**Tuesday 26 June 2018 - Estimates Committee B (Hodgman)**

**LEGISLATIVE COUNCIL**

**ESTIMATES COMMITTEE B**

**Tuesday 26 June 2018**

**MEMBERS**

Mr Armstrong

Ms Armitage

Mr Dean

Mr Farrell

Ms Howlett

Ms Rattray (Chair)

Ms Siejka

**IN ATTENDANCE**

**Hon. Will Hodgman MP,** Premier, Minister for Tourism, Hospitality and Events; Minister for Heritage; Minister for Trades; Minister for Heritage

**Jenny Gale**, Secretary, DPAC

**David Nicholson**, Deputy Secretary - Policy, DPAC

**Ruth McArdle**, Deputy Secretary, DPAC

**Renee Anderson**, Director Corporate and Culture, DPAC

**Kim Enkelaar**, Director, Office of the Secretary, DPAC

**Frank Ogle**, Director, State Service Management Office

**Kate Kent**, Executive Director - Communities, Sport and Recreation

**Melissa Gray**, Director, Policy Division

**Robyn Webb**, Chief Parliamentary Counsel, Office of Parliamentary Council

**Noelene Kelly**, Director, Service Tasmania

**Simon Roberts**, Director, Office of Security and Emergency Management

**Ginna Webster**, Secretary, Department of Communities Tasmania

**Mandy Clarke**, Director Programs and Operations

**John Fitzgerald**, CEO, Tourism Tasmania

**Hans van Pelt**, Director, Aviation and Access Development

**Jacqui Allen**, Secretary, Events and Hospitality

**State Growth**

**Kim Evans**, Secretary

**Peta Sugden**, Director Investment Attraction

**Erin Buttermore**, Director, Trade and International Relations

**DPIPWE**

**John Whittington**, Secretary

**Jason Jacobi**, Deputy Secretary, Parks and Wildlife Services

**Pete Smith**, Director, Heritage Tasmania

**Parks**

**Dr John Whittington,** Secretary, DPIPWE

**Peter Smith**, Director, Heritage Tasmania

**Jason Jacobi**, Tas Parks and Wildlife Service

**Gary Davies**, Director, Royal Tasmanian Botanical Gardens

**Ministerial Office**

**Tim Baker**, Chief of Staff

**Sandy Wittison**, Principal Adviser

**Danielle McKay**, Principal Adviser

**Hannah Martin**, Senior Adviser

**Colin Shepherd**, Senior Adviser

**The committee met at 8.58 a.m.**

**CHAIR** (Ms Rattray) **-** The time being 8.58 and everyone appears to be ready for today, Lynne, can I just check that we are good to go?  Thank you very much.

Premier, welcome to this year's budget estimates - Committee B is the term that we have here - and we have some new faces on our team.  Some have transferred from other committees and others, the member for Prosser is newly elected, and also Ms Siejka had GBEs last year but this is her first estimates as well, and you will know everybody else.  We very much welcome the opportunity to provide some scrutiny to a number of very key areas of government and we would ask you to introduce your team at the table and anyone that comes during the day, certainly for Hansard, it's much appreciated to know who is speaking into the microphone, and we invite you to provide a brief overview of your areas.  Then we will just do the first lot of output groups, we won't do tourism in this one, we will leave that until later and, as always, we will have a morning tea break somewhere around 11.15 or 11.30 - see how we are travelling - and it is planned to have lunch at 1 o'clock.  We will see how we are going and we'll have an hour break and I think if we stick to the 1 o'clock, it keeps everyone civilised.  Once they get hungry, it's not a good look.

Thank you very much, Premier, we will invite you to commence.

**Mr HODGMAN -** Thank you, Chair, and members.  Can I introduce Ms Jenny Gale, who is the Secretary of the Department of Premier and Cabinet; Mr David Nicholson, who is the Deputy Secretary, and Renee Anderson, who is the Director of Corporate and Culture in the Department of Premier and Cabinet.

I will just make a brief opening statement and then subject myself to questions.  This is the fifth budget of the Liberal Government and it contains much of what we started in our last term, but it, importantly, also delivers on our plan for the future and delivers on all the election commitments which we took to the March election.

The Department of Premier and Cabinet works across government to support the delivery of many of my government's policies and initiatives.  The department provides a broad range of services to cabinet, to other members of parliament, to government agencies and the community; it works very closely with local government, the Australian Government and other state and territory governments.

With the transfer of outputs to the new Department of Communities Tasmania, DPAC's appropriation budget over the forward estimates has reduced by $119 million and Communities Tasmania has received $78 million in additional funding over the forward estimates for those outputs previously managed by DPAC, but over the forward estimates, DPAC has additional funding of $6.72 million.  This consists of $2 million for the ongoing implementation of the government's response to the Blake Review for Flood Policy and Planning, $100 000 to continue implementation of the targeted review of the Local Government Act 1993, including recommendations as a result of direct input from the local government sector; $2.25 million for the Climate Change Action Plan, which will deliver a range of new initiatives to respond to change in climate and reduce greenhouse gas emissions; there's $1 million of permanent funding or the Aboriginal and Youth Employment Strategy, which will support a state service employment target through improved recruitment and retention practices; $1.2 million to deliver the Tasmanian Government's Cyber Security Program and $270 000 for the Premier of Tasmania Perpetual Scholarship, which will be awarded to a University of Tasmania student each year in their final honours year.

Over the past 12 months, DPAC has supported the government to implement a number of key policy initiatives, including at a special COAG meeting on counter-terrorism last year, leading Tasmanian Government participation in national policy development, for example a roll out of the National Insurance Disability Scheme, the Tasmanian Brand Project, overseeing the new beds implementation team in the health system, supporting the housing summit with key housing sector stakeholders in March this year, and delivering the Jobs Action Package in partnership with the Tasmanian Council of Social Service and the Tasmanian Chamber of Commerce and Industry to find long-term solutions for local employment challenges and to match the needs of employers and job seekers, and also, importantly - and I'm sure we will talk about this a little later - celebrating 20 years of service to the Tasmanian community via Service Tasmania.

The Office of Security and Emergency Management continues to work in partnership with emergency services, local government, non-government organisations and the community to manage key government priorities, including the recovery from the recent extreme weather event in southern Tasmania and managing the provision of whole of government assistance to the Department of Primary Industries, Water and Environment for its response to the fruit fly and, in conclusion, eliminating family violence is a top priority and remains so for my government.  Our approach to implementation continues to be flexible so that we can respond to emerging priorities and take into account work being done across Australia to end family violence, and in addition to the $26 million allocated to 23 actions under the existing Family Violence Action Plan, the 2018-19 state budget commits a further $20.2 million to address family violence in our community.

Thank you, Chair.

**CHAIR -** Thank you very much, Premier.  If anyone wants to follow the order, we will commence with Output 1.3, which is safe homes, safe families.

**Mr DEAN -** Chair, could we ask a question on a couple of issues that the Premier has referred to in his opening address - maybe there might not be an opportunity - the sale of the Treasury building, number 1, I don't think there's any area through these groups that we can ask that question other than probably now.

**CHAIR -** Seeing it is early in the week, I will allow that, Mr Dean.

**Mr DEAN -** It's not covered, I don't think, in any of the other areas, Premier, so I thought it might be appropriate to just ask you your position on the sale of the Treasury building.  There has been a lot said about it, there's quite a lot publicly said about it as well, and I think there has been a suggestion made by the Greens in particular, that it should go to the public and the public should make that decision.  I don't aspire to that, I don't agree with that, but can we just find out where that's at, what you are going to do?  I think if it's sold, it ought to be at market value or better, and just where we are with it and what's happening.

**Mr HODGMAN -** Yes, and it's not a new concept, it was something that we floated in our first term of government quite early in that term and there has been longstanding interest and debate around the best use of what is a magnificent site with an extraordinary history and heritage, and while it has served the Department of Treasury and Finance very well for many decades, it is certainly not well-suited to modern and efficient office accommodation.  We believe that it provides a great opportunity to develop that would provide, greater public access, preserve its heritage values under the Heritage Cultural Act and through an enhanced listing of the property on the Heritage Register.  As has happened in other jurisdictions utilising it for other purposes such as in the accommodation sector, it can be done so in a way that allows greater access to the heritage building and precinct and will indeed not only improve the opportunity for people to enjoy what is a remarkable part of Tasmania's history but also help in supporting its preservation and promotion.

We will call for an EOI this financial year and put in place a number of additional layers to ensure that heritage values are well protected.  We will seek the input and consideration of the community and ensure that anything done at this site is mindful of its heritage values and its importance to our State.

**Mr DEAN -** What is the market value of the building and where is it envisaged that Treasury will move to?

**Mr HODGMAN -** You will need to ask the Treasurer on both of those matters.  I don't have a market valuation available to me.

**Mr DEAN -** I think $5 million or $6 million has been mentioned, I think.

**CHAIR -** I heard 20.

**Mr DEAN -** Was it 20, was it?

**Mr HODGMAN -** The Treasurer mentioned the other day, I think in response to a question in the House, a figure more like what the Chair said.  There are other properties owned by the government in Hobart that might be suitable for a relocated staff of Treasury and Finance.

**CHAIR -** Thank you.  Before I proceed, I want to apologise to the member for Derwent, Mr Farrell.  I seem to have a different list than what other Members have of output groups and that was actually covered in 4.1 with "Treasury building" beside it.

**Mr DEAN -** It was, was it?

**CHAIR -** So I apologise and, Mr Farrell, do you have a question in that area before we move on or would you like to leave it until 4.1?

**Mr FARRELL -** I think if we just leave it.  Mine was more around the envisaged process.

**CHAIR -** Thank you.  I do apologise.  We had quite a few versions of our line items and output groups and I appear to not have the same version as others, so we will be working off mine.

**Ms ARMITAGE -** Do you want to share mine?

**CHAIR -** At this point in time, when we have the morning break, I will make sure that I get an updated version.  That was wholly the Chair's responsibility and she failed on Tuesday.  I will now invite Ms Siejka to begin the questioning on 1.3, Safe homes, safe families.

**1.3 Safe Homes, Safe Families**

**Ms SIEJKA -** I understand that a whole of government review is being undertaken in the first month that was to start in the 100-day plan.

**Mr DEAN -** Can we ask the member to speak into the microphone here.  We have got a microphone -

**Ms SIEJKA -** Sorry, I've got two microphones pointing at me and I am probably sitting in between.

**Mr DEAN -** Yes, it's just that we need to hear up this end.

**Ms SIEJKA -** In your 100-day plan you have got this whole of government review being undertaken on the safe home, safe families and I am just wanting to know what has been undertaken so far and what the time frame for completion is?

**Mr HODGMAN -** We have got an official coming, if required.  Obviously this Family Violence Action Plan was commenced in our last term of government and it was always thought that it would be entirely appropriate and responsible to respond to the success of the plan but also to assess any emerging issues and to take any learnings, develop an evidence base and respond accordingly.  So, while in previous budget estimate committees there were often discussions about the future funding of the initiative, as I said in my opening, that is well covered in this budget, but it also will include a review of work done, an evaluation and an assessment of its short-term impact.

**Ms SIEJKA -** Has that already started?

**Mr HODGMAN -** Yes.  We have committed to undertake a comprehensive cross-agency review commencing shortly in June or July.  It hasn't actually commenced now but shortly.  The Cabinet sub-committee has met and commenced work.  The cross-agency review for the next phase of our five-year Family Action Violence Plan will commence in July.  The scope will involve all family violence services delivered and/or funded by the government, a comprehensive evaluation framework will provide a better understanding of the functioning impact/interrelationship of the family violence service system following the introduction of Safe Homes, Safe Families.  The family violence secretariat, which will be in the Department of Communities Tas, will coordinate the review, working with representatives of the family violence cross-agency working group and other key stakeholders.

**Ms SIEJKA -** Yes, so there's new money in the budget for additional funding to continue the work of the plan.  Are there particular organisations that will benefit from that funding or is that for the core work of the plan across agencies?

**Mr HODGMAN -** Well, it may be that we utilise other organisations in various respects.  Neighbourhood Houses, for example, have been invited to join the consultative group.  A lot of it -

**Ms SIEJKA -** So it's yet to be determined what the dollars are for?

**Mr HODGMAN -** I can give you a breakdown.  So 20.2, as I said in this year's, 18 million across the forward estimates for the five-year Family Violence Action Plan, 1.5 over the next two years for the Safe at Home Service system to support and increase service demand.  Project O is one of those private non-government organisations which we are supporting with $450 000 over three years for their innovative empowering program to empower young women and prevent family violence on the north-west coast.  There's $20 000 to research and develop a whole of government action plan against sexual violence, and we have also been able to attract Commonwealth funding, during the life of the Safe Homes, Safe Families Program, including implementation of the electronic monitoring trial.  The national campaign we are part of, of course contributing to that and, over three years, providing practical supports to keep women safe in their homes.  So, we have certainly engaged the non-government sector, the Commonwealth Government and the cross agency reference group to maximise our impact.

**Ms SIEJKA -** Also in the hundred day plan there was mention of a whole of government action plan against sexual violence.

**Mr HODGMAN** - Yes.

**Ms SIEJKA -** Is that related?  It sounds like it's related.

Mr HODGMAN - It is.

**Ms SIEJKA -** So I just wondered where that fit in, having not been as connected with it in more recent times.

       **Mr HODGMAN -** Yes, we have committed to development of a sexual violence action plan to commence by July 2019 and this will include a review of multidisciplinary models operating across Australia to provide recommendations regarding the best approach for the State.  Sexual violence is obviously not limited to intimate relationships and the scope does extend beyond family violence, but there is obviously often a connection as well with family violence, but sexual violence, we believe, requires a separate and additional response to family violence, and planning for the sexual violence action plan has already commenced and the Family Violence Cabinet Committee will be updated on research findings later this year.  Ms Gale -

       **MS GALE** - Only, Premier, to add to that that even though the action plan will be separate to the family violence work, we thought it was important to be conducted as part of the broader Safe Homes, Safe Families family violence action plan.

       **Ms SIEJKA -** Obviously I would be hoping that the family violence work that has occurred in terms of data sharing would form part of that work as well.

       **MS GALE** - Yes.

       **Ms SIEJKA -** Thank you.

       **CHAIR -** Thank you.  Ms Armitage?

       **Ms ARMITAGE -** Thank you.  Premier, the Safe Families Coordination Unit, I note that when we spoke last year, there were questions about whether it would continue.  Is it continuing and can you tell me the number of staffing it has now?  I notice on the Police Facebook page, there's nothing there since 2016 and I assume that it was still on.  It did say it's taking referrals, but I thought maybe it hadn't been updated.

       **Mr HODGMAN -** Yes, certainly, and I will give you a sense of how much work it has been doing and the impact it has had.  We established the unit and one of the key recommendations of the early consultations into developing our Family Violence Action Plan was to have better coordination across agencies that come into contact with victims and perpetrators.  We brought together those agencies in a combined statewide unit to provide timely responses.  It has access to the best available information across government and any information that can be used to best inform a response to a particular case or indeed our overall response is captured via this unit.  It ensures a collaborative approach, supports identified families at risk, it does pinpoint perpetrators and seek early intervention opportunities wherever available.

       In the year to March, the Coordination Unit has completed the following:  4310 family violence reports have been reviewed; 191 families have been identified as being at high risk and assessed through the Coordination Unit mapping process;  2554 children identified as affected by family violence - I hate reading that out - two and a half thousand kids.

       **Ms ARMITAGE -** So that's up on last year's?

       **Mr HODGMAN -** It would be, yes.  1669 notifications to schools;  1390 recommendations made by the Coordination Unit to government agencies.  It was always anticipated, and we said from the start, that it was most likely, if not inevitable, that there would be additional reportings coming through improved services and access to a unit such as these.  This is disturbing but a sign that the unit is certainly doing its job.  It allows us to co-locate personnel into a single unit to provide timely responses, to collect the best available evidence across government, to aid prosecution of offenders and support people experiencing family violence.

       One of the key achievements of the unit has been the creation of a priority family violence perpetrator resource to inform operational interventions for high risk and recidivist family violence offenders.  Monitoring of these serious offenders assists us to further support the victims and affected children.  Allocated 5.8 million over the four years under Safe Homes, Safe Families, the budget expenditure for 2017-18 financial year is $685 534.  As of March a total of 23 government FTEs have been appointed to support the implementation of Safe Homes, Safe Families, which includes social workers, psychologists, prosecutors and those working within the unit.

       **Ms ARMITAGE -** So that's the staffing?

**Mr HODGMAN** - Yes.  Well, that is across Safe Homes, Safe Families, as the coordination unit.

       **Ms ARMITAGE** - I think the number of staffing last year was at 11.  So, the actual is still the same?

       **Mr HODGMAN** - Eleven, yes.  Five sworn police officers, two staff from Health and Human Services, two staff from Justice, one staff member from Education, and one admin person from Police, Fire & Emergency Management.  The coordination unit is led by the Department of Police, Fire & Emergency Management; includes representatives of the Departments of Justice, Education, Health and Human Services.

       **Ms ARMITAGE** - It is felt the staffing is sufficient for the numbers that are coming through for the work that is being done?

       **Mr HODGMAN** - Yes.  Certainly.

       **Ms ARMITAGE** - No plans to increase?

       **Mr HODGMAN** - Not at this stage.  But subject to recommendations from the review process, we would reconsider it.  Can I introduce Kate Kent, Executive Director of Communities, Sport and Recreation, and Many Clarke, Director of Programs and Operations, who are available to assist further on this subject, if required?

       **Ms KENT** - Thank you.

       **CHAIR** - Thank you.  Mr Dean.

       **Mr DEAN** - Yes, thank you.  Premier, where is the evidence that Safe Homes, Safe Families and your government response to family violence is working?  I make that statement because if you look at the police statistics for family violence and family arguments, they have not decreased at all for the last ten years, that I am aware of.  In fact, the police and the government continually rely on the fact that people are more readily available now to report family violence and so on.  So, the act is not necessarily increasing; there is probably more reporting of it.  Well, there comes a time when you've got to say, you know, is that right?  Or are we not, in fact, decreasing family violence in the way we'd like to?  So, I'd like to know where the evidence is that we're decreasing it.  That the plans and strategies you've got in place are working.

       **Mr HODGMAN** - Yes.  The statistics I gave the committee identify what are clearly a number of cases, victims, and indeed, perpetrators that may not have been previously captured within government systems.  They do reflect an increase in instance, which is - and the evidence we have and the advice that we receive is that that is because of a better co‑ordinated and more holistic response to family violence, more discrete services, facilities we've literally built and established in communities, refuges, more people to exit violent relationships and to take themselves and often their children, too.  So, in each of those cases, I would strongly argue that there has been a much improved response to dealing with the incidents of family violence.

       **Mr DEAN** - I'm not arguing that, Premier, I'm not arguing that.  What I am arguing is:  where is the evidence to show that family violence incidents and arguments are decreasing?  It doesn't reveal that in the police statistics in relation to family violence and family arguments.

       **Mr HODGMAN** - No.  We get a clearer picture of the breadth and depth of family violence, which for many years was less apparent - clearly what has been demonstrated by the increase in statistical data and evidence is that there is a lot more now being reported than ever before.

       **Mr DEAN** - But you can't continue to rely on it, Premier, with the greatest of respect to you.  You've been relying on it for the last ten years.  There's got to be a time when you simply say, "Well, you know, people are reporting, and we're protecting people as best we can, but our strategies are not really working for us in the way that we want them to."

       **Mr HODGMAN** - And I think over time that will be shown.  This is -

       **Mr DEAN** - What do you mean?  How much time?

       **Mr HODGMAN** - We are into the fourth year of a long-term program to provide all the supports and services that I've referred to, to change cultural attitudes; to get into our schools through the education programs that we have to develop respectful relationships and change attitudes and turn this beast around.  I am very confident that that will be shown.  Yes, I understand the point that an immediate positive reaction would be welcomed by all.  It was always anticipated on and evidence has shown in every other jurisdiction I've looked at, that wherever you increase your effort in such a way, it will inevitably lead to more reports, more contacts, more understanding of the breadth of the issue.

       **Mr DEAN** - Would you agree then that we've got a long way to go here, and that we should be looking at other strategies?

       **Mr HODGMAN** - Yes.

       **Mr DEAN** - And as the Attorney-General has said, I think there are some amendments coming forward probably later this year to target those recidivists who continually assault and get into violent relationships and so on.  Can you tell us then what is happening in that area to change this?

       **Mr HODGMAN** - Certainly.  That is an equally important part of the equation; holding perpetrators to account, introducing new laws.  We already had in our last term of governance a change to the entry procedure and process in courts, so that it is easier for victims and, indeed, better for them to be part of the criminal justice system when they've been affected by a perpetrator.  The legislation that we will introduce to create a new crime offense of persistent family violence offending is really important because for any victim of family violence, it can be a very difficult thing to prove by reference to specific incidents, which is typically required of them.  But to establish a pattern, a course of behaviour, by an offender will -

       **Mr DEAN** - So, where are we with the legislative changes?

       **Mr HODGMAN** - That's being developed now and hopefully will be introduced soon this year.

       **Ms ARMITAGE** - But at least the reporting gives an indication of the perpetrators, as well.

       **Mr HODGMAN** - Yes, that's right.  A couple of other things I think I've mentioned in passing, but the additional police prosecutors, the practitioner that we've established to work in the north-west.  We've got court support and liaison officers in the south.  So, we're also working not only in the prevention space and in areas where we can support victims, but also making sure that we hold perpetrators to account.

       **Mr DEAN** - I'm not questioning you on your support of victims at all.  The police do that very well, as well.  I'm questioning the operations of what you're doing as to whether or not they're successful.  That's what I'm questioning.  When are we going to stop calling it domestic violence and family violence?  It's a crime, and it should be referred to as a criminal act.  I think that is a starting point for you, as well.

