to.

Clauses 4, 5 and 6 agreed to.

Clause 7 -

Section 20 amended (Chief executive officer)

Mr GAFFNEY - Madam Chair, a question for the Leader. I notice that this clause 7(c)(4A) says:

The chief executive officer may be appointed for more than one term.

The principal act clearly articulated that it was a five-year term. I wonder what the reason is, to now say that it can be more than one term. I am not against that - there is a lot of benefit for somebody having that experience to go longer than one term; but I am interested to know why that decision was made.

Mrs HISCUTT - In the original act, it was an initial Crown prerogative contract and what we have here in the bill before us is the ongoing provisions for employment.

Mr GAFFNEY - So, in the original one, it says five years. That is fine, I understand.

Mrs HISCUTT - It says up to five years.

Mr GAFFNEY - Up to five years. Now this means if it can go further, you could appoint for more than one term. The chief executive officer could be appointed for three or four terms

of five years. They could be there for ten, fifteen, twenty years, depending on what job they are doing. That is fine, I want to understand that, and have that on record.

Mrs HISCUTT - What you are saying is correct; in the original act, that was the set up to get things started.

Clause 7 agreed to.

Clause 8 agreed to.

Clause 9 - New part 4A

Parts 4A and 4B inserted

Ms FORREST - Madam Deputy Chair, in the Leader's response regarding the employee transfer arrangements - and I could ask this on almost any of these clauses - the question was asked, what if people choose not to be transferred and they stayed with their current employer? You said something along the lines: 'The employer would need to find a comparable role for the employee who does not transition'. I would not have thought you had any power over the employer, beyond the decision yes or no they are going to transition across. If that was the case, how can you guarantee that an employer will do the right thing and find their employee suitable or a comparable role of employment? Unless I misheard you. I was listening and that is what I thought I heard you say. I do not know that this legislation would bind a private employer.

Mrs HISCUTT - A lot of it depends on their enterprise agreement - for example, they may be redeployed in a council role somewhere. It depends on their enterprise agreement, but they would be expected to be offered something equivalent.

Ms FORREST - Through you, Madam Deputy Chair, could you tell us who the employers are, of the people who currently work in the stadium? Some of them are obviously councils; but you said during your second reading reply that those people would stay with council and continue to work with council, so that is not really affecting them. However, who are the other employers beyond council who may be the current employers, who, in the operations and management of the current stadia, may no longer have a job or a role?

Mrs HISCUTT - Seeking some advice, Madam Deputy Chair.

You are looking within the department, to start with. However, the only one that we have to deal with is the City of Launceston - UTAS employs those people and it is run by the City of Launceston. Blundstone is Cricket Tasmania. MyState has zero employers, they are contracted with the LK Group. Silverdome employees are employed by State Growth, so there are plenty of opportunities for redeployment.

Madam DEPUTY CHAIR - The question is that new part A be agreed to?

Clause 9, New Part 4A agreed to.

Clause 9 - New Part 4B

Parts 4A and 4B inserted

[5.45 p.m.]

Ms RATTRAY - Madam Chair, this is the part about the transfer of assets. I asked this morning in the briefing, and I apologise that I did not re-ask during the second reading speech contribution, about the list - or the availability - of knowing the assets and the liabilities that are going to be transferred for the ones that we know already and it indicated that the -

Mr Willie - Do you want to add a few, honourable member, while you are here?

Ms RATTRAY - Well, I will add a few, and I have already put my order in. I sent it up earlier: Longford, Bracknell; what else, I had Scottsdale, I had a number on the list and I know there are others who also want some more on the list if we are going down this path.

I am interested, in all seriousness, about understanding what the liabilities and assets are at this point in time, for the work that has been done thus far. I did ask in the briefing and I said there would be time to gather that information, so I am looking for that now.

Mrs HISCUTT - At the moment we do not anticipate any liabilities of a financial nature, so we cannot report on that. The liabilities could be of employment conditions or of an employment nature; but, at the moment, there is nothing that is stark or standing out.

Ms RATTRAY - So, am I to understand that there are no liabilities? There must be a list of the value of the assets, and what that consists of?

Mrs HISCUTT - While the honourable member is on her feet, the valuations will need to be done before the transfers; so, no - that has not been done yet. We cannot give you that. We have to start at a start point, and this is the start point.

Ms RATTRAY - So, there is no real understanding of the value of the assets; and you are telling me there are no liabilities - only, perhaps, some that come with employees. Is that correct?