       **Mr HODGMAN** - Yes.  And in your opening question, you asked would we review and consider other -

       **Mr DEAN** - Yes.

       **Mr HODGMAN** - Yes.  That is exactly what the review we're now undertaking is all about.

       **Mr DEAN** - Right.  So, can you tell us what legislative changes you are considering or looking at?

       **Mr HODGMAN** - Yes, well, certainly the persistent family violence offending is a key one.  That, as I say, will allow courts to take into account the full extent of an abusive relationship, and that has proven to be a difficult area of family violence victims.  Being, in the most traumatic of circumstances, expected to remember each and every specific of when an act of violence has been committed against them is unreasonable.  I think that will be a very important -

       **Mr DEAN** - I have other questions on this about the tables, but do you want to go to others first and come back?

       **CHAIR** - No, we'd like you to continue, thank you.

       **Mr HODGMAN** - I've have a number of amendments to the Family Violence Act laws through amendment bills, even within our last term of government, that have been introduced and are being effected now.  Close to 20 amendments, including where a person who is protected by a family violence order or similar cannot be charged with an offence of instigating a breach of protection order unless the breach resulted in an affected child under that order being put at risk.  That's aiding and abetting.  A judge may direct an indictable offence be recorded as a family violence offence on a perpetrator's criminal record; so, that acts to deter and certainly to hold perpetrators to account.  Electronic monitoring that I've spoken about.  The ability for a court -

       **Mr DEAN** - One that I've continually harassed you about.  Yes, that's great, that's good.

       **CHAIR** - He has been persistent, Premier.

       **Mr DEAN** - I have, I have.

       **CHAIR** - And consistent.

       **Mr HODGMAN** - Yes - to monitor a person is a conditions of a family violence order in circumstances where that person has a prior history of family violence or has been previously charged with family violence.  After the first anniversary of that, there will be a review of the effectiveness of that as a condition of an FVO.  Discontinued matters, where an acquittal is entered as a result of no evidence being tendered, may be admissible as relationship, tendency, or coincidence evidence in a subsequent family violence charge.  I've alluded to changes to the Evidence Act to better allow victims, including children, to give evidence in court.  So, there's been a lot done to make it easier for victims, make it easier for the courts and the court system to process cases, and in a way that allows us to better uncover the causes, the extent, and ultimately deal with the offender more effectively.

       **CHAIR** - Premier, is there any intention to expand the mandatory reporting obligations even further than what we already have in place for domestic violence?

       **Mr HODGMAN** - At this stage - and you will have noted our response to the Royal Commission with respect to the Catholic Church, as to its obligations and expectations of what it will need to do under that, and it is certainly our intention to support -

       **CHAIR** - But are there any other areas that the government is considering for mandatory reporting?

       **Mr HODGMAN** - For mandatory reporting?  Kate might be able to pinpoint any - no, it is not so much, but we may have some advice that can assist the committee.

       **Ms GALE** - Premier, I think that in terms of mandatory reporting, all of those government agencies and so on that could be the subject of mandatory reporting pretty much already are.  We don't think that there is much scope for extending the mandatory reporting, apart from what the Premier has just said in relation to the national inquiry.

       **CHAIR** - What about in the wider community, Premier?  Has that not been considered?

       **Ms ARMITAGE** - You can't really force the public because a police state -

       **Ms GALE** - NGOs are covered.  Non-government organisations are now covered, as well.

       **CHAIR** - Will that be an ongoing discussion, Premier, around that -

       **Mr HODGMAN** - Yes.  Again, through the review process, it may be covered through that.

       **Ms GALE** - Yes.

       **CHAIR** - I think the community would probably appreciate an opportunity to have that broader discussion and, to make it a question, I trust you'll agree?  Thank you.  Mr Dean, on the table 2.8.

       **Mr DEAN** - Yes, just on the table on p.43.  I just want to be able to understand it a little better, in fact, you know, where it says "Safe Homes, Safe Families" and "actions on schedule against the milestones and timeframes identified in the Safe Homes, Safe Families implementation plan".  In 2017-18, Premier, it is identified that the target is 90 percent, and 90 per cent 2018-19.  So, what is that all about?

       **CHAIR** - Ninety per cent of what?

       **Mr DEAN** - Yes, 90 per cent of what?  And also, the underneath part as well; "satisfaction of key clients with delivery of public services as measured by survey", 90 per cent and 90 per cent.  So, what is it all about, and will those targets be met?  Are you on track?

       **Ms GALE** - Premier, in relation to the first one, that is a project management key performance indicator, so it is talking about the actions on the schedule against the milestones and timeframes identified.  So, it would reach 90 per cent of those by 2018‑19.  That's about -managing the project itself.

       **Mr DEAN** - Where are you with it now?  What stage are you at now?

       **Ms GALE** - I would need to defer to Mandy, Premier, through you?

       **Mr HODGMAN** - Yes, just do it.

       **Ms CLARKE** - All milestones are on track in accordance with the timeline.  So, we would be exceeding that target, currently.

       **Mr DEAN** - Right.

       **CHAIR** - Thank you.

       **Ms CLARKE** - Sorry, we'd be exceeding that target currently.

       **Mr DEAN** - Right, okay.  And the one underneath that?

       **Ms GALE** - Mandy, the survey?  Could you talk about the survey, please?

       **Ms CLARKE** - Any surveys that we would do, we would include as part of the review process.  So, there will be an open community consultation process; so, the feedback into satisfaction around those things would be measured as part of the review process.

       **Mr DEAN** - I'll read that later and see if I can understand it.  Thank you.

       **CHAIR** - Premier, can I ask a follow-up question in regard to that, then?  How is that community consultation likely to occur?  I mean, is it region by region, or is it through particular groups in the community?  I am interested to understand how that will take place.

       **Mr HODGMAN** - The Secretary can assist with the process.

       **Ms GALE** - We have a consultative group that we use for that purpose, to get feedback, but also to advise us about what further consultation might occur.  So, we would do that through the consultative group.

       **CHAIR** - Is it likely that that will include having community forums, as such, or will you rely on the consultative group to know their communities well enough to understand what they're actually aspiring to?

       **Ms GALE** - So, we do have a wide range of organisations on that consultative group from the Aboriginal Health Service, Anglicare Tasmania, Laurel House, Neighbourhood Houses Tasmania, and so on - Women's Health Tasmania.  So, a broad cross‑section of community groups who would be able to provide us with advice about what the nature of the consultation ought to be.

       **CHAIR** - I think there is some confusion in the way that people in our communities perceive community consultation.  They often think it is their opportunity directly to be involved in some of these areas.  So, that is something to be mindful of.  And again, that is not a question, but I trust that you would support that the community gets an understanding of what the community consultation actually does consist of?

       **Mr HODGMAN** - Certainly.  No, I understand and take that on board, and I'm sure that will be considered by the consultative committee.  It is very targeted and quite extensive, and as to what or how -

       **CHAIR** - It is almost community consultation on behalf of the community, not so much the community.

       **Ms GALE** - We wouldn't rule out community consultation.

       **CHAIR** - Going into.

       **Ms GALE** - No.  So, as I indicated before - or I was trying to indicate that we would use the consultative group to provide us with advice as to what consultation we ought to action.  So, it could well be that we do spend time in communities, but we will work through the consultative group to determine that.

       **Mr HODGMAN** - If there were an opportunity or a need for community education, or promotion of what is happening and how it might affect people, or what services might be available, and, you know, to better communicate what we're doing to change things, then certainly that would be captured, as well.

       **CHAIR** - Thank you.

       **Mr DEAN** - If I could, or was there something else?

       **CHAIR** - Yes - no - last question concerning -

       **Mr DEAN** - Yes.  The table on p.50 - and the member for Launceston, I think, talked about this, and you've already raised a funding part of this.  You know, it is not a good look when you look at that first-line item; it is a decrease of $3 million in round figures down to 20, 21, 22.  And you read the note on the next page.  Does that mean that there is an actual decrease in the funding in this area?  Just interpret it for me.  You read the note on p.53, as well, that a decrease in safe homes - well, you can read it without me having to read through it.

       **Mr HODGMAN** - Yes, that's right.  It reflects the funding -

       **Mr DEAN** - What does it really mean at the end of the day?  Has there been a change in the funding before?  The annual funding, has there been some change in it?  Not all used?

       **Ms GALE** - Premier, so, some of the actions are time-limited, and so when they were completed then that funding - and the funding spread reflects that.  Therefore, as actions are completed, they are no longer funded.  It is a matter of getting through the actions and completing them.

       **Mr DEAN** - Well, I think that's been the question I've been asking all along:  what has come of those actions?  What do they achieve?  What do they do?

       **Ms GALE** - The evaluation and the review of the Family Violence Action Plan will be used for that purpose; to determine the effectiveness of the actions and about what the next step should be.  That is why we're having the review.

       **Mr DEAN** - When will we know what the next steps will be?

       **Ms GALE** - We already know what some next steps are going to be.

       **Mr DEAN** - Can you tell us what they will be?  Sorry, Premier, through you, through you.

       **Mr HODGMAN** - No, no - yes - no.  I'd rather you got the information you need.

       **Ms GALE** - I'll see if I can find the next steps.  So, the next steps are to commit to the development of the next stage of the Action Plan.  There has been a $1.5 million immediate injection to meet increasing demand of the services.  The new offence that the Premier referred to before of persistent family violence, that is going to be part of the next stage.

       **Mr DEAN** - That's the next stage of the Action Plan?

       **Ms GALE** - Court declarations for persistent and repeat offenders, and the Project O funding, which has been advanced.  They are all parts of the next step.  But the actual next stage of the action plan hasn't fully been determined yet because we want to conduct the review first and then we will move into the next stages, the next phase of the plan.  So review first and then move forward, depending on what we believe has been effective and what else needs to be done.

**Mr DEAN** - I hear what you're saying but I don't necessarily agree that you've made any real progress in this area.  So I'll be watching fairly closely.

**Ms GALE** - Thank you.  I think that in relation to progress there may not be the hard data to support that at this stage.  There is a fair amount of qualitative information that's available as to the effectiveness of some of the individual parts of the action plan.  So for example the work that the Safe Homes coordination unit does with education is proving to be highly valuable for the young people who are involved, because of the data sharing provides schools and so on with the heads up when children are at need and so on.  There is quite a deal of qualitative information that's more broadly - more broader than decreasing the incident of family violence that clearly for a societal and cultural approach is really important.

**CHAIR** - Thank you.  We know that this is an important area of the budget, premier, but we do need to move on.  So we will move to 1.1, strategic policy and advice.

**Ms SIEJKA** - Premier, I'm interested in the election commitment to the THA for the establishment of the hospitality unit.  Is it going to reside in the Department of Premier and Cabinet.  What will it be tasked with doing and how many people will be employed to undertake this work?

       **Mr HODGMAN** - It will be in the Department of State Growth and it's being determined, -

       **Ms SIEJKA** - I understood it was going to be in DPAC based on the election commitment.

       **Mr HODGMAN** - No, the Department of State Growth.

       **Ms SIEJKA** - So how many - what's it going to be tasked with doing and how many people are going to be working there?

**Mr HODGMAN** - Well, the secretary informed the committee yesterday it's being now scoped in context with the budget, so as to its staffing - unfortunately because it's a State Growth matter I don't have any materials available to me to support that or to provide to the committee.

**CHAIR** - All right.  Next question?

       **Ms SIEJKA** - All right.  So in regards to right to information can you provide the number of RTIs received by the Department, and the average time to accept or reject an accessible RTI?

       **Mr HODGMAN** - Certainly.  Okay.  For 2017-18, the period to June 2018 DPAC has received 38 RTI requests.  Of that 20 have been received from the opposition from Tasmanian Greens parties.  All have been completed within statutory timeframes.  Three assessments are currently in progress.  The process obviously is one which is done at arm's length from ministers and the same process was brought under previous governments.  Does that answer -

       **Ms SIEJKA** - Yes, and how many times was this more than the 20 day timeframe?

**Mr HODGMAN** - So decided in 20 working days or less 22; decided within extension the third party consultation 5; and extension due to negotiation in accordance with section 19.2, one; late responses nil.

**Ms SIEJKA** - And how many of the rejected applications were appealed to be the ombudsman?

       **Mr HODGMAN** - I am not aware of any.  I'll just double check.  I'll just double check and we will be able to get that figure today.

       **CHAIR** - Premier, I'm interested in the climate change action plan, and particularly interested in the coastal policy that I believe would fit nicely under the climate change action plan, given the coastal erosion is often considered due to climate change.  So I'm interested in where that coastal policy is and how is that Department addressing that?

**Mr HODGMAN** - Climate change sits within DPAC, it's the responsibility of the Minister for the Environment, Ms Archer.  So she may be able to provide, or will be able to provide you with a lot more information.  If anyone here is available it might assist.  I don't think we even have an officer on hand.

       **CHAIR** - So the minister has got the heads-up for tomorrow now, premier.

       **Mr HODGMAN** - Yes.  I will tell her to expect a question.

       **CHAIR** - Somebody I think scurrying around looking for that policy somewhere.  So thank you.  The obligations under COAG or your work under COAG, that would be under strategic policy and advice?  I've got some nods at the table.  So the Tasmanian brand initiative, you cited that as part of that.

**Mr HODGMAN** - Yes.

**CHAIR** - So I'm interested in what that entails.  We talk a lot about the Tasmanian brand, but I am just interested in how the coordination of business and products is being undertaken.

**Mr HODGMAN** - Okay.  So during our last term, first term of government we decided that given the dramatic change in Tasmania's tourism industry, the rate of growth in our export sector wanting our fine high quality high value products and produce, and given the high levels of interest in our state and our reputation I think is a lot different now to what it was just a few years ago.  We thought it was important to understand whether our brand is being properly captured and represented to the world and whether the Tasmanian Brand Council is adequately resourced and supported to do its job in combination with all government agencies in the non-government community.

       So what we have decided to do is transition the Tasmanian Brand Council to become a statutory authority and legislation will be introduced later this year to do that, a similar thing to what we did with Tourism Tasmania four years ago.  The objectives and the intention of us so doing is to provide more resources, to provide some funding surety, permanent staff and to ensure that it's dependent from government legislations due in the spring session.  The Brand Council, and it has wonderful people on it, has provided a great leadership and brand stewardship for two decades and has certainly played an important role.  It will be an ongoing role for the Brand Council, but given that we are now in a very competitive space, a very competitive commercial and business environment, our exporters, our tourism sector, our international education community are all very active and supporting a high level of growth and interest in our brand, its integrity and its strength, we've decided to establish the statutory authority and better resource it.

**CHAIR** - Premier, through the legislative council select committee for the dairy inquiry a number of the witnesses who made presentations to the inquiry didn't have a lot of positive comments around the Tasmanian Brand Council. So is that, your actions reflective of some of those I guess recommendations from the committee?

       **Mr HODGMAN** - Certainly, and one of the key intentions is to better coordinate our effort and to get greater ownership and investment into our brand as well.  We want ideally everyone to be singing from the same hymn sheet, consistency, and that includes with tourism, because often the tourism brand and their marketing is different to what the primary industry sector might need or want.  So if we can better coordinate our efforts hopefully we will have fewer people worrying about whether or not we're doing a good enough job with our brand.  I think to be fair to the Brand Council it's effectively operated on a shoestring and in many respects the Brand Council members have been voluntary, volunteers, but this will provide them with some greater funding, surety, permanent staff, budget allocations that better support them and their efforts.  Greater accountability as well, and we are consulting now and have people engaging with the community now to develop a brand and to understand its integrity, its current value, what needs to happen and to be done differently and better.

       **CHAIR** - So members of the legislative council and particularly those who were part of that inquiry will be very interested to see the outcomes of that.

**Mr HODGMAN** - Yes, and I'd encourage anyone to be involved.  It's not something we are rushing because it does require a lot of consultation.  It will require some structural changes to how we support the brand, but we are certainly moving to a point where very soon we'll have something more concrete for people to consider and to provide their responses to.

       **CHAIR** - Will there be KPIs put in place for that organisation to meet?

       **Mr HODGMAN** - Yes.  Certainly as a statutory authority it does not only better in power, that body, but it will also have an intersection with government and parliament as to its performance.

**CHAIR** - Thank you.  In regard to Tasmania's commitment to COAG can you advise what new initiatives has the government signed up for in more recent times that we can expect to see, particularly through legislation.   I'm interested.  I've not always been supportive of some of the initiatives to be honest, premier.  I think Tasmania is unique.  We need to remind ourselves of that, and we can't always play with the big boys, and I liken Western Australia as still doing quite well and they don't always sign up to every initiative that the Commonwealth thinks is good for it.  So interested in what's planned.

**Mr HODGMAN** - Yes, certainly.  Very important we're there though needless to say and it's important when we are there we know.

       **CHAIR** - I understand that, but we don't have to sign up to everything.

       **Mr HODGMAN** - No.

**CHAIR** - The sky doesn't fall in even though we are threatened with that.

       **Mr HODGMAN** - Certainly, and we are always only ever willing to sign up when it's in our state's best interest and that includes extracting any additional support from the Commonwealth, which has happened on more than one occasion, we will do so, but it's a very important forum as well to advocate on behalf of our state, for example the GST debate, to fully appreciate what is happening with respect to counter terrorism, actions by government, and that includes ours, and that's been a focus of a dedicated COAG meeting in recent times.  The last one happened during the election campaign or caretaking mode, so I wasn't able to attend but I was represented by officials there, and that is something the secretary can talk a little further to as to exactly what happened there, but we've had a special COAG meeting on counter terrorism as I say which had a number of important initiatives that had been raised.

       There are a number of COAG meetings that exist within ministerial responsibilities that have been progressed.   I can get you a list of all national partnership agreements that have either been signed or pending, because I think that's probably the point you're going to.  There's a number of those.  Recently one in regards to housing has been signed.  There's a skills -

       **CHAIR** - So have they wiped our Commonwealth debt yet, the Commonwealth?

       **Mr HODGMAN** - Not yet, no.  There's a national energy reform underway, national disability insurance.  There's always a family violence standing item, as is indigenous affairs, national security, they are regulars on the agenda.  There are a number of officials who assist throughout the year and meet very regularly and have discussions often in various forms to support our efforts.  The most recent of those was February of this year.  It does come at some cost and I can advise the committee that $28 450 on COAG related travel for officials in 2017-18 occurred.  For the record I fly cattle class.

**CHAIR** - So do I.  I don't fly very far.  To Flinders.

**Mr HODGMAN** - The previous year was $25 082.  The majority of the costs that were incurred when we had a COAG meeting here which was quite exceptional and quite unusual because typically they are held in Canberra or Sydney, but there has been a move by the Commonwealth to spread them across the country. **and (indistinct 9.56.05).  (Indistinct**) was the host of a COAG meeting in June of last year and most of the cost of that was incurred by the Australian Government.  However DPAC incurred expenses of $1340 to cater and hire the room.

       **CHAIR** - So if we can have that list.

**Mr HODGMAN** - In fact, sorry, I can tell you now, I do have this before me.  The next agenda of the COAG meeting, and that includes the school funding agreement, national health agreement, Closing the Gap Refresh, and a second reducing violence against women summit is to be held in October of this year, but I can get you a list of all national partnership agreements.

**CHAIR** - Thank you.

**Mr HODGMAN** - And their status.

**CHAIR** - That would be very much appreciated.

**Mr HODGMAN** - I can assure you we never sign unless it's in our state's best interests.  More often than not it is.  That is the proposed national reform, but we would only ever do that as to best serve our state.

**CHAIR** - Thank you.  Mr Farrell.

**Mr FARRELL** - Yes, thank you, Chair.  Just back on the brand thing, premier, through various legislative council enquiries we've found that it's not always an easy thing to promote brand, particularly in the private sector where they favour promoting their own brand above the Tasmanian brand.  So that will be a challenge.  The question is around protection of the Tasmanian brand.  We have seen in the past where Warner Bros have taken the Tasmanian devil and Tasmania's had very little recourse to fix that.  Is it envisaged that those sort of issues will be looked at through a new statutory body?

       **Mr HODGMAN** - Yes, and I do think again with respect to the Brand Council that a statutory authority will be better capable of considering whatever else we can do to protect the integrity of our brand to look at protection systems that exist in other jurisdictions and their applicability to Tasmania, and to best protect our brand, geographic status in particularly high value brands that we have, whether it be King Island or our whisky sector.  All those issues are being considered in the process.

       **Mr FARRELL** - Because we have seen some companies probably use the Tasmanian brand but not be completely loyal to the Tasmanian brand, so -

**Mr HODGMAN** - And other businesses that don't reside in Tasmania using our brand, which is an issue.  That's certainly part of the plan.

**CHAIR** - A piece of legislation, premier.  You should penalise them for such an action.

       **Mr HODGMAN** - It can be complex with national competition rules, our constitutional arrangements, et cetera, but whatever opportunities there are, and we have looked at other jurisdictions and there's been - Ms Gray might be able to provide some assistance - but looked at other jurisdictions, other states - Ms Gray, Ms Mel Gray who's director of policy division - about what they have done in New Zealand for example and other states.

       **CHAIR** - I might just pull that microphone down a little bit.  Almost have to be like a rock star and eat them, premier, but you would know about that.

**Mr HODGMAN** - Ms Gray is leading the brand project.

**Ms GRAY** - Thank you, premier.  We've looked at a number of other places in the world that undertake what's called place branding.  In particular we've looked at New Zealand, Finland, Norway, Canada as the main areas, and we found that these places - the most contemporary way of viewing brand is for these places to actually have a more distributed ownership of the brand, not just in the private sector, but in the community sector and across government.  It's a brand that's based on consultation and owned by all parts of our community.

**CHAIR -** So, do you mean like the King Island brand, and the Pyengana cheese brand, use the place more significantly than what we have in the past.  Is that what you're saying?

**Ms GRAY -** Yes, it's about actually capturing what's unique about particular places that make up the state of Tasmania, and then communicating that through a narrative or a story that people identify themselves with.  It differentiates us from the rest of the world.  A lot of the places in the rest of the world claim to be clean and green and pristine, narrative or place branding is actually telling that deep emotional story about what makes Tasmania unique.

**CHAIR -** Supplementary Mr Farrell?

**Mr FARRELL -** Yes, through this process.  Obviously our wine industry is growing, and we have a whiskey industry that has taken off like a rocket, and a gin industry that is starting to happen.  There are guidelines I suppose that some worry about, about what percentage of a product is Tasmanian.  Like if people have to import product to put in the, whatever they make, is it envisaged that there would be some guideline along that?  So if someone does produce something in Tasmania and say for example, they're making here, they're employing Tasmanians but they need to import something that comes from outside of Tasmania, this has been something that has been raised with us through one of the committees.  Will that take it into account?

**Mr HODGMAN -** Yes, and it is not an uncommon situation where an import into one of our wonderful products does often unavoidably need to come from elsewhere -

**CHAIR -** Like Bobby the bear, his outside comes from overseas but he's filled with Tasmanian product.

**Ms GRAY -** He was counterfeited for a while there.

**CHAIR -** But he is dinky-di if you get him from the Bridstowe lavender farm.

**Mr HODGMAN -** It would be regrettable to penalise or disadvantage our producers if they're required to get an element of their product from somewhere else.  But Mel, I don't know if you've looked at that closely at the opportunity or the options in that regard.

**Ms GRAY -** A key function of the new statutory authority will be responsibility for promoting, evolving and protecting the Tasmanian Brand.  So, it will - we are working with brand counsel now, and we will work with the new executive of the statutory authority, and the chair of that authority on the appropriate policies and procedures around evaluation of the brand and protection of the brand, to ensure that that's in place when the statutory authority comes into effect.  If the legislation passes, of course.

**Mr HODGMAN -** But it would not envisage that the product needs to be totally, or 100 per cent Tasmanian made to leverage off our brand.

**CHAIR -** Thank you very much, and if there are no other questions, then I will move to 2.1 which is management of executive government processes.

**Output Group 2**

**Government processes and services**

**2.1  Management of executive government processes**

**CHAIR -** I invite Mr Dean to commence the questioning.

**Mr DEAN -** Thank you.  You've got a number of new performance levels set for this area.  How is performance now assessed?  And what incentives, or sanctions apply where performance is good, or where performance is bad?

**CHAIR -** I doubt you got that question yesterday, -

       **Ms GALE -** In relation to the sanctions questions, the -

**Mr DEAN -** Well it was part of the whole thing, it wasn't just a question on its own.  I said the good part as well.

       **Ms GALE -** No, no, I'll go to the tail end of it first if you like.  So there are no sanction as such for not achieving targets, but they're more aspirational and we would review our performance against those and again look at ways we can improve what we're doing.  Some of the targets have been set as a result of historical achievements, with a stretch added to it to try to make sure that we're trying to be as aspirational as we possibly can.  Numbers of these of course, depend on other actions, such as; for example, in relation to bills and statutory rules we've got updates.  So they're more functional targets about trying to make sure that we're working within certain timeframes et cetera, to deliver the best possible service that we can.

**Mr DEAN -** So what will they do for the efficiency and effectiveness of the area of defect?

       **Ms GALE -** Sorry?

**Mr DEAN -** What will they do - what will these new performance levels that you've set, the criteria that you've set, what will it do for the department?

       **Ms GALE -** It will mean that we've got goals that we're trying to achieve -

**Mr DEAN -** Who sets the goals?

       **Ms GALE -** We set them internally as part of the process each year, and we look at what the previous performance has been and then how we could improve them.  Because our goal is to provide the best possible -

**Mr DEAN -** The reason I ask this, is because this is a new area that you've set it says it I think through the papers and so on, the new performance levels have been set.  So, when you set new performance levels, you set them with obviously some position in mind that it's going to improve the efficiency and the effectiveness of the area of the department, and so on.  That's the reason for the questions.  Will it do that?  Has it done that?  Can you see any movement at this stage towards making it better?

       **Ms GALE -** Well some of these are new for this year, so we'll be looking at them from now.

**Mr DEAN -** Yes, yes.

       **Ms GALE -** Some of them came as a result of the Auditor-General review into performance measures, some time ago you may recall that.

**Mr DEAN -** That's right, I do.  I certainly do.

       **Ms GALE -** It's been a (inaudible) response to those as well.

**Mr DEAN -** Yes, yes.

       **Ms GALE -** To look at the performance measures.  Some of the importance for doing it was external through the Auditor-General, but as I said to you we try to put in place measures that are aspirational and will help us to improve our service.

**Mr DEAN -** What are the staffing levels here Premier, in this area?  What are they now, and what were they in the last, say the last year and year before that as well?  Just say, over a three year period?  And the bands - the salary bands as well.

**Mr HODGMAN -** Right, there is staffing now for 2021-24 FTE -

**Mr DEAN -** That's now.

**Mr HODGMAN -** Yes, compared to -

**Mr DEAN - 20**21-24?

**Mr HODGMAN -** Yes, 2021-24.

**Ms GALE -** That's the break down.

**Mr DEAN - 20**17-18?

**Ms GALE -** So the breakdown of that is in the cabinet office 3.8 FTE's, import folio services 1, and in the communications and protocols unit 16.44.

**Mr DEAN -** And the year before?  2016-17?

**Ms GALE -** I'd have to take that on notice.

**Mr DEAN -** What about 2015-16?

**Ms GALE -** I'd have to take that on notice.

**Mr DEAN -** Right.  Can you tell me, has there been an increase or decrease in the staffing levels?

**Ms GALE -** No, the overall staffing has increased marginally by .24 FTE's, so it's pretty stable.

**Mr DEAN -** Right, okay, thank you.

**CHAIR -** Just on the supplementary Mr Dean, Ms Siejka?

**Ms SIEJKA -** Just on the SES bands of the staff?  You didn't answer that one.

**Mr DEAN -** We did ask that, but you're right to ask again.

**Ms SIEJKA -** I'm just hunting down the information.

**Ms GALE -** There's the one SES staff member across that output group.

**Ms SIEJKA -** Only the one?  How many departmental liaison officers - oh sorry.  How many - you took my microphone.  How many departmental liaison officers are amongst that?

**Ms GALE -** None.

**Ms SIEJKA -** None?

**Ms GALE -** These are DPAC staff.

**Ms SIEJKA -** Okay.

**Ms GALE -** They're working in DPAC.

**CHAIR -** So the number of bands, did you say there was just one?

**Ms GALE -** Just one.

**CHAIR -** So they're all on the same -

**Ms GALE -** No, there is only one SES officer in that output group.  The others are at other levels.  Sorry, I thought the question was about SES senior executive services staff.

**Mr DEAN -** No, what are the bands -

**CHAIR -** For the whole 21 staff?

**Ms GALE -** Oh, well we would need to take that on notice.

**CHAIR -** Thank you.

**Ms GALE -** They would vary from admin staff, all the way through.

**CHAIR -** Yes, we understand that.  Yes, we can't ask individual salaries, but we can ask for bandwidth.  Members, we have members down the other end of the table that can't hear, so we just have to use these little things.

**Ms SIEJKA -** Sorry, Craig stole it.

**CHAIR -** Thank you.  Mr Dean?

**Mr DEAN -** I just wanted to raise issues, and you did raise this I think in your opening address, was your scholarship fund.

       **Mr HODGMAN -** Yes.

**Mr DEAN -** I think it fits in here.

**CHAIR -** It does.

**Mr DEAN -** If what was said last year is still on track, you commenced at the beginning of this year as I understand it, that it was commenced at the beginning of this year.  It was still being worked through last year.  That is more students receiving smaller amounts, or less students receiving larger allowance, and so on.  So what has happened in this, and how many are you currently supporting under that fund?  There is some reference to the endowment model in this as well, and I'm not quite sure what that is all about.

       **Mr HODGMAN -** Yes, that was a model that had been considered by government and proposed by the university as another funding model.

**Mr DEAN -** Funding model?

       **Mr HODGMAN -** Rather than a budgeted allocation, it has not progressed but is a concept that we would certainly continue to explore with the university to establish a more sustainable funding model, and it does happen in other areas, but Mr Nicholson can provide some assistance.

       **Mr NICHOLSON -** I think last year, you're right Mr Dean, and we were still finalising new arrangements for the scholarships under the partnerships agreement.  In the end we've come up with six scholarships in - called the education inspiration scholarship program to support year 11 and 12 students at risk of leaving the education system, which supports the governments broader goal of retaining those kids.

**Mr DEAN -** Just year 11 and 12?

       **Mr NICHOLSON -** And in addition to that, we dealt with the perpetual scholarship issue by providing $288 000 for a perpetual honours scholarship that awards $10 000 annually to a student commencing their honours year at the University of Tasmania.

**CHAIR -** So how much were the year 11 and 12 scholarships thank you?

       **Mr NICHOLSON -** I don't have that figure on me, but we can easily get that for you.

**CHAIR -** Thank you.  If you could provide them.  The six scholarships?

**Mr DEAN -** Can we identify where the six are?  I guess they've been identified for the year now are they?  Do we know who they are, those six scholarships?  What areas?  Are these scholarships targeted towards those kids, those students who are less able to afford proceeding further with their education, and that's a questions I ask all the time.  We continue to support do-gooders, the ones who have got plenty of finance behind but the others seem to never (inaudible).

       **Mr HODGMAN -** Yes, I will run you through the package and it certainly does target types like me, who might have struggled a little at school and a lot worse.

**Mr DEAN -** That's what I mean.

       **Mr HODGMAN -** It actually does, and I don't mean to be facetious it does literally target kids who are looking at even dropping out of school.  One of the most powerful things I've ever seen at a university foundation dinner, was meeting one of these kids who is now at university and nearly dropped out of the school system in year 10.  So I'll just give you some facts, and hopefully it'll address each of your questions.  Premiership scholarship fund is $288 000 perpetual fund, providing $10 000 each year for an honours candidate, which is one element.  The education and inspiration scholarship is for years 11 and 12 students provide $300 000 over four instalments in the scholarship was awarded to six students in 2018.  In 2018 a grant deed was finalised for the education and inspiration scholarship that provides financial support to students at risk of leaving the education system.  Various instalments are paid under the grant deed, but more importantly they are - the scholarships have gone to a student from Bayview Secondary College in year 10, and now enrolled at year 11 at Rosny College, a student from Port Dalrymple school in year 10, now enrolled at Launceston College.  One from Mount Hutt School from year 10 and now at Hellyer.  One from Smithton High school in year 10 and now is enrolled at Hellyer and one from the Jordan River learning federation now enrolled at Claremont College and another from New Norfolk, currently enrolled at Elizabeth College. So that is -

**Mr DEAN -** So they share the $300 000?

       **Mr HODGMAN -** Yes.  Then they -

**CHAIR -** Over the time of their university attendance?  It wouldn't be $300 000 in one year, would it?

       **Mr HODGMAN -** Yes, I see that's the instalments to which -

**Ms GALE -** So the grant deed provides for a total of $300 000 over four instalments, the first is -

**Mr DEAN -** But for over how long?  Four years?  Or four instalments?

**Ms GALE -** Yes, for four years.

**Mr DEAN -** For four years.

**Ms GALE -** So the scholarship is $30 000 on signing the deed, then instalment two is $30 000.  But this isn't to the individual, this is for the program.

**Mr DEAN -** Yes.

**Ms GALE -** $30 000 by 31st August 2018, $120 000 by 31 August 2019, and $120 000 by August 2020.

**Mr DEAN -** Right, so my next question from that is so does this scholarship - is this a new scholarship beginning at each year?  So next year in 2018-19, will we see another scholarship with another six students selected?

       **Mr HODGMAN -** Yes, it's perpetual.

**Mr DEAN -** Right, so it's each year.

       **Mr HODGMAN -** Yes.

**Mr DEAN -** So moving forward.

       **Mr HODGMAN -** There is another one, a perpetual scholarship to which I referred to in my opening which also provides perpetual scholarship of $10 000 per annum to a student each year in their honours year.

**Mr DEAN -** In their honours year?

       **Mr HODGMAN -** Yes.

       **CHAIR -** So going back to the previous scholarship where there's six student are -

       **Mr HODGMAN -** Yes.

**CHAIR -** How are they identified?  And, how do people apply?

**Mr HODGMAN -** Good question.

**Ms GALE -** It is a good question, and we'll have to take it on notice, we don't have the -

**CHAIR -** It would almost have to come from their schools if they're in year 10, going into year 11.

**Ms GALE -** Here is some information for you.

**CHAIR -** Thank you.

**Mr DEAN -** I just wonder, because it seems - as I understand it, this is done through the university isn't it?  Not through the college's.  So its college student's we're looking at, tell me how that works?

**CHAIR -** At year 11 and 12, they're college.

**Mr DEAN -** Yes, year 11 and 12 are college.

**Mr HODGMAN -** It's part of the partnership agreement that we have with the university, and they're an important partner in it.  But as to the processes and selection -

**Mr DEAN -** Well it's got nothing to do with the university, because they're college students.  So I am just wondering why that comes into it.

**CHAIR -** Yes, so Premier we attend a lot of presentation evenings as MP's and the university provides scholarships.  So are they providing scholarships in their name with the Tasmanian Government money?  Is that potentially what they're doing?

**Mr HODGMAN -** The University has dozens of scholarships that it offers and many of them are supported not only by the university by the university itself, but by private benefactors.  They're sponsored scholarships from the community sector, from business industry.

**CHAIR -** I mean if these scholarships are provided by the government, and I have no issue with that, but I'd like to think that they're announced as Tasmanian government scholarships and not university scholarships, that's my question.  So I will be interested in getting that information.

**Mr HODGMAN -** Yes, we'll get some more detail to you -

**Mr DEAN -** So you would about the university's involvement in the college student?

**Mr HODGMAN -** Yes, and the process that is followed and we'll be able to report back.

**CHAIR -** Thank you.  My question is the perennial one.  The premier's discretionary fund, and I note premier, that you must have got a little bit tired of receiving requests for defibrillators in your previous year and you've decided to set up a separate fund, and I'm a serial offender on behalf of my communities, and I do not apologise for that.  So, I am just interested in the quantum, and you usually provide us with a list and you table it because it's usually quite extensive.  Recently, or last year, it was actually reduced from $480 000 down to $360 000, so can we have the quantum and table that list?  And an explanation about why defibrillators are no longer the flavour of the month from the Premier's discretionary fund.

**Mr HODGMAN -** Because they're so often sought after, as indeed are shipping freight containers for neighbourhood houses and they're wonderful re-use -

       **CHAIR -** You can live in a shipping container now, Premier.

       **Mr HODGMAN** - That's right, very trendy.

       **CHAIR -** I saw one at Agfest.

       **Mr HODGMAN** - Very trendy.  So I thought back then when we started to get inundated with requests for defibrillators that we should do possibly better in a group and set up a special fund particularly for them.  With respect to the PDF, the budget for the discretion fund for 2017-18, 360, total amount paid to March 2018, is $338 002.  271 requests were received since 1 July.  258 -

**Mr DEAN** - A few of  mine in there.

       **Mr HODGMAN** - Yes, there are some - don't tell everyone else because -

       **CHAIR -** Too late, we all know.

       **Mr HODGMAN** -  And it's very equitably spread across all parts of the State.  Some are better than others, but we sort of got a ranking list of most effective local members, and it is a really important -

       **CHAIR -** Who has taken over from Mr Polley?

       **Mr HODGMAN** - So 258 requests were successful.  Thirteen are declined.  I've got a list that I'm able to table if you'd like.

       **CHAIR -** We'd like that, thank you.

       **Mr HODGMAN** - And it is disclosed too, I should say, the information in relation to the discretion fund can now be found on DVAX website under routine discloses as well, in the interests of transparency and accountability.  Were there other questions you had, Chair?

       **CHAIR -** Thank you.  So how is the defibillators fund, how is that one being funded?  Is it from the leftover from the Premier's discretionary fund or is that another bucket of money?

       **Mr HODGMAN** - It's in the Department of Health, I'm advised.  We can get some more information for the committee but it's being administered through that department.

       **CHAIR -** But it's the same process as the Premier's discretionary fund?

       **Mr HODGMAN** -  I will take that on notice and we can get some information back from the Health Department or minister about that.

       **CHAIR -** Thank you.  That would be appreciated.

       **Mr HODGMAN** - I can provide further information in relation to the question, I think it was from the member for Pembroke about RTI requests.  There were five that were appealed to the Ombudsman.

       **CHAIR -** Thank you.  Members, any other questions in regard to this output area?  If not, then we will move to Corporate Support and that is mine.

**2.4 corporate support to ministerial and Parliamentary offices**.

       **CHAIR -** Premier, can we have an update on the number of staff that we have in this area, and any initiatives that have been undertaken.

       **Mr HODGMAN** - Yes.

       **CHAIR -** This also covers buildings and Henty House and the CH Smith Building.

       **Mr HODGMAN** - There is some confusion as to which output we might be on.

       **CHAIR -** 2.4, Corporate Support to Ministerial and Parliamentary Offices.

       **Mr HODGMAN** - So you're talking about officers and Henty House.

       **CHAIR -** We usually get the staffing numbers, so we're looking to see if there's a consistent number.  Initiatives undertaking and an update on the management.

       **Mr HODGMAN** - For corporate support I can advise that the current staffing is 16.72 FTE compared to 15.92 at March 2017.  Now, did you have a question about leased accommodation?

       **CHAIR -** Yes.

       **Mr HODGMAN** - Electorate offices?

       **CHAIR -** Electorate offices and the update with the CH Smith.  So is that on track for -

       **Mr HODGMAN** - Yes, we will get to that after I give you the electorate office lease costs for members of the House of Assembly as at March 31, 2018 approximately $537 721 per annum.  This represents a decrease of $24 169 compared to $561 890 at 31 March 2017, and $537 721 at March 2018.

       **CHAIR -** Is that just a better negotiation for lease arrangements, Premier?  I'm not complaining that there's a decrease.

       **Mr HODGMAN** - Electorate offices do change and leases come and go but who can provide any further information as to the reduction in costs?  No, I think it is just they have decreased but relatively stable to be fair.  As I say the combination of ministerial and electorate offices does change from time to time due to the location and make up of government members.  Some of them come and go as well, and that can affect the way rent is apportioned from one period to the next.  Rental costs generally increase year on year in accordance with lease agreements so it does make it a little difficult to compare, particularly when, in this instance, they've reduced, but additional funding has been provided ongoing in the 2018-19 budget for potential increase in lease costs for electorate offices to allow for any changes in tenancies for newly elected members.  As electorate office lease arrangements are not yet known, we don't yet know whether or not additional funding will be expended.

       **CHAIR -** Thank you.

       **Mr HODGMAN** - And the Smith building.  It is proceeding and progressing which is great to see.  Wonderful for the city and as I said yesterday, a tribute to Messrs Stewart and Curran for finally being able to activate development of this site and I think it's, not only a very important heritage site and its heritage values have been protected and will be, but also, as an entry point to the city, it will be wonderful to see a modern centre of activity as opposed to a dilapidated hole in the ground that it had been for so many years.

       **CHAIR -** The car park was pretty handy, Premier.

       **Mr HODGMAN** - Yes, and that's one element of it.  But of course, and we'll get to Service TAS a little later and I would imagine there'd be great excitement and celebration in the Launceston community that the days of Henty House will soon be behind us all, and the many patrons -

       **Ms ARMITAGE -**  (Indistinct 10.28.32) members are leaving Henty House.

       **Mr HODGMAN** - A thought was spared for those poor patrons who often ended up outside because of the limitations there, but they -

       **Ms ARMITAGE -** We were very fortunate though to be given a good briefing and an aerial display of the HC Smith.

       **Mr HODGMAN** - So they'll relocate there as and there will be other tenancies, as I say, and the advice I've got is that things are progressing - Service TAS is expected to be in there in early 2019.  So great spot, close to the CBD but also other government services such as Tas Police, the Magistrates' Court, Services at Civic Square.  The proposed investment by government into contemporary government office space is part of centralising our property and management strategy and there's a steering committee that includes senior reps from the Departments of Treasury, Premier and Cabinet and other key agencies to oversee the project.

       Launceston Service Centre staffing numbers will remain unchanged and there will be much better car parking, it is now open.

       **CHAIR -** So what about the vacated premises?  Is there any obligation for government -

       **Mr HODGMAN** - At Service TAS?

       **CHAIR -** For Service TAS and any other vacated areas?

       **Ms GALE** - The Department of Treasury and Finance works on government accommodation across the State so they will be making plans to try and maximise the rental space that's there at Henty House with government agencies if possible.  That's a Treasury Department responsibility.

       **CHAIR -** Right.  Well, obviously Premier, that would be a policy direction for the government then to move some of the southern based agencies out into other areas.  So is that something that you're looking at?

       **Mr HODGMAN** - Well, yes.  Certainly with respect to -

       **CHAIR -** I mean, we've done that with MRT.

       **Mr HODGMAN** - Yes, 100 DPIPWE staff will be moving into the north and north-west as part of an election commitment that we will implement.

       **CHAIR -** So are there any other agencies that you're looking to relocate?

       **Mr HODGMAN** - Yes, certainly.  And we need to manage these initiatives, the MRT relocation is still underway but proving to be a success and importantly provide government services into a community that's very closely connected with the mining sector and similarly with DPIPWE and there'll be a 100 staff that relocate into the north and north-west as I say.  They'll be largely frontline public servants very close to our agricultural and Agribusiness sectors in the north and north-west and north-east.

       **CHAIR -** So seeing that we're looking for a new home for some treasury officials, would that be something that you would consider.

       **Mr HODGMAN** - Yes, and there are budget implications here.  The funding for relocating departmental staff into DPIPWE is $2.4 million over four years for capital upgrades as well into facilities to accommodate the new positions, and funds and incentive program, not that you would need one to move to the north or north-west, surely.  So there is a cost attached to these things.  We need to - I firming believe in decentralising government and getting agencies that have particular relevance to a community into those communities.  That's also done by Service TAS.

       **CHAIR -** Mr Dean, supplementary.

**Mr DEAN** - Just on Henty House, I think the government or we, lease the whole of that building because there are a lot of vacant areas now and I guess the question to be asked and it has been asked of me many times, what's happening?  Who's going in -

       **Mr HODGMAN** - We need to get Treasury to answer questions of detail with respect to Henty House I'm afraid.  It's not something that -

       **Ms GALE -** So Treasury negotiate the accommodation so earlier when I was in Education for example, there were negotiations with Treasury about where the learning services north would be located, and so -

**Mr DEAN** - Temporarily they're located there at the present time.

       **Ms GALE -** They're temporarily there now but in the end, it was determined that for a range of reasons, that they would go to the CH Smith Building, so Treasury actively negotiates with government tenants in other situations to fill places like Henty House.  So that would be ongoing work.