Mrs HISCUTT - At this point in time.

Ms RATTRAY - I find that quite interesting, when it was indicated this morning at the briefing that there has already been some work done on that. That is what I asked for, even if it is in draft form. I expect that the Government or the department already has it, so I was asking for that information. So, you will tell me whether that is going to be made available.

The second thing - and I hope it is appropriate, Madam Chair, that I ask here - was that through your second reading wrap-up, Leader, you mentioned the entity would recover costs. So, moving forward, we will cover costs. How did that affect small community groups that, perhaps, already have a subsidised arrangement with the local council? In particular, the Dial facility may have a cricket club and a soccer club and something else, and they may get a cheaper rate for using the complex at this point in time. However, if there is a will to recover costs, there may not be that opportunity to negotiate that type of discounted arrangement in the future. I am interested in how that will work, given the transfer of assets.

Mrs HISCUTT - On your first question, you are talking about cost recoveries and things like that. A lot of it will be through negotiation with the owner entities at Dial, for example. The council, there will be a lot of public consultation with the clubs as to what their

expectations are and that will form part of the negotiations. They recover costs through the whole portfolio of assets, not just the individual asset and I am waiting on more information for you.

The department has a rough idea of the current value of the assets in question but this needs to be confirmed officially via a valuation, so we would rather not speculate until that is confirmed. Aside from employment liability such as leave incurred, none of the stadiums appear to hold liabilities other than any recurrent operational expenses or deficits.

Ms RATTRAY - I want it clear in my mind and I am not going to get an estimate of the value of the assets so that will be something that we will pursue through the scrutiny process at a later time. I am interested in your answer to cost recovery. Do I clearly understand that there will be some cross-subsidisation? If you are going to recover costs right across the whole suite of facilities, there will be an arrangement already put in place.

For instance, I will use the Dial, before the transfer takes place the Penguin Cricket Club or the Penguin Axemen's Club will have their cost of using the facility already agreed to before there is a transfer of assets? Is that what I am understanding? They will be able to negotiate prior to a transfer and there will be some cross-subsidisation with some of the larger facilities. I might use UTAS Stadium because you will probably be able to charge more for that big facility because you are going to have lots of big events there and that will subsidise some of the smaller organisations that already use a smaller facility. For instance, the Penguin Axemen's Club, the North Western Tasmania Axemen Association that use the Dial centre for their big summer carnival would be a small entity and not be able to pay a high lease rate or rent rate. I want to get that clearly understood that there will be an opportunity to negotiate those prices prior to the asset transfer.

Mrs HISCUTT - In case anyone happens to be listening to this broadcast, the Axemen Association does not use the footy fields or those facilities at all. The same for the Penguin Sports and Services Club. The axemen are over there; the club is over there. What we are talking about here is the stadium so I do not want the axemen to think that it has anything to do with them. It has not.

Ms Rattray - Right, that is separate.

Mrs HISCUTT - Yes.

Ms Rattray - However, there would be small organisations that currently use the facilities.

Mrs HISCUTT - There certainly are.

Ms Rattray - I should not have used those examples. I will get back to the cricket club.

Mrs HISCUTT - With these smaller ones, community use is important and it will be maintained and negotiated. We do not want to see, for example, the Penguin Cricket Club or Auskick have to go somewhere else. With these little ones, it is important to keep the community input there so that will be negotiated. We need to bear in mind that the cost recovery aspect does not come from one particular venue; it will be spread across so that at the

end of the day when anyone looks at it, there will be a figure at the end but that is the whole entity.

Subclause new part 4B agreed to.

Clause 9 agreed to.

Clause 10 agreed to.

Clauses 11, 12 and 13 agreed to.

Title agreed to.

Bill reported without amendment.

[5.56 p.m.]

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

That the third reading of the bill be made an order of the day for tomorrow.

Motion agreed to.

RETAIL LEASES BILL 2022 (No. 30)

Second Reading

[5.57 p.m.]

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

That the bill be now read the second time.

The Retail Leases Bill 2022 will provide a new and contemporary regulation for retail leases in Tasmania. It will facilitate the certainty and fairness of retail premises leasing arrangements between landlords and tenants.

The importance of the reform. Undoubtedly, the regulation of retail lease arrangements impacts a significant number of Tasmanian businesses. We are talking about hundreds of retail shops in our cities, townships and suburbs where the premises used are leased.