**Mr DEAN** - It would be interesting to know just what's going to happen because the whole top floor will be vacant shortly when we move out in about three weeks' time so there's a lot of vacancies there.

       **CHAIR -** Another supplementary, Ms Seijka.

       **Ms SIEJKA** - It's a new question.

       **CHAIR -** It's a new question.  Okay.

       **Mr HODGMAN** - Can I, Chair, just ask, we've been able to source some additional information in relation to a question previously asked.  Is it your preference for that to be provided now or at some later time?

       **CHAIR -** We will do it before we go into the next output group.  We'll continue with this output group.  But new question.  Thank you.

       **Mr HODGMAN** - I just wanted to draw to your attention that we're responding as quickly as we can to -

       **CHAIR -** I will ask for that answer before we move.

       **Ms SIEJKA** - I'm interested in the Ministerial office staff.

       **Mr HODGMAN** - Yes.

       **Ms SIEJKA** - So just a list of roles and salaries in the staff.  How many are employed.  How does it compare to the previous financial year?  SES bands.  Department liaison officers and any other department staff that have been engaged in the ministerial office for a fixed term for any purpose.

       **Mr HODGMAN** - The works in other words.

       **Ms SIEJKA** - The works, everything you can tell me.

       **Mr HODGMAN** - Yes, and understood.   I am happy to provide quite an extensive range of details for you and for the committee.  I will start with the headline figures and we can dissect further as is required.  As at 31 March 2018, there are 88 full-time equivalents employed in the Liberal government offices, compared to 98.5 as at March 2017.  Within the respective offices it goes like this.  Premier's office, 13.9.  Deputy-Premier, 8.7.  Treasurer, six.  Attorney-General, 5.8.  Minister Barnett, 5.6.  Minister Courtney, six.  Minister Ferguson, eight.   Minister Jaensch, five.  Minister Petrusma, 5.6.  Office of the Speaker, one.  Office of the Deputy Chair of Committees, one.  Office of the Leader of the Government in Legislative Council, .5.  Office of Parliamentary Secretary Hidding, 2.6.  Tasmanian Government Communications office, 6.  Staff located in electorate offices, 12.3.  Totalling 88.

       Now, would it be simpler to table ministerial office's each person in their bands.  I've got pages which I could read though those but that may not be good use of our time. So I am happy to table all of that.  What else was there?

       **Ms SIEJKA** - Any Department Liaison officers?

       **Mr HODGMAN** - DLOs.

       **Ms SIEJKA** - Yes.

       **Ms ARMITAGE -** Sorry, before you go back, could I just ask with regard to the number that's gone down.

       **Mr HODGMAN** - Yes.

       **Ms ARMITAGE -** Are there vacancies currently?

       **Mr HODGMAN** - Yes.

       **Ms ARMITAGE -** I just wondered how many vacancies there might be if it takes it back up to what it was.

       **Mr HODGMAN** - We will include that in what we table.  Two DLOs.

       **Ms SIEJKA** - And any other department staff that have been engaged in your office for a fixed period for any purpose.  So that's your current numbers.

       **Mr HODGMAN** - Yes.

       **Ms SIEJKA** - Obviously it may have fluctuated in the past.

       **Mr HODGMAN** - I can take that on notice as well DLOs.  Secondees, did you ask about?  Yes.  There are a number of State service employees on secondment.  Two ministerial and parliamentary offices, it does vary from year to year, it's certainly not unusual, and in our view, and I'm sure it's a view held by previous governments, it is good for State servants to get out in the real world and have a chance to see how political offices, ministerial offices operate.  As at 31 March, 18 State service employees on secondment to ministerial and parliamentary support offices.  This is down also from March 2017 when there were 21.  Under previous governments in March 2014 for example, there were 23 State service employees working in Ministerial offices including two in the media office, and secondees as at March 2018 come from a number of different agencies including DPIPWE, Justice, Education, State Growth, Treasury, Health, TasTAFE, DPAC and Police, Fire and Emergency Management.

       **Ms ARMITAGE -** Are they included in the 88?

       **Mr HODGMAN** - Yes.

       **Ms ARMITAGE -** Yes, thank you.

       **Mr HODGMAN** - Some of these people in the list that we will table, will fall into that category.

       **Ms SIEJKA** -  Thank you.

       **CHAIR -** Any other questions, Members, on staffing?  I do have another question around members' offices.  So if there's no more on staffing, I'll move to Mr Dean.

       **Mr DEAN -** In relation to the offices, the Liberal Party offices, the Joan Rylah office, what's the position with that, Premier, what happened to it and is there somebody in it now.  It copped a lot of flak.

       **Mr HODGMAN -** Yes, and I mentioned in my earlier answer that leases and arrangements for members of parliament to change for a whole range of reasons.

       **Mr DEAN -** I think the question asked here is as to why three weeks before an election that all of these changes would be supported to that office.  That's the question.

       **Mr HODGMAN -** I think it's a bit longer than that, wasn't  it?  I can find out.

**Mr DEAN -** It wasn't that long before.

       **CHAIR -** According to media reports, it was approximately three weeks.

       **Mr DEAN -** It might have been four weeks, five weeks, but it was certainly -

       **Mr HODGMAN -** I am advised that the cost of establishing an electorate office for Ms Rylah was $9 420.  It was a decision made by Ms Rylah, as an elected member, and, as I said at the time, it is within the ability for any member of parliament, whether they be government, opposition parties or independents, to make decisions as to where they would prefer to have an electorate office and presumably do so on the basis of what is in the best interests of their constituents and, in this case, it was thought it would better access Ms Rylah to her constituents.  It did come -

       **Mr DEAN -** I asked the question, Premier, is it a good policy or a good position to have for any member, whether it be a legislative council or the government or the opposition or any other party, that they be allowed the opportunity to make changes to offices at the expense of government moneys at a time when an election is following, I think three or four weeks before an election?  Is that a policy that ought to be considered and looked at?

       **Mr HODGMAN -** Certainly with respect to the allocation of funding for electorate offices, as I say, that is a matter that I think members should be able to have at their disposal without -

       **Mr DEAN -** Absolutely, there's no issues with that.

       **Mr HODGMAN -** No, I just want to make that clear.  And certainly that move came within the envelope of what any member of parliament from any party or house would be able to utilise.  Certainly Ms Rylah's intention was to be back here again for another four years.

       **Mr DEAN -** Sure.

       **Mr HODGMAN -** And not vacating the office.  If there are any sensible policies that might be in place for electorate office use, that is something that we can certainly consider.

       **Mr DEAN -** Is the office being used now?  Is there anybody in the office?  What has happened to it?

       **Mr HODGMAN -** I would need to take advice.

       **Mr NICHOLSON** - Mr Dean, the lease will expire on 30 June.  It was an eight-month lease, as I understand it.

       **Mr DEAN -** So it is not being occupied by any new member that was elected to the parliament, so it stands vacant now and the lease expires in -

       **Mr NICHOLSON** - Through you, Premier, we will take that component on notice, but the lease does expire on Friday.

       **Mr DEAN -** About a week's time.  So what the government has done is improve the conditions of that office for no valid good reason, sadly.

       **Mr NICHOLSON** - I believe the costs, Mr Dean, were in the order of $9 000 in total.

       **Mr DEAN -** Premier, I just asked a question:  will that position be considered moving forward with the changes to offices so close to an election?  Is it likely to change?  It was a bad look for the public.  The public made quite a lot of it, the community made quite a lot of it and I think it was damaging to the member as well, but that's another issue.  So, is it likely to be changed?  There ought to be some changes.

       **Mr HODGMAN -** Without wanting to in any way put the government or a member into a difficult position with lease arrangements which could clash with election timings at any point, depending on when an election is called, yes, the schedule for Upper House seats is well known.

       **Mr DEAN -** Sure.

       **Mr HODGMAN -**  But governments can call elections at any point and that might lead to circumstances where  leases expire shortly before or during an election campaign and that would need to be balanced as well, so I'm not sure if we could be as prescriptive, but, as you say, there was a lot of public interest in that move.

       **CHAIR -** Premier, in response to Mr Dean's question, you just indicated that there is no set time for elections, yet your government is not looking to legislate for the election cycle for the House of Assembly?

       **Mr HODGMAN -** For fixed terms, no, we don't plan to at this stage and we would certainly not propose an election any time soon, not for at least another three and a half years.

       **CHAIR -** You raised it and I thought I would ask the question.

       **Mr HODGMAN -** Yes.

       **CHAIR -** Ms Siejka?

       **Ms SIEJKA -** Could we have the same breakdown for agency staffing as well, so the full DPAC?

       **Mr HODGMAN -** DPAC?

       **Ms SIEJKA -** Yes, that would be great, thank you.

       **Mr HODGMAN -** I can give you an overview.

       **Ms SIEJKA -** You have mentioned that - was it 88 - and it was a bit down, but it would be great to have this detail as well.  I am happy for that to be on notice.

       **Mr HODGMAN -** An agency overview to give the Committee a sense of what has happened.

       **Ms ARMITAGE -** And the detail of the vacancies.

       **Mr HODGMAN -** Yes, we will take the vacancies on notice.  With respect to (inaudible) agency at DPAC, DPAC remains below its funded establishment, which is 490.4 positions.  However, actual paid full-time equivalents have increased by 20.8 over the past year from March 2017 to March 2018.  March 2018, 477.7 FTEs, March 2017, 456.9 FTEs.  The additional FTEs are concentrated in Service Tasmania frontline roles and Corporate and Culture Division and the Office of the Secretary.  These increases are a result of filling vacancies within the funded establishment.  This includes project roles such as the Work Health and Safety Management System Project Team.  During the 12 months to 31 March 2018, 95 employees commenced with DPAC and 70 separated; six separation payments were made; there are 453 permanent and 107 fixed term employees, including senior executive services.  Gender balance is 65 per cent female - there are 365 women working in the department compared to 195 males, making up 35 per cent.

       **Ms SIEJKA -** Women in leadership?

**CHAIR -** Obviously you've opened the - prompted aggression there.

       **Mr HODGMAN -** Yes, I can get some figures on women in leadership positions.

       **MS GALE** - In the SES across agencies it's 39 per cent - over 39 per cent are women.

       **Mr HODGMAN -** Do you want me to conclude?

       **CHAIR -** Yes.

**Mr HODGMAN -** I haven't got much more to provide other than a breakdown of staff being 349 full time, 200 part time, 11 casual and 14 employees identified as Aboriginal and/or Torres Strait Islander, 10 employees identified as a person with a disability, there are 11 graduates and 21 employees under the age of 26.

       **CHAIR -** Aspiring.  Thank you.  Mr Armstrong, a question?

       **Mr ARMSTRONG -** Thank you, Chair.  At the last election, the Greens lost one of their members and I notice that there is increased funding to the Greens in the budget.   I was just wondering, can you elaborate on why?

       **CHAIR -** Are they still funded for their party status, Premier?

       **Mr HODGMAN -** Sorry, Chair?

       **CHAIR -** Are they still funded with the party status that has been consistent?

       **Mr HODGMAN -** They are funded, they don't have the party status.  Following the election, the government was approached by, firstly, the leader of the opposition, with respect to increased funding for that office, which was agreed to.  Similarly, the leader of the Tasmanian Greens with a request to maintaining the funding provided to the Tasmanian Greens was agreed to and consideration to increase the operational budget for House of Assembly members' electorate offices was agreed to in the budget.

       **Mr ARMSTRONG -** Do you have a breakdown of how much that is?

       **Mr HODGMAN -** Yes, I can provide - it's funding of $100 000 per annum for the term of the 49th Parliament.

       **Mr ARMSTRONG -** Is that to the Greens?

       **Mr HODGMAN -** The Greens, yes.  $100 000 per annum for the term of the 49th Parliament.

       **Mr ARMSTRONG - $**50 000 per member?  Is that how that work?

       **Mr HODGMAN -** It does include, yes, electoral staff, electoral office staff, and operational costs as well.

       **Mr ARMSTRONG -** That's the end of our funding.

       **CHAIR -** Thank you.  Mr Siejka, a question?

**Ms SIEJKA -** I think some of my further questions fit under some of the other -

       **CHAIR -** All right, thank you.  Ms Armitage?

       **Ms ARMITAGE -** Can I just ask regarding the public buildings in St John Street.  I know at one stage they were proposed to be sold, but I believe they are not now.   Are any members going across to the CH Smith building, any ministerial or member officers?

       **Mr HODGMAN -** I will take that on notice, not that I am aware.

       **Ms ARMITAGE -** Not now?  Not proposed now?

       **Mr HODGMAN -** No.

       **Ms ARMITAGE -** Any work being done to bring St John Street up a little bit in sight or not, or is any money being spent on St John Street?

       **Mr HODGMAN -** Again that's a matter for Treasury.  I'm not aware of any.  I hear what you say, but I'm not aware of any planned works.

       **CHAIR -** Thank you, Premier, I invite you to provide that answer that you had to that question.

       **Mr NICHOLSON** - Chair, in response to Mr Dean's questions about the university scholarships, we can provide further information about that now.  The Education Inspiration Scholarship that I talked about earlier was aimed at graduating year 10 students from high schools that have been extended under the government's reforms to include 11 and 12 in those schools, and for year 11 and 12 and for the duration of the duration of their university studies.  The program aims to assist those students nominated by their school through providing money for some of the expenses associated with first completing year 11 and 12 and then helping them once they get on to university as well.  The idea is it will support their potential - for them to reach their potential and commence and complete university studies, which will support that broader goal I talked about of increasing education retention rates for young Tasmanians.

By virtue of the way that it works, it could range the amount from $12 000 to $22 000, depending on the courses students study.  It provides $1000 at the start of year 11 and 1 000 at the start of year 12 and then $5000 per year of study at the University of Tasmania for up to four years.  You also asked about selection and how that was done.

       **CHAIR -** How you apply.

       **Mr NICHOLSON** - The student has to be someone who may be at risk of leaving the education system and not realising their full educational potential, they need financial assistance to continue on to further education, they are likely to be successful in 11 and 12.  Then further study if they are given support and encouragement, if they are from a family with no tradition of participation in tertiary education, merits in support in the opinion of the principal of the high school they attend receiving a scholarship for that purpose and is not in receipt of any other bursary.  We have particularly encouraged Aboriginal young Tasmanians to apply through that process.  They have got to be enrolled full time in year 11 for the next calendar year.  UTAS provides selection guidelines to assist with the nomination process to principals, so they are involved too, it's a partnership assessment, and the scholarships and prizes officer provides selection guidelines to assist the nomination  process that principals go through and the principles of Tasmanian Government high schools ensures the selection is conducted impartially and free from any professional or personal bias that may arise.

       **CHAIR -** And they are not called a UTAS scholarship?

       **Mr NICHOLSON** - They are called the Education - just give me one second, Chair, I'll give you the exact title - they are called the Premier of Tasmania Education Inspiration Scholarship Program.

       **CHAIR -** We will be looking for that at the end of your presentation.

       **Mr HODGMAN -** Madam Chair, just in relation to the defibrillators, I am advised that the Minister for Health has informed another committee for the process of developing the guidelines and seeking advice from the department as to the best method of distributing what is a $540 000 commitment over two years, which I am advised will cover at least 180 defibrillators for, no doubt, many good community groups and organisations across the state.

       **CHAIR -** So we will read the Hansard from the other committee, thank you, Premier.

       **Mr HODGMAN -** Yes.  Certainly not in any way do we want to limit the availability of defibrillators for community groups because I am well conscious of their importance and demands.  That often many groups are not able to afford that outlay, which is why we have made an allocation of $540 000 in this budget for that purpose.

       **CHAIR -** Thank you, and very worthwhile.

       **Mr HODGMAN -** Yes.

       **CHAIR -** I will now move to 3.2, Management and ongoing development of Service Tas, and I will invite Mr Farrell to commence.

**3.1 management and ongoing development of Service Tas**

       **Mr FARRELL -** Thank you, Chair.  I think this, like some of the other lines I've got, has been discussed prior, but, Premier, there is obviously the redevelopment of Service Tas in Launceston.  There are a lot of Service Tas offices in regional areas that are probably not the best located and they are in accommodation that is possibly not the most comfortable for the staff.  Are there ongoing plans to move other offices because, particularly in the regional areas, quite often they are a really important points of contact for people?

       **Mr HODGMAN -** Yes, thanks, Mr Farrell, and Noelene Kelly has joined us at the table as the Director of Service Tasmania.

       **CHAIR -** Thank you.

       **Mr HODGMAN -** And will be happy to answer any questions and, yes, I certainly appreciate the point the member makes and Service Tasmania receives an annual capital investment program allocation of $250 000 to maintain and refurbish Service Tas centres to meet contemporary workplace health and safety standards, upgrade core technology systems and improve customer amenities, and the program supports Service Tasmania's proactive plan to approach, investigate and mitigate workplace health and safety issues and enhance public safety  and access to Service Tasmania centres across the state.

Works completed in 2017-18 include the transfer of Service Tasmania's contact centre infrastructure from government's old provider to the new one.  The transfer was successfully completed at a cost of $21 000 and it's held to TasmaNet.   The installation of new electric doors at New Norfolk to provide disability access for customers, this was completed at a cost of $15 000.  There have been a number of small, minor maintenance-related works which were carried out through the state, including the installation of air conditioners and new desks and things like that.  I don't know, Director, would you like to add to the answer?

       **Ms KELLY** - So for 2017-18, we have also invested in a major redevelopment that's happening at Hobart at 134 Macquarie Street, and for 2018-19, we will be using the CIP money for that as well.  We also have a number of other major redevelopments underway - CH Smith, that we have talked about - but also we move in on 3 September to a new building in Devonport as well.

       **Mr FARRELL -** Just a question because the New Norfolk electric doors were mentioned, but New Norfolk Service Tas shares a leased building and there has been funding announced of $5 million to build a new police station at New Norfolk.  What impact will that have on not just the new doors but the rest of the building and Service Tas's occupation of that site?

       **Ms KELLY** - We would expect to be part of negotiations and discussions with Tas Police.  We have been in that building since we opened, so we would expect to be part of those discussions and improvements in our service offering to customers as part of that.

       **Mr FARRELL** - So, in the short term there won't be any other modifications to the building or funds expended?

       **Ms KELLY** - Unless there was an issue, a workplace health and safety issue, or a functionality issue like heating or something like that, we wouldn't be making any major adjustments there.

       **CHAIR** - I have a question in regard to the opening hours of Service Tas.  We were informed last year - well, we probably informed you, Premier, that the hours had been cut because our communities were pretty narky about it.  Ten o'clock in Scottsdale, if you can't get there any earlier, and there is usually a line-up and there is no coffee machine outside waiting for the line-up.  I am just interested in whether there has been any increase in any opening hours, and has the rate of face-to-face services declined since last year?  Because that was what we were given as the response to why the opening hours had been cut.

       **Mr HODGMAN** - There certainly hasn't been an increase, but the Director might be able to -

       **Ms KELLY** - So, in 2012 there was a review of opening hours, and the hours were aligned to adjust to customer need.  There hasn't been a change in opening hours since then that I am aware of.  Even moving into the new Devonport building on 3 September, we'll keep the existing hours there, as well.

       **CHAIR** - So, are all service centres 10 a.m. until 4 p.m.?

       **Mr HODGMAN** - No.

       **Ms GALE** - No, it varies according to the needs of the community as a result of the review, as Ms Kelly said.

       **CHAIR** - Can we have a break-up of the hours per centres for opening hours per centres?  Thank you.

       **Mr HODGMAN** - Opening hours, yes.

       **Ms KELLY** - I've got a list of the opening hours here.  Do you want me to read those out?

       **Mr HODGMAN** - Yes.

       **CHAIR** - I'm happy for you to table them, thank you.

       **Ms KELLY** - Okay.

       **Mr ARMSTRONG** - Just a follow-up question on that.  Will there be another review done of those opening hours in the near future?  A lot of communities like Scottsdale have actually changed since 2012, was it?

       **Ms KELLY** - Yes, when we did the major review.  There are no plans at the moment to do a review of opening hours.  We do look at opening hours if we make a change to a building; for example, moving into Devonport or moving into Scottsdale where we co‑locate with LINC Tasmania.  We do look at potentially aligning our hours, if able to, but there's no plans at this point in time to do a major review of opening hours across our sites.  We would prefer, if our sites are reducing in transactions - which they are overall - we would prefer to look at how we use our staffing and use them across our other channels, rather than reduce their hours and reduce the opening hours of the shop.

       **Mr ARMSTRONG** - I'm not thinking about reducing; I'm thinking about increasing.

       **Ms KELLY** - No plans at this stage.

       **CHAIR** - Premier, obviously the government's policy decision to change the name of the LINC centres back to libraries at a significant cost, $250 000 for the first year - but we went through that yesterday.  I'm just interested to know what impact changing the name will have on Service Tas centres, given that they are often co‑located at a library centre.  So, what impact would that name change have on Service Tas?  I think the letter header - you might have to change your website.

       **Ms KELLY** - Our website is separate to LINC Tasmania or Libraries Tasmania website.  The majority of our signage, especially our external signage, is separated, dependent on what organisations live in a building, for example.

       **CHAIR** - So, no impact on Service Tas with the changes.

       **Ms KELLY** - We don't expect it to have an impact.

       **Mr HODGMAN** - Fair question.

       **CHAIR** - Any other questions in regard to Service Tas?  Obviously, there is no desire for the Government to increase the number of Service Tas centres - did I get the number of the face-to-face presentations to Service Tas?

       **Ms GALE** - Twenty-seven.

       **Mr HODGMAN** - No.  Does the Director have that?

       **Ms GALE** - Could we clarify the question?  So, the number of Service Tas shops -

       **CHAIR** - Yes.  Will there be an increase?

       **Mr HODGMAN** - No.  There are no plans at this point.

       **CHAIR** - To open any new centres?

       **Mr HODGMAN** - Twenty-seven.  What did you want?  Actual contacts?

       **CHAIR** - I asked for the percentage or the decline in face-to-face contact for Service Tas centres in my original question.

       **Ms KELLY** - In terms of decline; so, if we look at our service centre figures for this year up to 31 March, we had 1 506 302 visits to our service centres, compared to the 2016-17 year where we had 1 552 861 visits.  So, it is certainly - it is declining.  And my observation since I've been at Service Tasmania is that that is a gradual decline over years that we're seeing in certain service centres.

       **CHAIR** - So, that gradual decline, does that mean that there will eventually be no face-to-face services in some of the more rural areas?  When will that be considered?  At what level of decline?

       **Mr HODGMAN** - Certainly not now.  It might require different services and methods of service delivery, but they are - as you intimate in your question - very, very important access points in regional communities.  But the Director might - there are changing trends, and we need to reflect that and adapt to that.  But that is one of the reasons why there were changes to opening hours and other arrangements; to ensure viability and sustainability.  Director?

       **Ms KELLY** - One of the activities that we are putting in to place is that we're looking at training our front-of-house staff, or our shop staff, up in some of our other channels.  So, we have eight sites at the moment across Service Tasmania where staff can move between the front counter and the phone service.  And particularly as the phone service gains momentum and increased people visiting there, it means that if it is quiet in a shop, then we can move one of those staff across to the contact centre and help out there, which works really well.  We'd like to expand that further into the future, and we're planning to do that at some stage.

       **Ms GALE** - Just to add to that, Premier:  Service Tasmania keeps very good statistics on all of the transactions and the timeliness of responding to calls and so on.  In fact, it is one of the more sophisticated systems that I have seen for monitoring performance.  And they have been very innovative, I think, in the way that they deploy their staff; they have some relief staff that work across centres, but, as Ms Kelly said also, people that can work on the front counter and on telephone calls and so on.  So, it really is quite a smooth operation which is also flexible to meet the needs of clients.  Because, as has been pointed out, they are changing over time.

       **Mr DEAN** - I would certainly support that comment.  If we look at these estimates just quickly - estimates going back a number of years ago - there was quite a lot of criticism pushed towards Service Tasmania, but that has now changed, and most of it is good.  My question is:  where are we seeing the drop-off in service occurring?  Is there an age bracket?  Do you have statistics on the age brackets using Service Tasmania?  I would suspect - I've got to be careful here - the older generation are the ones that -

       **CHAIR** - More senior.

       **Mr DEAN** - More senior might be the ones supporting more Service Tasmania than the younger generation who have access to computers and are more technologically minded and so on.  Is that what it is, Premier?  Is that what the statistics are showing?  Are there some areas dropping off?

       **Mr HODGMAN** - A very good question.

       **Ms KELLY** - It is a good question.  I don't have the answer to that; it's really more anecdotal, which would tend to suggest that there's more people going online then coming to the service centre.  That suggests that either people that feel more comfortable or more digitally literate are able to do that, and also people are choosing to do that because they can do it from the comfort of their own home, to pay bills and so on, rather than actually having to come in to a shop and get service that way.  We don't record particular statistics around the age group of people going online or the age group of people that are coming into the service centres.  Other than to say, probably, that the number of customers in that younger age group aren't necessary transacting with government until they probably either move into getting a learner's licence and getting their Ps, or maybe volunteering and getting working with vulnerable children cards.  So, the majority of people that are transacting with government, that we see, are more - probably 25 onwards.

       **CHAIR** - Mature.

       **Ms KELLY** - Mature.

       **Mr HODGMAN** - Just on the, you know, headline transaction volumes.  The Director's mentioned a decline in service centre transactions overall; there has also been a decline in incoming calls, quite significant, in recent years, whereas hits to Service Tasmania online has increased.  So, there are definitely changing methods of engagement which point to the ongoing relevance and important of Service Tas centres, but perhaps a different model that will best reflect changes in engagement.

       **CHAIR** - Thank you.  I now would like to move to 4.1, which is state service, employment, and management.

       **Mr HODGMAN** - Thank you.  Happy 20th birthday to Service Tas, too, by the way.

       **Mr DEAN** - Not having a cup of tea?

       **CHAIR** - No, because we'll leave it for another 10 minutes for a cup of tea.

       **Ms ARMITAGE** - I've got quite a lot of questions.

       **Ms SIEJKA** - I've got a lot, too.

       **CHAIR** - Frank, we might put you on hold.  My members tell me they have a number of questions.

       **Ms ARMITAGE** - A lot of questions.

       **CHAIR** - And they are in need of a cup of tea, and I am always happy to oblige.  So, we will suspend - and be back at 11.25 a.m.

**The committee suspended from 11.11 a.m. to 11.25 a.m**.

     **CHAIR -** Welcome back everyone, we'll make a start on the next output group, which is State Service Employment and Management, and welcome to the table Mr Frank Ogle.

**4.1 State service employment and management**

     **Mr OGLE -** Always good to be here.

     **CHAIR -** With a wealth of knowledge.

**Ms ARMITAGE -** We've got lots of questions.

**CHAIR -** And in light of that, I'd like to open up the questioning to Ms Armitage, thank you.

**Ms ARMITAGE -** I know that some of the questions have been asked regarding numbers to do with DPAC by Ms Siejka, but for the questions that haven't been asked with regard to numbers that you're not already providing on notice, if I could have the numbers of heads of agency, the prescribed office holders, senior executive service, and a total for the state service, please.  I accept that it may need to be tabled or taken on notice.

**Mr DEAN -** A comparison of the last two years?

**Ms ARMITAGE -** Yes, well the comparison would be -

**Mr HODGMAN -** All right, I'll start with senior executive service numbers.  As at 31 March 2018, the number of SES officers was 148 and that is a decrease of 18 since 31 March 2014.  Ninety SES officers, which is 60.81 per cent and 58 women or 39.19 per cent.  There has been a 3.53 per cent increase in the representation of women in the SES since the same time last year, and we're on track to achieve our target of at least 40 per cent by 2020.

     There are 146 full-time SES officers and two part-time SES officers as at 31 March.  What else.

**Ms ARMITAGE -** Heads of agency.  Yes, heads of agency.

**Mr HODGMAN -** Heads of agency.  Including both heads of government departments and authorities, there are currently 17 heads of agency as specified in Schedule 1 of the State Service Act of 2000, there are two heads of - State Service heads of agencies, one, heads of government departments and two heads of other agencies or state authorities.  What did you - the other - and general sector staffing, cross-government, is - what am I looking at?  Sorry, 25 794 to March 2018.  In 2017 to June it was 25 026, and to June 2014 is 24 602.

     A lot of those are of course traditional health workers, teachers, police officers, working in the frontline.  There are other - have I missed bits, or what else was there asked of us?

**Ms ARMITAGE -** Prescribed office holders.

**Mr HODGMAN -** Prescribed office holders.

**Ms ARMITAGE -** I'll have to take that on notice.

**Mr HODGMAN -** We might take that one on notice, please.

**Ms ARMITAGE -** No, look that's fine.

**Ms GALE -** Sorry, there are three prescribed office holders, sorry.

**Ms ARMITAGE -** Thank you.  The State Service Management Office website is certainly very informative.  Can you advise on the occupational violence and aggression?  I noticed that you have internal reporting of incidences.  Can you advise me how many incidences there have been reported over the last 12 months, and whether that's up or down on the previous year?

**Mr HODGMAN -** Obviously I preface my comments by saying that every employee in the state service is entitled to the right to feel safe at work and state service unions are working together on a whole government campaign to address occupational violence and aggression in our workplaces, and a joint statement of principle was released in April of 2017 which defines occupational violence in a state service context, identifies factors that will be taken into consideration when determining consequences, and sets out the support employees can expect.

In 2017 there were approximately 2260 reported cases on occupational violence.  The majority of these cases in the Tasmanian health service, Department of Health and Human Services and the Department of Justice.  The SSMO is also coordinating with the Tasmania police on the provision of de-escalation training to at risk service areas, and so far 215 employees have received this training.  A further 1000 are anticipated to be trained over the next 12 months.

**Ms ARMITAGE -** Is that up or down, Premier, on the previous year?  I'll take that on notice.

**Mr HODGMAN -** You'll have to take that on notice, unless Frank here -

**Ms ARMITAGE -** I just wonder if there was a decrease or an increase.

**Mr HODGMAN -** This program started last year so we don't have figures on the previous years.

**Ms ARMITAGE -** But wouldn't you have still had reporting of incidences, even though that program hadn't started?  So it's not easy to obtain the previous -

**Mr HODGMAN -** Not really easy to obtain.  There would have been hopefully reporting through work health and safety of incidents.

**Ms ARMITAGE -** So now it's one agency, I see.

**Mr HODGMAN -** But now we report on the occupational violence.

**Ms ARMITAGE -** No, I understand that.  That's fine, thank you.

**CHAIR -** Ms Siejka has a supplementary on the same area.

**Ms SIEJKA -** I'm interested in worker's compensation claims in the agency.  So the current number of claims in the agency and how many claims have been settled since March, and what was the total cost of these settlements.  Or anticipated cost of pending compensation claims.  And additionally in stress related incidents.

**Ms ARMITAGE -** This is across all agencies?

**Mr HODGMAN -** Yes, we've got across all agencies.

**Ms SIEJKA -** Across all agencies fine, yes.

**Mr HODGMAN -** And we can get a breakdown.

**Ms GALE -** On the claims?

**Mr HODGMAN -** Yes, go for it.

**Ms GALE -** The number of claims for 2016-17 which is the latest year, is 1380, and in the previous year, 1351.

**CHAIR -** Slight increase.

**Ms GALE -** Slight increase.  It does go up and down, so for example in 2014 it was 1498 so it varies from year to year.

**Ms SIEJKA -** And these other details around costs and settlements, they're on notice, yes.

**Mr HODGMAN -** Yes.

**Ms SIEJKA -** And stress related injuries.

**Ms GALE -** We have the total claim payments, $36.2 million.  Sorry, in 2016-17 it was $37.6 million, and in the previous year $36.2 million, so again slightly up.  In previous years it had been as high as $38.4 million.

**Mr OGLE -** I can add, Premier, details so far this year in relation to the total number of claims at this stage is 1238.  The number of stress claims is 139.  The total cost at this year is $43 million.  The cost of stress is $12 million.

**Ms SIEJKA -** Thank you.  Is that that's increasing or decreasing?

**Ms GALE -** That's a slight increase, yes.

**Ms SIEJKA -** But it fluctuates.

**Ms GALE -** It fluctuates from year to year.

**Ms ARMITAGE -** I also note on the website the People Matter Survey.  I noticed that it was in 2016.  While there are no results, I'm just wondering what benefits flowed on from the survey, and are you preparing to actually do another survey of staff, and perhaps a 28 and a 29, do you do them regularly every three years or every five years, or is it something that just happened that first time?  But what results came from it?

**Ms GALE -** So agencies use those results themselves to improve their work practices, so that would be on an agency by agency basis.  Occasionally if there are service-wide issues that are identified, then the State Service Management Office would note those and there would be work done with heads of agency about whether there were any implications across the service.  So the last time the People Matter Survey was conducted was in 2016, and because of some contractual arrangements concluding, there was no survey in 2017 but there will be another survey this year.  There's been a tender let.

**Ms ARMITAGE -** For comparisons, to use comparisons between -

**Ms GALE -** So we will hope that it will deliver comparisons between the years, yes.

**Ms ARMITAGE -** Thank you.  Another one that I'll just ask about, the graduate program.  I'm just wondering how many graduates you actually take in that program each year.  How many scholarships are there in the Australia and New Zealand School of Government and the Tasmania State Service Leadership Development Scholarship Fund?  I'm just wondering about those, how many we take and how many we have currently.

**Mr HODGMAN -** There is a range of development pathways available across the State Service from the graduate program, so high level management leadership programs.  The four Whole of Service Graduate Development Program which has 26 new graduates to the state service participating in an 18 month program.  There's a Whole of Service Manager Essentials Program that runs for 12 months and aims to improve the essential management capabilities of managers across the state service.  A State Service Strategic Management Program, a partnership between Tas Police and UTAS and the State Service Management Office, provides a pathway from middle management to senior management.  The Senior Executive Leadership Development Program is delivered by the Australia and New Zealand School of Government for up to 40 senior executives across the service.

The State Service Management Office provides a number of scholarship opportunities with the Australia and New Zealand School of Government for their three flagship programs.  These are available for state service employees.  The Executive Fellows Program, the Executive Master of Public Administration and Towards Strategic Leadership.  There are many other key activities being undertaken by the SSMO in partnership with agencies in other sectors as part of an ongoing program to build state service leadership and management capability, including a calendar of events run by the Tasmanian training consortium.

There have been significant increases in each program in this financial year.  Certainly the Manager Essentials Program has increased from 27 to 150.  The State Service Strategic Management Program, there is an increase to 24 from 18 last year.  Senior Executive Leadership Development Program, 40 participating to this year, last year was 38.  Did you want more on the Australian and New Zealand School of Government?

**Ms ARMITAGE -** That's an interesting one, yes.

**Mr HODGMAN -** SSMO manages our relationship with the Australia and New Zealand School of Government.  It includes coordinating the annual scholarship program, strengthening relationships with the Tasmanian alumni participants to improve the services' return on investment.  The office also coordinates a Whole of Service Workforce Development Network that identifies opportunities for collaboration, information sharing and the production of outputs to mutually benefit state service.  There are special interest groups comprising network representatives from agencies that have worked on the following outputs:  scope, design and develop current Whole of Service Manager Essentials Program; produce the change management toolkit, currently available on the State Service Management Office website; developed a range of documents to support the implementation of the Senior Executive Leadership Development Capability Framework; and produced a report on all management and leadership programs.

The network is also an opportunity to share and promote a range of skill development programs, including the graduate development program, management and leadership programs, as well as flagship programs offered by ANZSOG and the network also raises awareness of events, acts as a community of practice for officers engaged in organisational design and development work, force development and learning and education, and the whole of service network was established in July 2014.

**Ms GALE -** I can update the number of graduates for this calendar year is 30, so that's an increase, and there's also a very exciting youth employment program that's currently underway as well which we have some information about.

**Mr HODGMAN -** Yes.  So the state service is piloting a school to work youth employment program in partnership with the Beacon Foundation to provide opportunities for students interested in undertaking either an Australian school based apprenticeship or traineeship while completing year 11 and 12 or a post-school apprenticeship or traineeship after completing year 12 and up to 17 opportunities are being offered around the state, across five State Service agencies and this complements our graduate and cadetship programs in place across the State Service agencies that provide career opportunities for our young Tasmanians.  It is filling the following 17 vacancies across five agencies, one in Launceston Service TAS; a trainee customer service officer.  There are six trainee support positions in schools throughout the state.  The Port Arthur Historic Site Management Authority has a trainee in horticulture.  One in administration.  One in kitchen operations.

     Department of Health and Human Services has a payroll services traineeship, one in payroll services in Launceston, one in Burnie, and a trainee customer service officer in Burnie.  The Department of Primary Industries, Parks, Wildlife and Environment has a trainee HR officer in Hobart, and a wildlife officer in Cressy, a trainee Fisheries administrative assistant in Hobart, and a trainee field officer in Deloraine.

**CHAIR -** Attempting to lower the average of public State Service.

**Ms GALE -** So it is an important part of our diversity approach and recognising that we're going to have more and more public servants ageing and so we clearly need to do something about that.  This strategic program in partnership with Beacon is one of the ways that we're addressing that.

**Ms ARMITAGE -** My next question is on the Boards.  Previously it would be 2016, I last asked this question, and I am hoping that there's been some serious changes.  The breakdown of Board membership by region and interstate for each government business enterprise and I won't go through the five years, but for the last one I had on 14 October 2016, and this is where I'd like the current, without going into each individual, the total on 14 October 2016 for the GBEs was 19 Board members from the south.  One from the north.  One from the north-west and 12 interstate.  Can you give me a breakdown of what the current Board membership by region and interstate is at the moment?  You might have to take that on notice.

**Mr HODGMAN** - I will have to take that on notice.

**Ms SIEJKA** - I'd be interested in how women are faring too.  I know there has been moves in that space.

**Mr HODGMAN** - Yes, there's certainly been an increase.

**Ms ARMITAGE -** I'm concerned with merit at the moment.

**CHAIR -** I just add that one on there.

**Ms ARMITAGE -** Yes, add that one on the end.

**Mr HODGMAN** - I can speak more to that but we'll need to take on notice the regional -

**Ms ARMITAGE -** Perhaps I could continue with my other ones.

**Mr HODGMAN** - Yes, certainly.

**Ms ARMITAGE -** The other breakdown of Board membership by region in Tasmania and interstate, I would like for each state-owned company.  The figures I've received for 14 October 2016 from the state-owned companies were Board membership, 23 from the south; eight from the north; one from the north-west; and 14 interstate.  That's my first lot of questions.

My second lot of questions for both the GBEs and the state-owned companies, what were the costs for the interstate Board members coming to meetings in Tasmania for that financial year.

**Mr HODGMAN** - I will take that on notice too, thank you.

**Ms ARMITAGE -** I can make a comparison with the answers you gave me in 2016.  Thank you.

**Mr HODGMAN** - Yes, certainly.  In relation to women on government Boards, we launched our strategy in 2015 and determined that all appointments to government business boards must comply with the government's policy of gender equity.  At that time women held 33 per cent of all board positions as at April 12.  This year the percentage is at 40, and as at April 12, 2018, 52 per cent of government business enterprise directors were women.  Of 44 per cent of directors on state-owned companies were women.  So it shows that change can happen when there's greater awareness, a strategy, a target.  A concerted effort by our agencies, state-owned companies and businesses to identify suitably qualified and experienced women for appointment.

We continue to move towards our target which, of course, is at least - well, 50 per cent indeed representation of women on government boards by 2020 and we utilise the Tasmanian women's register for all appointments and re-appointments to government boards.  Also we have a dedicated Linkedin page connected as a show case page to the DPAC corporate Linkedin page to promote board vacancies and provide additional information about board membership training and research.  One of those strategies to break down barriers for women in applying to board positions has been partnering with the Australian Institute of Company Directors to offer scholarships of $50 000 per annum over three years for women to undertake the Company Directors course under the Government Board Diversity Scholarship Program.  We're certainly making great progress clearly under our Women on Board Strategy 2015 to 2020.  We've got the parliament done.

**Ms ARMITAGE -** Very pleased to see the gender equity balance.  Will you assure us that you'll do some perhaps balanced membership across the state for the boards as well, because that's equally important for areas like the north and north-west.

**Mr HODGMAN** - Very much so.

**Ms ARMITAGE -** To have equal balance because you know, we exist as well outside Hobart.

**Mr HODGMAN** - Yes, that's a valid point.  We will get that information to you as soon as possible.

**CHAIR -** Premier, is there any data on the length that the board meetings are taking now seeing that there's predominantly women on some of them.  Just interested to know if that data has been collected yet.  Not yet?  I'm sure it will be.

**Ms SIEJKA** - I'm interested in performance improvement plans.  How many employees in your agency are in performance improvement plans would be of interest.

**Ms GALE -** Each agency keeps their own data.  So are you asking specifically for DPAC?

**Ms SIEJKA** - If it's only DPAC, then that's fine.  That's understandable.

**CHAIR -** Could well be a new question we haven't had before.

**Mr HODGMAN** - I will have to take that on notice.  Yes, very good question.

**Ms SIEJKA** - And if we could add then, in that case, perhaps if it is a new - a comparison of the previous year to this year.  That would be interesting.

**Mr HODGMAN** - All right.  We will undertake to obtain that information.

**Ms SIEJKA** - Thank you.

**Mr DEAN** - With the issues that have arisen in TAFE with the corporate card and credit card system, what's the position in the State Service in relation to the use of credit cards?  How is it being monitored?  How is it being audited?  TAFE had to bring in programs to train and teach people how to use them.  It is very basic stuff in my opinion.

**CHAIR -** It would never happen in the police department.

**Mr DEAN** - We had them in the police department for a long time and I don't think there's ever been any real misuse of them, so I wonder what's going on in the public service in relation to the credit card situation.  And how many credit cards would there be out there?

**Mr HODGMAN** - So in relation to DPAC, the number of Tasmanian Government cards issued to departmental staff is 129, this year, the same as last year; it was 131 at March 2016.  The use of cards is for low value transactions and it's an efficient method of payment; it results in less administration time for finance staff to process high volumes of invoices.

**Mr DEAN** - Premier, just on that point.  Does it?  Because there's got to be obviously an auditing of the use of all of these cards, so there's got to be time taken up in that as well.  How much time does it save when you have to have an auditing process in place to check?  I would say that each use of every card should be checked by somebody somewhere in the organisation.

**Mr HODGMAN** - Yes.

**Ms GALE -** There is an auditing program and each agency would have their own internal audits, but that would be the case whether it's payment by credit card or any other methodology.  We would still have to audit our payment processes so it's no different.  In fact, it would probably, in terms of auditing, be a lot easier, simpler to audit use of credit cards because it is electronic, than it would be paper-based methods of payment.

**Mr DEAN** - I think you were going through the list.  I am sorry.

**Mr HODGMAN** - No, that's a fair point.

**Mr DEAN** - Have there been any issues arise as a result of credit card use in the State Service?

**Mr HODGMAN** - In the whole State Service?

**Ms GALE -** We only have information in relation to DPAC and each agency would undertake their own audits and follow up with use of credit cards.  So agencies like the department of Education for example and I understand DPAC have flags in the system, and so when the use of credit cards in an ongoing way flags things like potential use at service stations for example, because credit cards aren't able to be used for purchasing petrol, so those flags would come up, and to be investigated by the individual agencies.

**Mr HODGMAN** - The use of credit cards allows for an instant transaction as well, which means that the government's not tardy in paying its bills and we avoid the payment of late penalties.  In 2016 DPAC's internal auditors undertook an audit of DPAC's compliance with the use of the Tasmanian government credit card.  The audit resulted in three findings which were ranked no higher than medium in terms of exposure.  Exposure ratings are low, medium, high and extreme, all three recommendations have been considered and action taken where necessary.

**Mr DEAN** - You've indicated a number of credit cards in DPAC.

**Ms GALE -** One hundred and twenty nine.

**Mr DEAN** - How many staff in DPAC?

**Ms GALE -** Less than 1000.  About 600, I think.

**Mr HODGMAN** - About 600.

**Mr DEAN** - I am just trying to get the number of cards that are currently in that area.  What training occurs in relation to the use of credit cards in DPAC?