Each of us in this place understands the profound impact the COVID-19 pandemic had and continues to have on the Tasmanian community. This impact was substantial on retail trade in this state and Australia, as a whole. As part of our commitment to support businesses during this period, the Tasmanian and Australian governments put in place a range of measures including relief from taxes and charges and loans and grants for businesses affected by the COVID-19 pandemic.

This enabled our local businesses to hibernate and survive to be able to recover and drive growth and prosperity as restrictions are progressively eased.

In 2020, National Cabinet committed to the implementation of the Code of Conduct for commercial tenancies. The purpose of that code was to govern the conduct of tenants and landlords and provide additional protection and rent reductions for tenants experiencing financial hardship. The Tasmanian Government initially implemented these emergency measures through a notice made under the COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020 and then more detailed provisions that applied under the COVID-19 Disease Emergency (Commercial Leases) Act 2020 and its regulations.

The Government committed significant resources to assist retail and commercial tenants due to impacts of the COVID-19 pandemic. These measures provided vital, timely support and were important actions to take us through the pandemic. This bill is equally important as it is about putting in place modern, equitable and effective regulatory arrangements to reflect the business and leasing landscape of this state today and into the future.

Since the 1990s, state and territory governments have had regulatory responsibilities for retail tenancy arrangements. These current regulations are outdated. The development of Australian retail tenancy regulations was to address perceived imbalances in bargaining power between retail premises landlords and small retail tenants.

Today, Tasmania is the only Australian jurisdiction not to have enacted primary legislation to regulate retail leases.

Our Government has listened to the views of retail and property management stakeholders who saw the existing Fair Trading (Code of Practice for Retail Tenancies) Regulations 1998 as outdated and in 2019 the Government commenced a review of the regulation of retail leases in Tasmania. The existing regulations are also scheduled to be repealed on the 1 January 2023. Therefore, the passage of this bill is necessary by the end of 2022.

I will now discuss the important key features of the bill.

The purpose of this bill is to facilitate the certainty and fairness of retail premises leasing arrangements between landlords and tenants.

Mandatory pre-contractual disclosures by a landlord are a key feature of the bill. The mandatory disclosure requirements are based on the principle there should be full disclosure of costs and charges to be payable under a lease. This is to keep dealings between tenants and landlords open and fair and prevent tenants from entering into an agreement they do not understand. If during negotiations, the landlord's costs or charges are not disclosed or how they may be estimated, then tenants will not be required to pay for them.

Under the bill a landlord will also be required to provide a standard retail leases guide to any prospective tenant during negotiations before entering a retail lease. This explains in plain language the rights of parties under the bill in relation to retail leases.

The bill includes specific provisions relating to when rent is payable, the basis or formula used to calculate the rent and the timing and basis for rent reviews. This is to provide a consistent and predictable method for determining rent increases.

The bill also stipulates certain arrangements regarding payment of the landlord's outgoings by the tenant and lodgement and return of security deposits or bonds.

The bill prohibits a landlord from seeking or accepting key money in connection with entering into a retail lease. Key money is typically a non-returnable amount paid by a lessee to a landlord to secure, renew, or extend a lease, but for which the tenant actually receives no real benefit.

The bill also provides the Director of Consumer Affairs and Fair Trading with specific powers and functions to ensure the legislation operates effectively. This includes specific functions to investigate infringements and take appropriate action to ensure enforcement of the bill as well as make determinations relating to retail leases, including a determination of the content and format of the retail leases guide.

Importantly, the bill also sets out a mediation-based dispute resolution process after direct negotiation between parties fails. Under the provisions, a party to a lease may make an application to the director for the mediation of a retail tenancy dispute. The director may then appoint a qualified mediator to hear the dispute, where the costs of mediation are to be met by both parties. If parties to the dispute fail to resolve the matters in dispute, either party may refer the dispute to a prescribed body.

The bill also ensures the interests of landlords and tenants of retail premises are equally protected from unfair terms and conditions of leases, or from unconscionable conduct by parties during the negotiations or during the operation of a lease. Misleading, deceptive or unconscionable conduct by a party to a lease, or by another person affecting the lease, can be determined, with appropriate compensation awarded for loss or damage suffered by a person.