**Ms GALE -** So each of the permission for staff members to have credit cards is signed off by a manager and then by me.  So there's that initial look at the reasons why somebody might need a credit card and whether they're in an office that's designated for the use of the credit card.  Then staff are provided with information about the use of credit cards, appropriate use that has to be signed by the staff member before they are allocated the credit card, which goes through the requirements for using credit cards.

**Mr HODGMAN** - They've got to sign a declaration acknowledging they're aware of the relevant Treasurer's Instructions governing its use.  They are frequently updated via intranet, email.  Finance staff monitor expenditure when undertaking data entry of credit card statements to ensure they're compliant with declarations.

**Mr DEAN** - Thank you.  No more on credit cards.

**CHAIR -** Tourism will be after lunch.

**Ms SIEJKA** - Interstate travel.  A breakdown of interstate travel undertaken by departmental staff, and also interstate and overseas travel undertaken by department staff in the past five months.

**Mr HODGMAN** - Travel expenditure for DPAC.

**Ms SIEJKA** - Sorry, if I wasn't clear, intra and inter.

**Mr HODGMAN** - We do have that breakdown, I think.

**Ms SIEJKA** - If it is easier to table, I am satisfied with that.

**Mr HODGMAN** - We can do, unless somebody can read these tables quicker than I can -

**Ms GALE -** So Premier, for intrastate travel across DPAC, the total expenditure was $209 657; and for interstate travel, $283 954.

**CHAIR -** International?

**Ms GALE -** International travel, $69 325.

**Ms SIEJKA** - And you will table that breakdown of the travel by the staff?

**Ms GALE -** I can do it by output group.

**Mr HODGMAN** - Yes.

**Ms GALE -** Amounts by output group?  Is that -

**Ms SIEJKA** - If that's available.

**Ms GALE -** Yes, that's available.

**CHAIR -** Thank you.  Any other questions?  Mr Farrell?

**Mr FARRELL** - Yes, just one we normally ask is in regard to consultants used by the agency.  The amount and the cost of consultants, external consultants.

**Mr HODGMAN** - I will take that on notice as well.

**Mr FARRELL** - And if we're taking it on notice, just the breakdown between Tasmanian and -

**Mr HODGMAN** - Yes.

**Mr FARRELL** - Thank you.

**CHAIR -** They'd be mostly from Tasmania, I'd expect.

**Mr DEAN** - Complaints?  Do we have a list of complaints arising, made, I guess by the public against State Service personnel and/or internal complaints that have arisen, and predominantly if there are, what have they been about?

**Ms GALE -** It is in the annual report so we will take that on notice.

**Mr DEAN** - Right.

**CHAIR -** We haven't read everybody's annual reports yet.

**Mr DEAN** - No.  I haven't seen your 2017-18 annual report yet.  Is it not done?  I'm wanting to know what the recent ones are.

**Mr OGLE** - I can only give you the annual report for 2016-17.  It depends what you call a complaint, but grievances, the total number was 59, were taken - well, grievance was taken to external organisations such as the Equal Employment Opportunities, the Human Rights Commission, the Integrity Commission, the Industrial Commission.  Of these, 13 were managed internally.  Matters ranged from management decisions, discrimination, and termination of employment.

**Mr DEAN** - Right.  Is there an indication of whether it's increasing, decreasing in the complaints area?  Whether we're on top of it?

**Mr OGLE** - No, because what we do is we go to agencies at the end of the financial year and they supply the details of each agency and then we actually indicate that in our head of the service annual report.

**Mr DEAN** - My other question is on leave taken.  That is sick leave taken, family violence leave, and I don't know if that's recorded.  However, I asked a question, how can you monitor that.  There's a certain number of days, as I understand, provided for that, and how can it be monitored if it's not known what it's for?

**Ms GALE -** In relation to the family violence leave, if I could answer that part first.  We do collect data where people indicate that they have taken family violence leave, but we believe that many people don't want to indicate that that's the reason that they're taking leave and so the figures are more likely to be combined in other leave provisions as well.  There were 33 applications approved for leave under the Family Violence Award provisions in 2016-17 and that's an increase from 29 in the previous year.  In 2016-17 the reported average number of hours taken was 28.23 per application.  That's an increase from an average of 15.34 hours per application in 2015-16.

**Mr DEAN** - I will need to look at that closely at the figure but I am just wondering what that's telling us.  Whether there is more reporting or whether it's becoming more prevalent, what have you.  The other question I had, private plated vehicles in the State Service.  How many do we have, Premier?

**Mr HODGMAN** - Treasury has that data I'm advised.

**Mr DEAN** - So you're not aware of that?

**Ms GALE -** No.

**Mr DEAN** - So I need to go through the Treasurer for that.  Okay.

**Mr OGLE** -As an indicator, Mr Dean, I'd say SES officers have the option of a private plated vehicle or payment.  That would give you an indication of the number of private plates, but Treasury manages the fleet.

**Mr DEAN** - Okay.  Thank you.

**Mr HODGMAN** - Just on sick leave more broadly, the average number of sick leave days taken by employees as at 31 March 2018 is 10.4 days which is a slight increase from 9.6 as at last year and attributable, I'm advised, possibly to an increase in flu related illnesses over the past two years.

**Mr DEAN** - That's been a system within the State Service about leave and the police service as well with their State Service.  Greater than the police themselves.   It is an interesting statistic.  I have just noticed also, well on page 223 that we refer to some of the things that have been implemented - recommendations being implemented within the state service through the year.  From tribunals, integrity commissions, equal opportunities Tasmania and Tasmania Industrial commission, and I suspect the Auditor-General as well, and I am not quite sure what the Auditor-General did in auditing this area.  So what are some of the new issues, some of the matters raised in these areas that have been implemented during the year?

**Mr OGLE -** Obviously we get reports from the Auditor-General, and he does what he calls performance reports.  We actually work with the Auditor-General in determining what the subject matter of those reports are.  Obviously recommendations are made and we work on those.  An example would have been the Auditor-General's report onto SES recruitment.  It basically found everything was in order, but made recommendations about more prescription I suppose, around conflicts of interest.  So as a consequence, the head of the service has released a conflict of interest in recruitment guideline or policy for implementation in agencies.  We have investigations by the integrity commission, one of those was called operation victor that was around a code of conduct matter, and a number of recommendations we are working through.  We work closely with the integrity commission, and a lot of that was around training.  So one training course has already been implemented, and they're on a second course about investigations.  Obviously there are investigations that come out about specific matters and we liaise closely with the integrity commission on those processes, and an example of that was the introduction of board induction.  This was a massive task because there is 131 boards and a guide line and induction process was introduced to supplement what was already there.  That's the sort of activities we undertake.

**CHAIR -** Last question in this area?

**Ms SIEJKA -** I'm just interested in what, if any, savings agencies made in regards to supplies and consumables?

**CHAIR -** This takes us back five or six years ago when everyone was trying to live more frugally, doesn't it?

**Mr HODGMAN -** We're going to have to take that on notice.

**Ms SIEJKA -** All right.

**CHAIR -** Thank you very much.  We'll now move to 5.1 security and emergency management.

**5.1  Security and emergency management**

**CHAIR -** Thank you very much, Frank, for being here for the committee's examination of this area.  A new attendee at the table, Premier?

**Mr HODGMAN -** Yes, Mr Simon Roberts, Director of the Office of Security and Emergency Management.

**CHAIR -** Welcome, Simon.  I invite Ms Howlett to begin the questioning.

**Ms HOWLETT -** Thank you.  The devastating fires in 2012 and 2013 affected many areas of my electorate of Prosser.  Could you please update the committee on the success of the fuel reduction program that is critical in making our community's safer from bush fires?

**Mr HODGMAN -** Thank you, honourable member.  I do recognise the importance of fuel reduction programs and also fire mitigation programs to your wonderful new electorate of Prosser, and its constituents.  I am pleased to inform the committee that under the Government's fuel reduction program that we initiated on coming into government, that we recently conducted our 500th fuel reduction burn.  A land equivalent to almost 41 000 footy ovals.  In 2014 we invested 28.5 million over four years for an Australian first, a science led program to strategically target burns, reduce the amount of potential fuel for a bush fire and in 2017 committed an ongoing funding of $9 million per year for a further three years until 2020-21.  For the first time, and this is national leading program again, that the fuel reduction program includes both public and private land.  Fuel reduction program partners are the Tasmanian Fire service, Parks and Wildlife Service and Sustainable timber Tasmania.  The implementation of the program has seen the successful coordination of the three major fire management agencies in Tasmania and since its inception the scientific and strategic approach of threat fuel reduction program has contributed to making our communities significantly safer.

The program also aims to protect critical community infrastructure, residential property and assets, supporting livelihoods' and economic production, the natural environment, biodiversity and social values of the environment.  We live in one of the most bush fire prone places in the world, and preparing for our bush fires is everyone's responsibility.  So we're always going to have them here, and one of the objectives is to make sure that fuel reduction burning is making it easier to control fires as they break, and we've seen practical examples of the benefits of fuel reduction burning already.  Burns under the fuel reduction program are prioritised to areas of high risk to communities and community assets, and since the program commenced we have seen a reduction in relative risk by 4.5 per in three years.

In March last year the town of Rossarden was successfully protected from fires caused by dry lightning strikes by strategic burns that were undertaken in the area in 2014-15.  In Autumn last year the TFS conducted 86 hectare burn near Germantown with the objective of protecting towns around St Mary's, and the burn reduced fuels in the area and in October significantly slowed on one edge that was heading towards St Mary's allowing fire crews to focus on other ridges and reduce the potential size of the fire significantly.

Last year's major fire at St Helens threatened to impact the towns also of Scamander and Beaumaris.  The eastern flank of the fire which was recently treated in fuel reduction burn gave fire fighters the opportunity they needed to control the fire.  So while we talk of the significant financial investment in the large scale of our fuel reduction burns going beyond the very impressive statistics there has been a lot of practical examples of where fuel reduction burns have protected townships, communities, businesses across the state.  Fuel reduction burns are funded and continue in this year's budget.

**Ms HOWLETT -** Thank you.

**CHAIR -** The coordinated communication approach for emergency services in our state is something that has been on government's radar for some time now, and I'm just interested in how close we are to having that coordinated approach.

**Mr ROBERTS -** Yes, so through the public information unit which exists under Mandy Denby's area there is a core of people that work in a dedicated fashion in relation to emergency management.  They have established a register of communications people from across government that can assist when there's an event.  In fact they've been activated just recently in relation to the emergency in relation to the floods.

**CHAIR -** Premier, I was more so interested in the actual means of communication - having ones that are connected to each other.  We have various modes of communication and they all work in isolation, and that's been my understanding that we have received some criticism of that uncoordinated approach.  I understand what Mr Roberts said about people working together, but this is the communication mechanisms that I am interested in.

**Mr HODGMAN -** Yes, and perhaps that is best directed to the Minister for Police, Fire Management and Information and Community Technology, but I -

**CHAIR -** So does this emergency management arm of this department have any input into that particular aspect then?  Of emergency service responses?

**Ms GALE -** So the only aspect of the responses that we have direct responsibility for is for the public information unit as Mr Roberts has already indicated.  Which is run through the Department of Premier and Cabinet, and that's more about communications more broadly across communities and so on, but not in relation to the management of communications between various other agencies like police and fire and stuff.

**CHAIR -** Right.  So is it still the best community outlet for responses and information to community through the ABC radio?  Is that still as what we see as the best means?

**Mr ROBERTS -** TasAlert has been a really great addition.  That has been established since the 2013 bushfires, so that has been established through the public information unit, and that's a great source of information online in relation to all emergency events.

**Ms GALE -** It's a one stop shop.

**CHAIR -** We also know that sometimes in emergency situations your telecommunications aspects are not always available.

**Mr ROBERTS -** Yes, and there is -

**CHAIR -** The mobile phone service in some of my patch is still appalling.  You're lucky you are not the minister for telecommunications.

**Mr ROBERTS -** There are a number of channels of course.  We have an emergency warning system which is the text system which you can get on your phone.  We have the online system, the radio - that is coordinated to the extent that all the messages that go out through which ever channel they are, they should be consistent.

**CHAIR -** Thank you.  Mr Dean, any questions in this area?

**Mr DEAN -** Just a couple.  How many are in the office?

**Mr ROBERTS -** In the office of security?

**Mr DEAN -** Provided by the office of security emergency management?

**Mr ROBERTS -** The FTE's are currently seven.

**Mr DEAN -** Seven?

**Mr ROBERTS -** Yes, seven.

**Mr DEAN -** Threats - have there been any out of the ordinary that have been addressed or targeted?

**Mr ROBERTS -** Of course we had the COAG counter-terrorism meeting last year, and that addressed a number of issues.

**Mr DEAN -** If you could outline some of those that came out at the time, I would appreciate that.

**Mr ROBERTS -** First there are legislative issues that were addressed at that meeting.  One of those was providing the continuing detention of terrorist offenders who might pose an unreasonable risk to the community if they were released.  Obviously, there are no such offenders in Tasmania at the moment, but that doesn't alter the fact that we need to change our legislation.  There are new offences for instructional terrorist material, and terrorism hoaxes.  The hoaxes one may require legislative changes in Tasmania.  Strengthening pre-charge detention, so that is if someone is intending to commit a terrorist act, there are provisions being introduced into the Commonwealth Crimes Act, so that we can detain them such as to prevent that attack.  There are changes being made to the Defence Act nationally, and we've been consulting with the ADF in relation to those and accessing ADF capabilities in the event of a terrorist event.  There is legislation that has just been tabled by the Department of Justice in relation to the denial of parole or bail to persons with a terrorist conviction or subject to a control order.  They are just the legislative - I can go into the other issues, but there was countering violent extremism, there is protection of crowd -

**Mr DEAN -** The legislative changes is what I was interested in, and you've covered that.  Will it impact on this department, Premier, now the introduction of products that can be taken on aircrafts which was on the news last night about the upping the ante on what can be taken and what can't be taken onboard aircraft.  Does that require any activity or actions here through this department at all?

**Mr ROBERTS -** There is a strong relationship between police and security at airports in relation to what's carried and from your previous job you'll aware of that.

**Mr DEAN -** Yes.

**Mr ROBERTS -** So we're consulting with police in relation to what those changes will mean for Tasmania.

**Mr DEAN -** Is this area of the government satisfied with the position that we currently have at the airport.  In relation to emergency control and so on, and that is with Tasmania police undertaking that responsibility, and I think the question comes up here.  Tasmania police have said that they don't have personnel there as I understand it, permanently, they simply come in and out at different times.  Are you satisfied having regard to our emergency management and threats and so on security, that that is good enough for Tasmania?

**Mr HODGMAN -** Certainly on the basis of the security risk and the threat levels as identified by the national security agencies, we are monitoring not only the presence of Tas Pol, but also potentially a re-established AFP presence at Hobart airport.  There's a review that is currently being undertaken by the Commonwealth in relation to regional airports across the country which will better inform us as to the stasis of security measures in place, which I have no reason to believe are in any way inadequate at all.  Additional security measures are being introduced, sadly systematically on a relatively regular if not constant basis.  Hobart in particular becomes more likely to - well certainly accommodating increased airline numbers into the state, and as we move towards establishing an international connection that will also require additional infrastructure to facilitate international transport movements through Hobart.  I have recently written to the Commonwealth about what that might require as well, in the event that we do -

**Mr DEAN -** That was going to be my next question.  What input have you had in pushing for the Federal Police to come back on to their functions and duties at the airports?

**Mr HODGMAN -** I raised that at COAG meetings, including the special counter-terrorism meeting that was held recently and required the AFP and ASIO and other security agencies to keep us abreast of any change to our threat level, which has not happened in Tasmania thankfully.  We do need to remain vigilant in the AFP presence we've ensured that there is Tas Police at the airport ‑

**Mr DEAN -** Sorry to be harping on, but it's an important matter.  It has been discussed a lot, and I suspected that you have looked at the future here.  If the Federal Police, the Commonwealth Police, do not resume those functions at the airport will there be a requirement of Tasmania Police to provide, not a permanent, but a semi-permanent position at that airport?

**Mr HODGMAN -** They do that now.

**Mr DEAN -** It's certainly not permanent, as I understand it.  They float in and out as they see fit.  I am not sure that they're there for every flight that comes in or goes out at all.  If they do, I stand to be corrected on that, but I didn't think that was the case.

**Mr HODGMAN -** I would need to have -

**Mr DEAN -** Do you have any plans in the future to address this issue if the Federal Police -

**Mr HODGMAN -** It is certainly our commitment to provide the Tas Police presence - it does ensure that as is and when is required there is a Tas Pol presence at the airport.  As to the precise details as to when that occurs, I'd need to refer that to the minister, unless you're able to -

**Mr ROBERTS -** We do have information about how often there is need for attendance, but that question is best directed to the -

**Mr DEAN -** Okay.

**Mr HODGMAN -** We can follow up and get some detail to you.

**CHAIR -** Thank you Mr Dean.  Any other questions members?  Okay, thank you.  Before we go to capital investment, Premier, we have a question that was omitted to be asked earlier, and we are happy to take it on notice.

**Mr FARRELL -** Thanks Chair, it was just a bit because we are up and down all over the place, Premier.  It was in regard to output group 1, Support for members of parliament.  It was an issue in support for ministers and parliamentary office holders in the 2018-19 Budget Papers.  This indicated and reflects on the funding for a new ministerial office and support for the Leader of the Government in the Legislative Council and increased costs for ministerial transport.  I know that was a particular focus for you to reduce the cost of that.  Could we be provided with a break up of those costs on the transport and which bits for the Legislative Council, and which bit was for the ministerial office?

       **Mr HODGMAN** - Yes.

       **CHAIR** - I was going to say, there is not too much for the Legislative Council.  One for the President.

       **Mr HODGMAN** - Yes.  As at 31 March 2018, there are 13 drivers.  We did reduce the number, the pool, when we were first elected, to 11, but since then we've needed to accommodate additional northern ministers, rather.  That is the main reason, isn't it?  Yes, so that is the nature of that.

       **CHAIR** - Okay, thank you.

       **Mr HODGMAN** - Two additional vehicles, two drivers to service northern-based ministers.  It does remain less than the expenditure under the previous government, where the ministerial transport cost was higher back in 2013-14.

       **Mr FARRELL** - Does that include the cost of taxis and hire cars?

       **Mr HODGMAN** - That cost relates to the ministerial transport service.  As to the use of taxis - no, I need to take that on notice.

       **CHAIR** - In capital investment, which is some recurrent services of $31 976 000.  Then there's the works and services, which relates to Service Tasmania shops' capital investment, which is a whole $250 000.  There's no planned works, but that just says 'refurbishment and upgrade' for Service Tas.  I had heard from the Service Tas - Noelene Kelly earlier that they're going to combine some of those recurrent services and do some more work at Devonport?  No.  That is just an ongoing allocation, that $250 000?

       **Mr HODGMAN** - Yes.

       **CHAIR** - It is virtually just to be a line item, really.

       **Ms GALE** - It's annual.

       **Mr HODGMAN** - Yes.  It's an annual appropriation or capital, yes.

       **CHAIR** - So, it would've replaced the doors at New Norfolk, if you like.  That type of thing, small.

       **Ms GALE** - Yes.

       **Mr HODGMAN** - Yes.

       **CHAIR** - In your opening address you mentioned Service Tas was 20 years old.  I should have asked this previously, but are there any planned festivities for the 20 year -

       **Ms GALE** - Yes, they've been ongoing all throughout the year.

**Mr HODGMAN** - Yes, there have been some already.

       **Mr DEAN** - They've been round.  We've had one at Launceston and one at George Town.

       **CHAIR** - I haven't had a piece of cake.  So, what's going on?

       **Mr DEAN** - We had one in Launceston and one in George Town.  It was well done.

       **CHAIR** - So, I might get an invitation yet, perhaps.

       **Ms GALE** - If there is one in your division, I would hope so, Ms Rattray.

       **CHAIR** - I've still got a decent part of Tasmania.  I'd hoped that I'd know about that.  I certainly haven't seen anything.

       **Ms GALE** - But they are still ongoing.

       **Ms ARMITAGE** - You haven't got a Service Tas in your electorate.

       **CHAIR** - Of course, I have.

       **Ms ARMITAGE** - No, a building, do you have?

       **CHAIR** - Yes, of course I have, but I haven't seen anything.

       **Mr DEAN** - You'll get invited to one, don't worry.

       **CHAIR** - All right.  So, that comes out of recurrent services?  That is not an additional allocation?

       **Ms GALE** - No, no.

       **CHAIR** - All right, okay.

       **Mr DEAN** - I take it that covers all leases and so on, Premier?

       **Mr HODGMAN** - Sorry, look, I'm being advised - so, apologies.

       **CHAIR** - Covers all leases?

       **Mr DEAN** - The $31 976 000 in here, that covers all of the leases that the government is responsible for, does it, right across the whole state?

       **CHAIR** - It's on page 229 of budget -

       **Mr DEAN** - Sorry, page 229.  Where it's referring to recurrent services -

       **CHAIR** - It comes under capital.

       **Mr DEAN** - That is our current commitment for leased properties.  Is that it?

       **Ms GALE** - I would need to take advice on that.  That is a level of detail that I don't have.

       **CHAIR** - It would be for all properties, wouldn't it?

       **Mr DEAN** - I would like to know.

       **Ms GALE** - Pardon?  Our agencies?

       **CHAIR** - Only our agencies.  So, yes.

       **Mr DEAN** - So, sorry, what are we saying?

       **Ms GALE** - No, we need to take that on notice.

       **Mr DEAN** - Okay, thank you.

       **CHAIR** - Members, we will leave this particular output group and head to Minister for Trade.

       **Ms HOWLETT** - Trade?  Not tourism?

       **CHAIR** - No.  Tourism is after lunch.  We are doing trade before lunch.

       **Ms HOWLETT** - Okay.

       **Ms ARMITAGE** - Then we go back to tourism, yes.

       **Ms HOWLETT** - Yes, that's me, I believe.

       **CHAIR** - Thank you.  Do we have some new support at the table?

**MINISTER FOR TRADE**

       **Mr HODGMAN** - Yes - apologies.  I have the Secretary of the Department of State Growth, Mr Kim Evans, and the Director of Trade and International Relations, Erin Buttermore.