The bill also includes specific provisions relating to retail premises within shopping centres. These additional provisions relate to matters including centre trading hours and requirements for advertising and marketing. For example, a retail lease within a shopping centre must include the core trading hours for which all businesses in the shopping centre must be open for trading. The bill also requires that a retail lease must disclose advertising, promotion and marketing costs that the tenant is required to contribute to.

Consultation process. This bill has been developed and progressed in close consultation with industry stakeholders. As I mentioned earlier, in 2019 the Government commenced a review of the regulation of retail leases in Tasmania. Feedback provided by stakeholders was generally in favour of the new legislative framework to modernise Tasmania's retail leasing laws. Due to the COVID-19 pandemic, work on permanent reforms in 2020, including the drafting of a new bill, was put on hold. I have already briefly touched on what this Government achieved during this period in relation to retail and tenancy arrangements to support our retail businesses.

In April 2022, stakeholder consultation took place on a draft bill. Nine written submissions were received, representing the interests of both tenants and landlords. I thank those stakeholders for their valuable contributions.

In addition to carefully considering the views presented in written submissions, the minister's department also met with a number of interested stakeholders in May, including the Property Council of Australia, the Shopping Centre Council of Australia and the Law Society of Tasmania. The feedback provided on this consultation draft was extremely valuable and has led to a number of improvements to the bill, including amendments to clarify transitional arrangements so that it is clear whether the existing code applies or whether the new laws within the bill will apply to certain lease arrangements. Existing leases entered before the bill commences will continue to be governed by the code. A range of adjustments were also made to the information to be provided in the landlord's disclosure statement. This is to accommodate instances where certain detailed information is not readily available or is not practical to be given.

Importantly, the scope of the application of the bill has been amended from the consultation draft. The bill now will capture only specific types of retail business premises which are used or proposed to be used wholly or predominantly to sell or provide retail goods or services to the public. This is consistent with existing code that prescribes the types of businesses that are retail premises. I also note, to ensure there are no unintended consequences, regulations may be made to exclude or include certain types of other commercial premises from the application of the bill.

The maximum penalty amounts have been revised down in the final bill. These penalty amounts are now more reliant on those in other jurisdictions, such as Victoria while still being at an appropriate level to discourage noncompliance with the law.

Additionally, the Government has listened to the concerns regarding an earlier proposal to provide a maximum of the equivalent of three months rent amount for a security deposit. We heard from stakeholders that other jurisdictions do not set a quantum for security deposits and providing a maximum amount in the legislation could result in landlords not having confidence for investing in retail premises. As a result, this final bill sets no maximum security deposit amount. If a deposit is required by the landlord, the bill requires the disclosure of the amount to the tenant and provides for its prompt return after the tenant has discharged their obligations under the lease.

I will turn to the Government's amendments in the House of Assembly. Since the tabling of the bill in the House of Assembly and as a result of continuing to work with key stakeholders, such as the Law Society of Tasmania and the Property Council, it came to the Government's attention a number of further changes to the bill were desirable to improve its operation. Therefore, a number of amendments were moved by the Government in the House of Assembly, all of which passed unopposed.

Whilst this is not common practice, I note the amendments directly addressed the key concerns held by the Opposition expressed during debate on behalf of the named stakeholders and were the result of Government listening to stakeholder concerns and working with them to directly address them.

Importantly, these changes did not materially change the Government's policy approach and intent of the bill, being to modernise Tasmania's retail lease legislation and to facilitate the certainty and fairness of retail premise lease arrangements between landlords and tenants.

The amendments which are now incorporated into this bill predominantly related to clarifying the bill's scope, through the definition of retail premises, the transitional arrangements including the continued operation of the existing code for a period and the outgoing provisions.

I thank the stakeholders who provided their time, attention and expertise on this important bill. This bill marks the first major update of the retail leasing regulations in Tasmania since 1998. It will supplement and eventually replace the code of practice, and provide a new and contemporary regulation of retail leases in Tasmania, to reflect the modern markets and leasing arrangements of today and into the future.

I commend the bill to the Council.

[6.10 p.m.]

Ms RATTRAY (McIntyre) - Mr President, I have an offering on this legislation that has been a while getting here and now there is a bit of a rush. That is pretty much what I took away from part of our briefing this morning which I very much appreciated. I am actually going to put on the record my appreciation to Aurora from the Law Society. If the Government was being a bit more truthful they would have also put its thanks on the public record to the Law Society because it appears that the Labor amendments were a result of the work of the Law Society. I do not know that for a fact. I have not asked anyone, my seat colleague is not there, but, it appears that is what has happened.