       **CHAIR** - Welcome, Erin.  And, obviously, welcome, Kim, who came yesterday, as well.  Did you want make any brief overarching statement, because this is something relatively new?

       **Mr HODGMAN** - Yes, I will take the opportunity to just acknowledge that this is a new portfolio that has been established deliberately the extraordinary period of growth for Tasmania's export sector.  We've had by far and away the highest rate of growth of any jurisdiction in the country.  Three times at least ahead of the next closest State and well above the national average.  The budget papers reflect that is expected to continue.  Also, we have emerging opportunities in new markets that are presenting great opportunities for Tasmanian businesses and industry.  We have very important trade markets in Asia, with nine of our ten top trading partners based in Asia, China being our most significant partner, of course.

It is important that government does its bit to support our trading businesses and to develop what will be our first State trade strategy to best inform us as to how we do that, to understand what our government can do to assist Tasmanian businesses with their international and interstate trading.  That is a process which is now underway and I'll speak a little more about it in due course.  We are developing a trade strategy in consultation with key industry and business stake holders, with roundtables held across the State, and targeted consultation also continuing to develop that strategy by, at the very least, the end of the year.

By the end of the year the State will lead a trade mission to China, Hong Kong, and other destinations to be determined through consultation, and a EOI process which is soon to close.  Recently we invited expressions of interest from any Tasmanian businesses or organisations which might be interested in participating in a trade mission.  These trade missions have proven to be very successful on previous occasions.  This is an important part of our outbound international trade and engagement program within this budget to develop our strategy which will be released hopefully within the coming months.

       **CHAIR** - Thank you.  Before I ask Ms Howlett to open questioning, I was just interested why the Minister for Trade isn't encompassed with the Minister for Advanced Manufacturing and Defence Industries, given that there seems to be some sort of joint role here about promoting Tasmania business and trade.  I am interested to know you why you choose to split them between the two ministers.

**Mr HODGMAN -** There is an intersection between them it was a very deliberate separation of what is in each in respect of a significant area of growth and opportunity.  Broadly in the trade space there are a lot of other related factors which are important to our trading and includes freight, logistics, input costs, the development of our brand which is being undertaken by the Department of Premier and Cabinet, as well as a broader trade portfolio.  It is well worthy of its own specific focus, but our emerging defence capabilities and advance manufacturing do sit quite neatly together we felt was best handled separately with specific ministerial responsibility.  In this case under the deputy premier to provide targeting assistance to those growth areas which are quite specific and have been the subject to a recent trade mission to the USA.

**CHAIR -** We heard all about that yesterday, hence the interesting fact that you've split them when they appear to work hand-in-hand.  Obviously, I will ponder that.  I'll ask Ms Howlett to begin.

**Ms HOWLETT** - Can you provide an update on the development of Tasmania's first whole-of-government trade strategy and its expected benefits?

**Mr HODGMAN** - Yes, and I've made some mention of it so I will give a shorter answer than I might otherwise.  It will be the state's first whole‑of‑government trade strategy.  In the context of the last question it's important to be cognisant of other industry sectors which are pivotal to our state's economy.  Also our trade sector, agriculture being an obvious one, and our blossoming agri-business sector as well.  Again, without wanting to assume all of those within one trade ministry, so to speak, they are important equally.  In response to the last question they can be best targeted deliberately by specific ministers with responsibility for those areas and which will be captured in a whole of government strategy to co-ordinate our effort beautifully.

It will ensure that there is no duplication and that our targeted efforts come under the umbrella of a trade strategy that will provide a seven‑year blue print and will focus on supporting and growing our international export activities, strengthen our economy and create more jobs, and to provide certain and strategic direction for our exporters and our international markets.  It'll identify priority international markets.  In the past all our efforts internationally have been well-supported by advice from the Department of State Growth but this will allow us to publically identify it as well.  Where there are opportunities we must try to spread the message and convey very clearly that Tasmania's trading sector is open for business.

It will coordinate our efforts to support new and emerging exporters as well to understand the challenges others have experienced and there may be practical issues for them to confront.  It can, also specifically point to areas where domestically and internally that we are able to provide greater support for our business sector.  This is through practical assistance, right through to ensuring that we have good logistics, supply chains inbound and out and that we are keeping the cost of business pressures down.  We must utilise and engaging well with other agencies that can support our collective effort, whether it be through the Commonwealth department of trade, or Austrade or other institutions in our community which are also active in trade.  For example, the University of Tasmania.

I have had 60 businesses at least, participate in round tables across the state.  Small and large exporters, advanced manufacturers, primary producers, forest education and ICT sectors have been represented.  We are now in the second stage of developing the strategy, as a series of one-on-one consultations with key stakeholders, targeted industry wide research to identify industry issues and barriers impacting on exporters, priority markets and where we can support them.  We have set a relatively ambitious time frame for which this should occur, and a lot of work has already been done, but we are placing high priority on developing this project and releasing our strategy, our overarching commitment to strengthening our economy and creating jobs under our State's first trade strategy.

**Ms SIEJKA** - You mentioned a lot of words around 'strategic' and 'targeted' and all of those sorts of things, but within that, things are more successful when there is really specific key targets and things are measured.  I wondered if that was the intention of the strategy, and if you could elaborate if anything had been identified so far in terms of key targets.

**Mr HODGMAN** - Certainly, by its nature, a strategy would be very strategic.

**Ms SIEJKA** - Not always.  We've all seen strategic plans that are -

**Mr HODGMAN** - It is a very pertinent point.  I will ask Ms Buttermore or the secretary -

**Ms SIEJKA** - How it's measured and evaluated.  How well it's tracking.

**Ms BUTTERMORE** - Page 304 of the budget contains performance indicators for the department, including one that relates to trade in our international expert trade of premium goods.  As we develop the strategy, we will be looking at more specific performance indicators that relate to the actions that are identified, but at the moment, it's under development, so it's too early to say exactly what those will be.

**Mr EVANS** - But it is the intention that there will be quite specific KPIs.

**Ms SIEJKA** - And measured, as well?

**Mr EVANS** - Yes.

**Ms SIEJKA** - Yes, good.  I've seen too many things that don't get measured.

**Mr DEAN** - Where are our current, new, and emerging trade opportunities?  What is really coming up?  Things like whiskey have been referred to, and if Jeff Kennett can get his hands on that, we'll lose that, of course.  So, your function where he raved on about the whiskey and the opportunities we have in whiskey, what are our emerging markets now?  Cherries have been there for quite some time.

**Mr HODGMAN** - Certainly in agri-business and the sector to which you refer there is an extraordinary array of products and produce that become quite prominent in our trading profile.  Equally, when we talk about emerging opportunities, we should be careful.  We need to be conscious of not ignoring some of our established competitive strengths.  With new mining ventures being proposed in the context of over 50 per cent of our state export value coming from minerals and metals, there's new opportunities in those areas as, indeed, there is in forest products and related forest industry products.

**Mr DEAN** - I have a question on that, too.  What is the future of our woodchip market and our timber?

**Mr HODGMAN** - The rate of growth in that sector, for example, in paper and paper board, has been enormous.  Seafood is obviously another area of extraordinary growth, which is why we've developed in the salmon sector a sustainable industry growth plan to support that.  Mining has been incredibly strong.  But you are right.  In the forest sector, there has been 165 per cent increase in paper and paper board products in the last year alone.  So, there is increased demand for that product.

**Mr EVANS** - We're seeing new investment in the forest industry, as well.

**Mr HODGMAN** - Yes.

**Mr EVANS** - The best example being Hermal's plans near Burnie and Hampshire, which will create several hundred jobs and re‑evaluate -

**Mr HODGMAN** - They're even now contemplating another facility in the south, potentially.

**Mr ARMSTRONG** - So, just a supplementary on that, Ivan, if I could, Chair?

**Mr HODGMAN** - You're all right.

**Mr ARMSTRONG** - The facility in the south of the state - we know that the salmon industry and government and the proponents there are talking.  Can you give me any update on what is actually happening there?

     **Mr HODGMAN -** Yes, and that's an issue we hope can be resolved with a positive outcome to enable the establishment of a facility to service the needs of the southern-based sector that's been without a processing facility for some years now.  We are cognisant of the fact that there are issues with existing salmon leases and we can't compromise those and there are significant environmental and planning processes that need to be followed by the Huon Valley Council with respect to this matter as well, if and when a DA is lodged.  Our hope is that in working collaboratively between both industry sectors and other stakeholders, it may be that a satisfactory outcome can be arrived at to support both industry sectors.  It is the product of two sectors that are in growth, it's the result of a quite innovative approach.  We are trying to find a policy solution to difficult circumstances and unsustainable circumstances following the closing of Triabunna that we invited expressions of interest.  What has happened has been a significant investment by a proponent to bring forward a proposal that will have to be subject to all the usual processes and assessments and community consultation, environmental impact studies, a lot of other matters as well, but would, by necessity, need the support of the existing salmon lease owners and the salmon industry that are operating there now.   Did you want to add anything?

     **Mr EVANS** - No, there's not much more I can add.  We are conscious of the concerns of the salmon industry, as the minister has said.  It's a private development, it's at the will of the private developer as to when and if he lodges his DA and, at the moment, he has indicated that he wants to work through with the salmon industry their issues before he makes any further -

**Mr ARMSTRONG -** Can you tell me what the major issue is with the salmon industry with it?

**Mr EVANS** - The issues are around potential impacts from the passage of large vessels in close proximity to their leases from the perspective of ballast water exchanges or potential compromises to biosecurity and, more broadly, I suspect they have concerns around impacts on brand.

**Mr DEAN -** With the woodchip market, we've been told that there were going to be, or could be, opportunities, Premier, to not only Japan and China but to India, I think was one that was mentioned.  I thought there was another country that showed some interest in our woodchips as well, so has that progressed at all or is it now off the agenda?

**Mr EVANS** - It is very much still on the agenda.  The woodchip markets are recovering, so it bodes well for our forest industry.

**Mr DEAN -** So we're not trading to India as yet?

**Mr EVANS** - I don't know about India, certainly China.

**Mr DEAN -** Right.

**Mr EVANS** - A key market.

**Mr DEAN -** India was referred to previously, but it would seem it is not advanced.  My other question, Premier, is with the direct flights that we will see, I think, to China.  What will that open up for us in relation to the fresh food trade?  Is it going to open up more opportunities in that area?

**Mr HODGMAN -** Yes, certainly, and it may not, hopefully will not, just be China in due course.  That is one of the markets that we have been working very closely on, including in previous trade missions and delegations.  The work of our Access 2020 Group are looking at other international routes into Asia and elsewhere.  Certainly with respect to China, the ability to export our products, including fresh milk, direct to China is very attractive to Chinese consumers.  Some of that does already happen, certainly our fresh milk is getting into China now, albeit a little circuitously, less directly than we would prefer.

**Mr EVANS** - Via Sydney, 15 000 litres a week.

**Mr DEAN -** Into China now?

**Mr EVANS** - Yes.

**Mr DEAN -** That's interesting to see where we are moving in relation to that.

**Mr HODGMAN -** Yes, and it's an ongoing body of work.  There's provisions in the budget to support establishing an international link, to put to good use the extended runway at Hobart, to which additional security measures that we've spoken about earlier would be required, but which we are also very closely working with Hobart Airport and the Commonwealth Government to deliver.

**Mr DEAN -** Thank you.

**CHAIR -** What's the budget for this area?

**Mr EVANS** - The budget for this area is contained within Output 1.2, the direct budget for trade, so it's not identified separately, but I can say that in the year 2018-19, the total direct budget for our trade group is about $1.87 million, which -

**CHAIR -** Which will be shared with the Minister for Advanced Technology and Manufacturing?

**Mr EVANS** - It will be shared with -

**CHAIR -** No, Advanced Manufacturing.

**Mr EVANS** - So 1.2 is predominantly the Minister for State Growth, but it also relates to the Minister for Science and Technology, the Minister of Grants, Manufacturing, and Defence Industries.  It's an integrated output group relating to our business and trade Tasmania function in the agency, plus also a number of other functions.

**Mr HODGMAN -** I suspect that one product of developing the trade strategy might be to identify areas where additional or different budget allocations might be appropriate.

**Mr EVANS** - Yes.

**CHAIR -** So we might see a RAF or two?

**Mr HODGMAN -** We'll know in future budgets, perhaps, a more definitive breakdown, I guess, of targeted trade-related programs.

**Mr EVANS** - It is a long-term strategy at the end of the day.

**Mr HODGMAN -** If it were considered a program to support our exporters through protocol, agreements, negotiations with countries, or whatever it might be, something that could practically be contained within a budget allocation would be more obvious, I guess.

**Mr EVANS** - But in 2018-19 we've got an allocation of $270 000 through previous budget decisions toward international engagement which would include a contribution to trade missions.

**CHAIR -** Thank you.  Okay, any other questions, members?  No.  In light of that, I think we deserve a few early minutes today, so I will suspend the sittings and invite you and your team back at 2 o'clock for your areas of scrutiny, tourism and hospitality and events, your Minister for Heritage and Minister for Parks.  Thank you very much.

**The committee suspended from 12.48 p.m. to 2 p.m.**

**CHAIR -** Welcome back, Premier.  We now have the scrutiny of your role as Minister for Tourism, Hospitality and Events.  Our first output group is 1.1, which is tourism.

**DIVISION 10**

Minister for Tourism, Hospitality and Events

**1.1 Tourism**

**CHAIR -** Please introduce your team at the table.

**Mr HODGMAN -** I have the Secretary of the Department of State Growth, Mr Kim Evans, and the CEO of Tourism Tasmania, John Fitzgerald.

**CHAIR -** Thank you.  If anyone else needs to come again during this afternoon, we will certainly have them named up as well, so thank you.  I feel sure that you will have some sort of overarching comment in regard to this.

**Mr HODGMAN -** I am happy to capture all elements of what we are dealing with for the next couple of hours briefly and point to a significant investment into really important drivers of Tasmania's economy.  Also our social and cultural fabric and that is tourism, hospitality and events sectors.  They have been very much part of what we now know as the visitor economy and are fuelling rapid growth in not only visitor numbers but also expenditure in our state and strong growth across all regions.

Part of our budget commitment is to increase marketing support for tourism Tasmania to be more competitive in what is a very highly competitive space, but also to target new and existing travellers to our State that are high yield visitors.  There part of our plan to disperse our visitors more into our regions, so as part of the Premier's Visitor Economy Advisory Council, we are developing a new yield and disbursal action plan to deliberately target a higher return on our investment.  To spread more even growth across our State, although I hasten to add the recent TVS figure show that whilst there's continued growth in each region, the highest rates of growth have been out of the south and Hobart.

There is additional funding for marketing; there's additional commitments, obviously, to support our events sector, which is producing world class events and attractions which are certainly a key element of our visitor economy.  Certainly our hospitality sector is the front of house for our visitor economy and is well supported.  As an employer of around 25 000 people and 2000 businesses, it is a sector worthy of increased investment to support skills development and improve the ability for our hospitality to provide the very high class experience that our visitors have come to expect.

A lot of work is being done, obviously, with respect to infrastructure upgrades within the visitor economy and more broadly that involves investments not only in roads that service a large number of tourists but into the infrastructure that supports our parks or, indeed, our wonderful built heritage, which we will get to a little later.  There's a lot of work being done to activate more airline routes, internationally and domestically, and Mr van Pelt is on hand to provide some more information.  I know Mr Dean had some questions about international flights a little earlier and we have the Director of our Access Team here who might be able to provide more up to date information on where matters are at.

In conclusion, we continue to support an investment in attractions across the State in various respects.  I have referred to our support for our events, but there are also major infrastructure upgrades in some of our iconic destinations and most notably, I would suggest, the commitment to progress and complete the Master Plan of the Cradle Mountain redevelopment, which will be one which stands alongside many of the other significant investments in our State's visitor economy, including non-government investments that will ensure Tasmania continues to be the nation's best performing tourism industry.  We have the highest rate of international visitors coming to our State than any other.  We are still setting records for growth in tourism broadly, but also strong numbers from other states and, as I have said, it is now an industry sector that is powering Tasmania's broader economy and it is very strongly supported in this year's budget.

We will take questions.

**CHAIR -** Thank you very much.

**Ms ARMITAGE -** Thank you, Premier, for the overview.  The increasing funding allocated to tourism, is that reflective of expenditure on tourism statewide or does it have a focus on investments in parks and marketing to ensure their continued success, or can you just explain?

**Mr HODGMAN -** Yes, it will have a particular focus and I will ask Mr Fitzgerald to point precisely to what that is.  There is currently some wonderful work underway now as part of our annual marketing push into other parts of the country that is also a new version of what has been a very successful campaign for some years but has been elevated indeed this year.  John, you might make some comments.

**Mr FITZGERALD -** Yes, we have our longest and highest invested campaign in the domestic market at the current time.  Our Go Behind the Scenery Campaign Number 11, we have invested $6 million to $7 million in that campaign to take us right through into the spring period. Tasmania will be very much in the market on the mainland, eastern seaboards and in Adelaide right through until at least September we are trying to promote that travel through the shoulder and the winter period.  But in relation to what the government has provided as the additional $3 million, they have provided it in three key areas.

First, it's around our unique experiences.  How do we take those things that we are really good at and elevate them in the consumer's mind?  We were just talking before the session about things like cycling and mountain biking and if we look at the growth in interest in those communities of interest in recent times, how do we capitalise on those for Tasmania and how do we start to talk more directly to those key communities of interest about the specific experiences that Tasmania offers?

The second part is how we look at our high value travellers.  We have charged T21 Steering Committee with driving a yield and disbursal action plan.  So how do we share the wealth that we are generating through the visitor economy, how do we share that more broadly across our community?  We need to look at what the infrastructure and experiences we have are across the state in order to be able to say, 'Where are the hot spots and where are the spots that we need to do more work and how do we drive more of our visitors into more of our communities across Tasmania?'  So that's a fantastic opportunity for us, I think.

The third part is the government's continued investment in making sure we are matching our demand with access to the state.  We know where we want the future access to come from.  We have views on where we might be capacity constrained or where we might have new market opportunities.  The government has provided us funding to be able to work with the airlines to perhaps add more capacity on to existing routes where we know there is demand or open up new routes.  We think that sort of three-pronged approach is going to hold us in pretty good stead in the forward estimates period.

**Ms ARMITAGE -** You mentioned cycling and I notice the Tasmanian Cycle Tourism Strategy has been running since September 2017, opening $4.2 million in funding for projects relating to cycling in Tasmania.  How many organisations have applied for funding over the last nine months?

**Mr FITZGERALD -** I will have to refer that to Mr Evans from the supply side.

**Ms ARMITAGE -** How many have received funding from those that have applied or how many have been rejected?

**Mr EVANS -** In January this year, we announced 16 successful projects out of the fund.  Ten of those were infrastructure projects.  Three were to support marketing and business support for cycling and three related to supporting specific priority events.  I have detailed lists of all of those.  Do you want me to run through them?

**Ms ARMITAGE -** You could run through or you could table, if that suits.

**Mr EVANS -** There were four projects pre-approved before the competitive round:  the St Helen's Mountain Bike Trail Network received $1 million; the Blue Derby Mountain Bike Trails $300 000; Wild Mersey received two separate grants, so they account for two different projects, they totalled $1.2 million.

In terms of the competitive round, the infrastructure projects, we have the Main Range Entry Hub Skills Park and Trail Network at Clarence; stage 2 of the Maydena Bike Park; Snug to Margate Cycleway; Wellington Park Foothills; Kate Reed and Hollybank Trail Network; implementation of stage 1 of the Dial Range Strategic Plan.  That is in Cradle Coast.

In terms of marketing:  Mount George Mountain Bike Trail, Georgetown Council; the Tasmania Mountain Marketing Program, Tourism Northern Tasmania; and Bike Friendly Accreditation Program through the TICT.

The three events that were funded:  Tour of Tasmania international upgrade - that was nearly $800 000; the Enduro World Series, $215 000, and Oceania Road Racing Championships, $75 000.  Those projects total $5.592 million.

**Ms ARMITAGE -** Is that part of the $6 million?  The cycle tourism fund?

**Mr HODGMAN -** Yes.

**Ms ARMITAGE -** That's fine because that was part of my next question where they were going.  Mr Fitzgerald mentioned driving people into maybe regional parts of our state.  Does the projected tourism allocation include upgrades to regional roads for that?

**Mr HODGMAN -** Yes.

**Ms ARMITAGE -** And the purchase of the two new *Spirit*s?

**Mr HODGMAN -** It is a separately funded initiative, but it will certainly go a long way to expanding regional disbursal.

**Ms ARMITAGE -** Do we know which roads we are actually looking at putting money into?

**Mr HODGMAN -** Yes, I can give you a run down.  There's a specific allocation in this budget that goes to investing in roads that are often used by our visitors.  There is a $72 million commitment over five years and it will be used to do a lot of things, including upgrade, seal, build more passing lanes, courtesy stopping bays.  I can give you a more specific breakdown.  The roads scheduled for improvements are the Great Eastern Drive, including tourist and slow vehicle stopping bays in Sideling to Scottsdale, $6 million committed to that; the Great Eastern Drive, road widening and safety treatments at entry points to popular tourism experiences, 9 million; the Great Eastern Drive, overtaking lanes between St Helens and Diana's Basin, $8.3 million; Eaglehawk Neck, safety provision, $1 million; Fortescue Bay Road, $3 million;  Bruny Island tourism roads, $8 million; Hastings Caves Road, $12.5 million; Arve Road, $2 million; Tarkine Drive Experience, $500 000; Sumac Road, $2 million; the Western Explorer Feasibility Study, $100 000; Glenora Road, $2.5 million; City Gateway upgrades, $2.667 million, and Launceston Airport Road access, $5.5 million.  So they are all roads that are, of course, utilised by Tasmanian motorists but are high demand routes that our tourists are driving on.