I also found it interesting that there was a special place in the second reading speech that spoke about the consultation. We heard a little differently this morning in that very informative briefing about the fact that the consultation did not exactly go to plan, or what would have been considered a well thought-out consultation process, particularly for those key stakeholders. We heard that in May 2022 there was a seeking of input into the consultation period, and then the Law Society was given an extension to meet a pretty tight deadline and there was even the use of the media, which was somewhat unfortunate that some stakeholders found out about the process that way.

There was a genuine concession in the briefing this morning from the department that the new people in charge of this process were not exactly happy with how that unfolded. We need to acknowledge that. If they had their time again, it would be conducted differently, and people would have been engaged at an earlier time.

I know it had a stop and start, when we learnt that commenced in 2019, and then good old COVID-19 came along and derailed everything. Then I guess somebody had a look at it in one of the departments and decided, gosh we need to get on with this now because time is running out. This will expire and there will be no code, and we will be in all sorts of trouble.

We know how important our businesses are to the economy of this state, and most of them are small, and as we also talked about this morning, we have a lot of mums and dads who own businesses, own properties in Tasmania. It is important that we do what we can to make sure that those property owners and those tenants are fairly treated, and this is the basis of this legislation.

Mr Valentine - There are 39 000 small businesses.

Ms RATTRAY - Was that 39 000? That is a considerable number of small businesses, and we are well aware that a lot of them are small, what we call 'mum and dad' owners, not all the big ones. Sometimes the big corporates are the tenants of some of those so we have to make sure we have some fairness about how we go about that.

We know from the other place there were 31 amendments from 14 particular areas. The second reading speech did tell us that these changes did not materially change the Government's policy approach and intent of the bill to modernise Tasmania's retail leases legislation and facilitate the certainty and fairness of retail premises lease arrangements between those important landlords and tenants who operate in our state.

I highlighted a couple of areas as the Leader went through her contribution. I want to touch on a couple of those areas. I also indicate that I discussed at the briefing this morning proposing four key amendments that were touched on, or were highlighted, to members of the Council, and I did not, and why I am not proceeding with those. I will talk about that a little bit later on in my contribution.

I am interested in understanding the regulation process, because we have a regulation making process that will sit alongside this legislation. If we can have some idea of when the drafting of those regulations will commence and what that might look like, what the scope is, that will be useful. It has been a three-year time frame from when it started, to now, coming to the House.

It also talks about the maximum penalty amounts have been revised down in the bill, and the fact that this is more in line with other jurisdictions. I know from the briefing that we were told that New South Wales has been used as an example, particularly for the business undertaking activities, and the list that is going to be provided in the regulations. Then we have gone to Victoria to have a look at the penalty amounts for some of those penalty areas in the bill.

I am interested to know whether any other states were looked at. As a small state, we often align ourselves with South Australia. Is there any component of the South Australian retail aspects in this bill, or do they work at a different area?

In the regulations, we were told that there would be an exclusion for public listed corporations, and Telstra was given as an example there. Are there any other of those 'biggies' that may be excluded as well?

Ms Forrest - I think it was all public listed companies.

Ms RATTRAY - Was it all publicly listed ones? Okay, all right. Thank you.

Ms Forrest - That is what was suggested.

Ms RATTRAY - I did not write that down, so thanks for that clarification.

Ms Forrest - The Leader might like to confirm it. I am not the expert in this.

Ms RATTRAY - Yes. The Leader might like to confirm that.

One of the areas that was raised through the Law Society was the minimum five-year term. We were told that we will be the only state to have no minimum term. I would like to get on the public record the rationale behind that policy. Obviously, that is a Government policy, and I think that is important. Also, the minimum standard, the demolition clause. Apparently, all other states, except Western Australia, address that. I am keen to have some more understanding of those as well.

One thing that we heard very clearly - and the reason why I did not progress asking for amendments to be drawn - was there has been a commitment given by the department. I expect that the Leader will put that on the public record in regard to continuing to engage with the Law Society and any other key stakeholders to address those four key areas that were presented by the Law Society, and Aurora mentioned there were a number of other areas that could do with some clarification. I would have preferred that was done in this House through those amendments or at least have the opportunity to further discuss those. I understand we also need to have something in place. It is an important area and I would like the Leader to use the appropriate words and provide assurance that is going to continue. I have asked the Law Society to keep me apprised of those discussions so we can continue to follow that progress as the bill goes through its pathway.

I am pleased to see the bill sets no maximum security deposit amount and it talks about if a deposit is required by the landlord, the bill requires the disclosure of the amount to the tenant and provides for its prompt return after the tenant has discharged their obligations under the lease. That is important, to make sure a landlord does not hang on to security deposit amounts because I expect that in some cases they are quite significant. They often are. I know recently someone was talking about a rental bond for a property of four weeks rent in advance.

Ms Forrest - That is pretty standard.

Ms RATTRAY - That can be quite a lot of money. In a retail premises you are probably talking about quite a substantial amount of money. If you have done all the right things as a tenant and then you have to continue to chase and get back those funds that effectively belong to the tenant, then that was a good change the Government put forward.

A question on the consistent language and we have obviously picked parts of other jurisdictions to put this together, and I do not have any criticism on that, but it would have been useful if we had used the same language all the way through. I am sure that is something if the department had more time they may well have looked at. I wrote down there was about 80 to 90 per cent of the bill that had consistent language but 10 per cent just sits outside. Was it because we have taken parts of other jurisdictions' legislation that we have ended up with that smallish gap there? I have no criticism in not having to reinvent the wheel. Why would you?

We know that the existing regulations are also scheduled to be repealed on 1 January 2023, hence we need to have something in place, hence the way the bill is drafted and we will possibly talk about that when we get to the Committee stage.

The fact Tasmania is the only Australian jurisdiction not have enacted primary legislation to regulate retail leases certainly is a relevant reason why we needed to act on this. Certainly, to make sure we deliver and facilitate the certainty of fairness of retail premises and leasing arrangements between landlords and tenants. It is super important.

Another aspect that was a good feature was the requirement to provide that standard retail leases guide to any prospective tenant during negotiations before entering a retail lease. It explains, in plain English, the rights of parties under the bill in relation to the retail leases. Is that something in draft form already? We might have that on the public record, ready to go when this is in place considering we do not have a lot of time now.

Ms Forrest - We do not know how much time, we do not know when proclamation is going to be.

Ms RATTRAY - No, but it would be useful to have an understanding and the words 'explain in plain English' resonate with me. We know that people, particularly small businesses, are very enthusiastic to get started and if they find a premise they are raring to go. If they do not understand the obligations and requirements under a retail lease arrangement, then the wheels can, sadly, fall off very quickly and all those dreams, hopes, effort and financial commitment that the people put into a business can quite easily head south, so that is a very useful aspect. I provide my support to the bill and look forward to the opportunity to drill down further into some of the areas through the Committee stage, Mr President and I expect we will get there.

[6.27 p.m.]

Ms FORREST (Murchison) - It is interesting watching the passage of this bill. I understand the process was interrupted by COVID-19 and that obviously was a hiccup in the process, but it is interesting that from my recollection, it actually hit the table downstairs some time ago and sort of sat there and sat there while the Government did other things. It is the Government's prerogative to bring on what they want to bring on when they bring it on, but it has led to a bit of an unholy rush at the end of the year, as was identified in the briefing. The member for McIntyre alluded to it, 31 amendments by the Government, downstairs, to address 14 substantive issues. I accept that did not change the intent or their policy position of the bill, but one would have hoped they would have been sorted out before it actually hit the table down there.

In terms of speaking to this legislation, I note it is high time Tasmania has retail lease legislation and support the intent of that, absolutely. If COVID-19 has taught us anything, it has taught us that we need to ensure that systems have some flexibility built into them. It was tragic once we reopened the borders, going back into Melbourne CBD and seeing the heart of the city effectively gutted. So many businesses closed, so many shops empty, so many cafes just not there. I have not been back in the city for a little while, but there is still almost a slow reluctance to come back. We learnt that we could work from home, we could do so much more in different ways.

It taught us a little bit about the fragility of some of our retail sector in times of major disruption. COVID-19 was, and still is, a major disruption, but you can have major disruptions through other events too. They may not necessarily be financial like the GFC or whatever else that see businesses struggle. As the member alluded to and we can all agree that business can be challenging from a whole range of factors - look at the level of inflation and interest rates.

Mr Valentine - Interest rate hikes.

Ms FORREST - Yes. It must be putting a lot of these small businesses under enormous pressure. We know how much pressure there is on households, those who are paying

mortgages and the like. It does not need to be a pandemic that creates disruption. That disruption showed us how to do things differently, and perhaps why we need to be more agile and be sure that we have legislation - regardless of what area it is in - that actually deals with that rapidly changing landscape at times.

A major disruption can be something like a major fire in a shopping centre. You have a lot of small businesses in a shopping centre - think back to the Myer fire here in Hobart. In the absence of a strong legislative framework that creates that degree of certainty, businesses who maybe have lost all their stock, have suddenly and completely lost their capacity to earn - and they are still required to pay a lease payment, even though there are ashes where their business was, for example.

Disruption can come in many forms, and it is very important that we have a legislative framework that does create a fairly decent degree of certainty. Also, as the Leader was saying in her second reading contribution, you need to find the balance between the rights of the tenants, and the rights of the landlords. There will be some that will argue we must protect the tenant because the landlords are money-hungry beasts and difficult to deal with; but not all landlords are like that. Some are - I do not dispute that for a second - but a lot of landlords are small operators who may have bought a small premise as part of their superannuation or part of their retirement income or whatever it is, and they want a good tenant to be a reliable payer of the rent. Then you get tenants who do the wrong thing by the landlords, as well.

There are very good tenants. Talk to any property owner and the best thing you could have is a good tenant. You look after them - and you should. Sadly, it is not always the case on either side that people are necessarily always good and do all the right things. Finding that balance is difficult. Landlords have a right to make a return on their investments, and the tenants have a right to have their livelihood protected, to a degree, through the commitment they have made to lease premises. A number of aspects to this bill do try to strike that balance.

I suppose you can always weight it a bit in either direction; and you have the various interest groups pushing their own barrow, which is their job. So, it can be a little bit difficult to find that balance.

However, we need to be aware of those perceived or actual imbalances that can prevail in bargaining, and particularly in a tight rental lease market. That is not really the case, right at the moment, since COVID-19. However, it can change quite quickly, and suddenly the landlords have the upper hand and can demand, or try to negotiate, really hard bargains where the tenant might find that, if they want to have this premise they have to take some decisions that might put them in a more difficult position. Then things change, and suddenly it is a tenant's market again, where there are properties to choose from wherever they look, and a variety of choice.

It is a bit like the employment market at the moment. I was talking to some people in the mining sector recently, and they said that at the moment, they feel like the mining business owner is being interviewed by the prospective employees and not the other way around; such is the employment market at the moment. Potential employees are picking and choosing, so the businesses have to present themselves as a great business to work for. It is a bit the same, generally, in the retail sector at the moment. There are premises available, so it is perhaps a bit easier for tenants to negotiate a price that is more in keeping with what they might be hoping to do; but that can change. When I was looking for a new office space in Wynyard, to move

out of a back area that had no street frontage and some challenges with sharing a tenancy, there was nothing in the street. Every time you walked up the street, if anything became vacant, I asked 'who owns this one?' because it was very tight. It is still pretty tight, which is great news for Wynyard; it has really taken off. However, it is not always the case, and there have been times where there have been quite a number of empty shops. Thankfully at the moment, they all get snapped up pretty quickly, and it is amazing to see the quick turnaround in some of them.

As the Leader said, this bill seeks to facilitate certainty and fairness in retail premises leasing arrangements between landlords and tenants. The pre-contractual disclosures by the landlord are essential. I will come back to that. I will seek to adjourn the debate. In the briefing, I was informed that the current provisions we operate under did provide that same sort of expectation; but I know of a small organisation recently who did not have that. They signed a lease and then were told; 'yeah, but you also have to pay \$6000 to help manage the hedge that's in the car park and do the gardening'. Now, I would have thought that should have been part of the lease; and this makes it very clear. So, Mr President, I will continue my contribution on this tomorrow.

I move -

That the debate stand adjourned.

Ms Rattray - That is two debates you are going to start tomorrow.

Debate adjourned.

ADJOURNMENT

[6.37 p.m.]

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

That at its rising the Council does adjourn until 11 a.m. Thursday
17 November 2022.

Motion agreed to.

Mrs HISCUTT (Montgomery - Leader of the Government in the Legislative Council) - Mr President, before I adjourn, I remind members that there is no change. Tomorrow at 9.00 a.m. in Committee Room 2 for our briefings. Mr President, I move -

That the Council do now adjourn.

The Council adjourned at 6.37 p.m.