**Ms ARMITAGE -** Particularly on Airport Road as well.

**Mr HODGMAN -** Yes, so it is a very targeted and on top of a much broader road investment which the Minister for Infrastructure can speak to you about, but it is very targeted at those areas where there are a lot more tourists on our roads.  There are safety concerns amongst motorists and I am sure the tourists themselves who are using our roads.

**Ms ARMITAGE -** We did speak about that yesterday with the minister.

**Mr HODGMAN -** Yes, that is largely what we are seeking to do, improve safety, amenity, the experience for our visitors and also locals, who are sometimes becoming frustrated at the lack of passing opportunities or understanding of our road rules.  We have a particular and targeted approach strategy to support our visitors who are getting behind the wheel to make sure they can do so safely.

**Ms ARMITAGE -** Thank you for that.  I also notice in Table 21.3, the visitors to Tasmania, the actual for 2016-17, and I wonder if we have a breakdown of where the visitors are coming from?  It's probably there somewhere.

**Mr HODGMAN -** Yes, we do.

**Mr FITZGERALD -** We certainly do.

**Mr HODGMAN -** What detail you can go to today, John?

**Mr FITZGERALD -** We can go reasonably detailed.

**Ms ARMITAGE -** It's good to see where they are coming from.  Whether where they are coming from has changed from the past, or whether it's still much the same?

**Mr FITZGERALD -** I guess the markets are still much the same, but what we are seeing is faster growth in international markets as opposed to domestic but that is out of a much smaller base.  We still only have about 18 per cent of our market internationally, but that market has almost doubled in the last three years.  It is up to 280 000 people now.  Of that, our largest market is the US.  The US and China have been sort of fighting it out in recent years and China skipped ahead at one stage but the US market has come back to be our leading market.  But when you add Hong Kong with China - we treat them reasonably separately.

**Ms ARMITAGE -** Treat them separately?  All right.

**Mr FITZGERALD -** When you add them together, they are our largest international market.  In terms of the profile domestically, it is still Victoria and New South Wales and Queensland, but we are seeing stronger growth out of New South Wales and Queensland in particular, and with more direct air services, that gives us greater opportunity to grow those markets.

**Ms ARMITAGE -** Our highest entry point, would that be Hobart?

**Mr FITZGERALD -** Yes, it is.

**Ms ARMITAGE -** More so than by boat, so more would fly into Hobart than anywhere else, even with Devonport and Launceston combined?

**Mr FITZGERALD -** Yes, that is correct, Hobart is our biggest port.  We are encouraging people, though, to try to enter through one port and exit through another and that supports that regional disbursal approach as well.

**Ms ARMITAGE -** It's probably a little bit hard and you might not have the answer to this, but I am wondering with the Hobart, the Devonport and the Launceston, the three main entry points, do you have a demographic of your international visitors that are coming in through Hobart as opposed to anywhere else?  I guess they are all coming via Melbourne or via Sydney because we don't have international flights as such from the US.

**Mr FITZGERALD -** We would probably have to get you that breakdown.

**Ms ARMITAGE -** No, that's all right.

**Mr FITZGERALD -** Intuitively, more of the international market would come through Hobart.  Devonport is probably unrepresentative, it is probably more business traffic, you know, transiting to Melbourne, a lot of locals and some tourism traffic but probably more business oriented coming into Devonport.  We would love to try to grow Launceston more.

**Ms ARMITAGE -** We would like that.  I now have the airport in my electorate with the TEC changes.

**Mr FITZGERALD -** Hans van Pelt is here, our Director of Aviation and Access, and he is working with the airlines vigorously to try to grow the capacity into Launceston because the airlines are managing their yields very well.  In both Hobart and Launceston, we would like to see more growth, but particularly we are focused on trying to get some of that growth back into Launceston.

**Ms ARMITAGE -** In Table 21.3, it has listed four local organisations that the government has local tourism strategies with.  Who are the four organisations?

**Mr HODGMAN -** They are regional tourism organisations.

**Ms ARMITAGE -** You can't name them?

**Mr FITZGERALD -** Yes, we can name them:  Destination Southern Tasmania.

**Mr HODGMAN -** East Coast Tourism; Tourism Northern Tasmania, with which you would be very familiar.

**Ms ARMITAGE -** Yes.

**Mr HODGMAN -** Cradle Coast.

**Mr FITZGERALD -** So they are funded regional tourism organisations.  They have been in existence now for some time.  We have grant deeds with them.  They are very important partners in all that we are doing and provide a supply side service in regional areas to support their community to work with us in partnership with a number of programs.

**Ms ARMITAGE -** It's good to have them listed on *Hansard* so that we can sight them.

**Mr HODGMAN -** Yes, by all means.

**Ms ARMITAGE -** I have some more questions, but I'm happy to let others have a bit of a go for a while.

**CHAIR -** Thank you.

**Ms HOWLETT -** As an island state, the success of our tourism industry is linked to the ability for tourists to actually travel here.  What is the Government going to do to facilitate this?

**Mr HODGMAN -** I would also like to introduce Mr van Pelt to the committee, the Director of Aviation and Access and an important part of the team to which I referred earlier today, the Access Team, and who, as Mr Fitzgerald has mentioned in passing, is in very constant contact with our airline partners and others who might look to become more a part of Tasmania's booming tourism sector.  We developed an Access 2020 Strategy in the first term of government and that identifies not only opportunities but also areas where there is likely to be growth where access is critical to business development and investment, where it supports other important parts of our economic and social fabric, and that includes international education, our export sector, we have spoken about a little earlier, and also, importantly, sits closely with everything we are doing at our airports, at TasPorts with the *Spirit*s, and we will be looking forward to welcoming the next generation in just a few years from now, and it is all part of our broader Visitor Economy Strategy of T21, so industry are an important partner as well.

It is not purely due to the development of a strategy, I am sure, but a much more coordinated and focused effort by Government and our partners broadly has seen since the establishment of the strategy an extraordinary increase in visitation and flight services to our state.  In just over two years from 1 July 2015 to 20 April 2018 - a wonderful day of the year - 20 April 2018 -

**Mr FITZGERALD -** Happy birthday.

**Mr HODGMAN -** Thank you. 443 000 additional seats have flown into Hobart and Launceston Airports.  Key routes are operating at passenger load factors well above 80 per cent, which is a very high industry rate, including Launceston to Sydney routes, Hobart to Melbourne, Hobart to Sydney, Hobart to Adelaide, and Hobart to Brisbane.  There have been additional direct routes attached in recent years.  Tourism Tasmania importantly plays a role in enhancing the services, working closely with airlines, investing opportunities to open up new direct routes and, as I say, we have had one to the Gold Coast, one to Adelaide, there are more to come, we hope and expect, in the very near future and that includes also in the international space.

In relation to that, we are developing business cases, working very closely with potential carriers, wanting to utilise, as I said earlier, the expanded and increased runway and terminal developments at Hobart.  We need to be very conscious of commercial sensitivities, and this is a very competitive space and our competitors are every other state or territory in our nation, but we are positioned to be as competitive as we can to secure more direct flights to our state, which is very much a key pillar of our Access 2020 Strategy.

Perhaps if I might just briefly allow Mr van Pelt to add some context as well and then take some questions.

**Mr VAN PELT -** Thank you that was a very good summary.  We have added capacity into Tasmania over the last three years by about 10 per cent of what has flown into the main airports.  Neither of the two domestic airlines are growing their capacity beyond 2 per cent, so Tasmania has done well there.  They are not getting any new aircraft and haven't done over the last couple of years, and certainly won't for the next.  A lot of this is about the destination, it's about the appeal, it's about the growth and then being able to make a business case where they literally will take an aircraft off somewhere else and send it here to continue our growth and to help us achieve our visitor economy targets.  A lot of it is simple economics and supply and demand, but very much linked to generating and converting demand and then having the experience and people wanting to travel here and, as John was saying, possibly coming into one airport and going out of the other.

**CHAIR -** A supplementary on that.  Premier, you did touch in your overview about the capacity constraints that we face.

**Mr HODGMAN -** Yes.

**CHAIR -** What are they then?  Obviously, if the airlines are not actually increasing their number of flights, if you like, and we have TT-Line who put on day sailings in particular parts of the year, so what our constraints?

**Mr HODGMAN -** You have touched on a couple.  If you are speaking more generally about access, it does literally relate to capacity - how many seats there are available on a plane or on the *Spirit*s.  That's why the new *Spirit*s - and it is not my place to get into this in too much detail, it is the Minister for Infrastructure - but that's why there is a 30 per cent increase in capacity on those vessels,or more.  A quite significant increase for passengers and our vehicles and, yes, the work that we are doing with our carriers goes to more routes.

**Mr FITZGERALD -** I can probably add some value to that.  What Mr van Pelt was talking about is the airlines are waiting for aircraft to arrive, so in the interim, they are constrained across the country.  We are actually out competing with some other destinations and we have seen some capacity growth into Tasmania, but the passenger numbers are growing greater than the capacity is growing, and that is happening across Australia.  The data was released the other day.  In a similar period to the time that the Premier mentioned about our growth, since 2016 there has been a retraction of 85 000 seats across Australia but 2.6 million additional passengers using those seats.  So it is a nationwide challenge at the moment where the airlines don't have the aircraft and it is very competitive.  Pleasingly, we are doing quite well because of the demand for Tasmania that we are attracting capacity and pinching it from other places in the short term and then more aircraft will come online I think in 2019.

**Mr VAN PELT -** No, 2020-21.

**CHAIR -** Premier, you are not concerned about the reports that the capital city of Hobart is not necessarily welcoming a huge stream of visitors?  Is that any concern?

**Mr HODGMAN -** I think I was reported as saying any time in which we turn off the lights and shut down the things that are supporting the growth in our visitor economy, we take our state backwards.  A lot of what we now do is controversial, it is challenging, it is cutting edge.  That's why people are coming here, and I embrace it and welcome it, and it is now starting to have much broader benefits beyond Hobart, and I wouldn't think that one person might -

**CHAIR -** Speak for the rest of Tasmania.

**Mr HODGMAN -** Yes, because our recent announcement to secure the Mofo Festival to Launceston is a significant investment, but that will have alongside some well-established events and festivals in the north, a very powerful social and economic impact.

**Ms ARMITAGE -** We would really like it in winter if we could have had it rather than in the summer when we do have lots of events, but I guess we take what we can get.

**Mr HODGMAN -** Yes, and it's a moving feast.  There's a calendar of events and it has become quite clogged because there are many exceptional events, not just those run by MONA, but also other great community organisations.

**Ms ARMITAGE -** Festivale.

**Mr HODGMAN -** Yes, and we have a new fund to support investment in festivals and events that bring larger numbers.

**CHAIR -** We will get to events.

**Mr HODGMAN -** We will get to that, I know, but I strongly believe the message we should be sending to the rest of the world, and certainly to other states, is that we are determined to stay at the head of the pack, and that includes wonderful events and festivals that are differentiating Tasmania from every other state.  Proving we are the most desirable destination, including in the middle of winter, whereas only a few years ago you could hardly see a soul in the streets at this time of the year, but the city is bustling.

**Ms ARMITAGE -** You need to come to Launceston.  It was like that last weekend with everyone in Hobart for the Dark Mofo.

**CHAIR -** It was the first time that I have come down in my 14 years preparing for Budget Estimates on a Sunday and I couldn't get into the car park - first time.  So many people around, they had the streets shut and I didn't think they would appreciate me saying, 'I need to get in', but I found a way.

**Mr ARMSTRONG -** I am just interested in where is tourism mainly advertised now outside of the state?  Is it just mainland Australia or do we advertise in China or -

**Mr FITZGERALD -** We are active across the world, and I guess advertising is part of what we do.  But, as you know, the world is changing and there's a lot of different methodologies to talk to people across the globe now.  We still have a large campaign in Australia and that is focused in Victoria, New South Wales, south-east Queensland, and now Adelaide, particularly with the direct flight that we have from Adelaide.  Internationally we are active in a range of markets.  We are active in China, Hong Kong, Singapore and Malaysia, and North America.

**Mr ARMSTRONG -** When you say you are 'active'?

**Mr FITZGERALD -** We have representatives - companies that work for us who represent Tourism Tasmania in those places.  They deliver a program of marketing activity in those regions around the world that complements the work we do here in Australia.  We have a range of offices around the world targeting those particular markets, and successfully because we have nearly doubled that international visitation in the last three years, off a lower base, but it's growing well and they are high spending markets as well.

**Mr ARMSTRONG -** I might have missed it, but where is our biggest number of overseas tourists coming from?

**Mr FITZGERALD -** It's the USA.  We get 42 000 visitors a year from the USA and about 38 000 from China, and when you add Hong Kong, there's about another 25 000.  So, if you combine China and Hong Kong, even though they are different types of customers in the same region, they are our largest market and, beyond that, you have the UK, Europe, and New Zealand.

**Mr ARMSTRONG -** Do we know what length of time these people stay here?

**Mr FITZGERALD -** We do.  We have all the data on the length of time, which can vary, but the average length of time in the state is still around eight to nine days.  That hasn't shifted a whole lot.  A lot of people thought with the rise of Asia that we would lose a lot of that length of stay, but we are not.  We are seeing marginal reductions but nothing that is concerning us at all and, in fact, our Asian visitors are coming for the abundance of the experience here and they are staying longer as well.

**CHAIR -** Do you think they have got the message that you won't get round Tasmania in three days?

**Mr FITZGERALD -** That's always a difficult one.  Overcoming that challenge is difficult, even in Australia, as we know, and we call it 'bigger on the inside', and when people get here they realise it is bigger than they think it is when they look at the map.  But, by the same token, we think that is contributing to repeat visitation as well because they can't get to do it all the first time.

**Mr HODGMAN -** Our investments in things that require people to stay a little longer, like our walks or the Drive Journeys Program which we are delivering off the back of a very successful trial piloted on the Great Eastern Drive is all about encouraging our visitors to stay longer, travel independently.  I am not sure what the latest figures are on that, but there was certainly a lot larger return and independent travelling by our visitors, not all, you know, coach driven or organised tour groups but a lot more tourists on the road, which presents its own issues, I appreciate, but it keeps people here longer and they are exploring, getting off the beaten track a bit and exploring our regions.

**CHAIR -** We talked about that quite a bit yesterday in the area of infrastructure with the minister around visitor driving information, so we did cover that quite extensively yesterday, so hopefully they are not still stopping in the middle of the road to take a picture.

**Mr FARRELL -** Do you keep the information on age profile of the tourists that visit Tasmania?  Is it predominantly older people or younger people or a mix?

**Mr FITZGERALD -** It is starting to skew younger.  We have all that data.  We haven't brought it along in detail today but we can provide you demographics of who is visiting, how old they are, where they are from, all that sort of information.  But, yes, we still are getting older Australians, baby boomers, et cetera.

**CHAIR -** They are quite young.

**Mr FITZGERALD -** Yes, there is a skew to a younger age group, but I am happy to provide all that data.

**Mr FARRELL -** Is that skew related to the mountain bike tourism?  Is that having any great effect on attracting younger visitors?

**Mr FITZGERALD -** It certainly is, but you won't be driving huge volumes of people.  I spoke about the communities of interest, so they are highly influential those people, so they are not huge numbers but they spend incredibly well and they are very influential as to advocating for the State and the mountain biking experience.  It has been an enormous success story the mountain biking story in Tasmania.

**Mr FARRELL -** Do you do any tracking?  Like everything goes in and out of fashion - golf, tennis, football - but is there any like forward projections about how long you can have that particular golden goose for?

**CHAIR -** If John knew that, he would be probably somewhere else working by now.

**Mr FITZGERALD -** The bottom line is, yes, we track consumer trend, so we look at the bigger consumer trend information and we also track information under the Tasmanian Information Monitor, looking at Tasmania's appeals and how we are tracking.  We talk to the Australian travelling population every month about what they think about Tasmania.  So, we look at the big trend data and we look at how people are viewing Tasmania on a regular basis, so that we are sort of always across what the market is thinking about.

**Mr FARRELL -** It is pleasing to note, Premier, too, that the Wilderness Railway isn't requiring an injection of funds, which is a lovely indicator because there's tremendous - and I am hoping the Government does, too, which I will lead into - potential for rail tourism in the state.  I don't know if that is the information the department is receiving, but I know that your Government has put out a document supporting tourism and rail heritage and there are some ideas there that will no doubt need some funding.  Is there any funding to advance rail tourism into the future?

**Mr HODGMAN -** Yes, in the infrastructure space there have been - you haven't met the minister yet, have you - but there are some allocations in the budget.

**CHAIR -** The Minister for Infrastructure?  We did yesterday and we talked quite a bit about trains, but I am not surprised that we are talking about them today.

**Mr FARRELL -** Yes, just that side of it, but from the tourism side, the promotion and development.

**Mr HODGMAN -** So you are across what is happening in the infrastructure portfolio and making access -

**Mr DEAN -** He told us we won't get another Tasman Limited.

**Mr HODGMAN -** So, we do recognise the appeal.  The issues are more logistical and practical with respect to operating such a service.  Understandably, there is an asset at our disposal and we are trying to ensure that opportunities remain open for any benches that come forward.  The West Coast Wilderness Railway story, if not remarkable, is certainly very impressive given where it was only a few years ago when the broader expectation was that the government would be required to continue to subsidise it at quite a rate and it is now financially viable and performing above expectations.

**CHAIR -** Not quite.

**Mr HODGMAN -** It is returning -

**CHAIR -** It is not quite.

**Mr HODGMAN -** It is close to break even, an estimate of 50 000 per year passenger numbers, bottom line up 20 per cent on this time last year, very important for the region and an employer of around 70.  Yes, it is a very important part of not only the West Coast visitor economy but Tasmania's.  More broadly, though, and I would be happy to defer to John or Kim a to any work that is being done internally to assess the appeal of rail tourism and related activities, but it is something that we do need to keep very much in mind for our state, given, as you say, the success of the West Coast.

**Mr FARRELL -** When you look at places like New Zealand, they seem to be doing it well, and there is no argument that you have to pump money into it, but, of course, we have seen that with the mountain bike tracks, there's been money pumped into that and that has paid off.

**Mr EVANS -** In the budget this year, there are a couple of small grants to several organisations to go through the accreditation process for advancing Tourism Rail, one involving the Derwent Valley, of course, and one on the West Derwent foreshore.

**CHAIR -** Hopefully there will be one for the North East line too in the future.

**Mr EVANS -** With the North East line, we have Treasury doing some work around the economic analysis of the two proposals.

**CHAIR -** Still a very enthusiastic group working immensely hard to get a small piece of that infrastructure.  They don't need it all, they just need a section.

**Mr HODGMAN -** It's a fascinating conundrum and it brings two of the groups we have spoken about, the rail enthusiasts and rail tourists and now the cycling and walking fraternity, into some conflict.

**CHAIR -** It would be nice to think we could have the best of both worlds.

**Mr HODGMAN -** Yes, very much so.

**CHAIR -** And share.

**Mr HODGMAN -** We are endeavouring to ascertain the commercial merits of each and what is required or expected of government and what can operate independently, but a good problem to have, you might say.

**CHAIR -** Thank you.

**Mr FARRELL -** Just to finish off, apart from rail, what other future attractions has Tourism Tasmania identified that it would like to build on, like we have had the golf and the mountain bikes?

**Mr FITZGERALD -** That is the opportunity we now have with the additional funds we have been provided to look at what are some of those.  Obviously fishing is an opportunity for Tasmania.  We have the world fly-fishing championships here next year, which gives us something to springboard off.  If you look at some of the leads that Tourism Australia give us as well, so they are investing now heavily in fishing.  We are great at that.  They are investing in projecting Australia's wildlife more.  We are really great at that.  So, with this new funding now, we have the opportunity to look at what are those things that we kind of know we're good at but maybe the world doesn't necessarily know we are good at.

**CHAIR -** Thank you.  A supplementary, Mr Armstrong, and then Ms Howlett.

**Mr ARMSTRONG -** Yes, thank you, Chair.  It was just regarding the age groups of tourists.  With backpackers, do you count backpackers because they might come here working for a while but then they become a tourist?

**Mr FITZGERALD -** Yes, they are counted as visitors.  They might be on working holidaymaker visas, but they can still be picked up in the surveys as visitors, yes, they would classify as part of the visitor mix.  We should be able to extract data on specific travellers that represent themselves as backpackers or youth travellers.  We would have a report that we could generate around that.

**Mr ARMSTRONG -** Thank you.

**Ms HOWLETT -** Premier, you spoke about the infrastructure upgrades on the Great Eastern Drive, and thank you for being a great supporter of this.  Has this investment been warranted and what are you going to do to support other regions?

**Mr HODGMAN -** Yes, it certainly has been a success story and credit not only to Tourism Tasmania but also to the East Coast Regional Tourism Organisation.  They have not only been very supportive of it but have encouraged and activated a lot of interest in the region off the back of what is unquestionably one of the most remarkable coastal drives in our country.  We have a number of them, too, across our state, I hasten to add, but that is an experience in itself and it has also been able to support new developments, activity within the tourism sector and in the region and is a point of interest for our visitors, including the group we have been speaking about who are more independently travelling into our regions.

Our ongoing commitment to the Great Eastern Drive continues and we have extended it in this budget and through our election commitments as well to make sure that we are keeping abreast of the growth which now sees 390 000 people travelling into the East Coast region and over 20 per cent increase in visitation to the East Coast since the Drive was developed.  We are extending the route from St Helens to the Bay of Fires.  That is a 10 k route, and we have also worked through our Road Swap Program with local government, the road from St Helens to Binalong Bay being brought within the State road network and planning and design work will continue, will occur, and works are expected to start in 2019-20, including road widening, sealing and associated improvements.  The extension is, as I say, in addition to other expenditures in our road network, including the overtaking lanes between St Helens and Diana's Basin that I mentioned earlier and general upgrades to our visitor economy roads.

We are contributing 50 per cent of an estimated $7 million to provide nearly 100 per cent mobile coverage along the Great Eastern Drive as well.  Telecommunications are important, especially for our visitors, wherever they come from, but particularly the Asian segment.  A visitor almost demands very constant IT connectivity.  That will provide nearly 100 per cent on the Drive and it is obviously of great benefit to businesses and residents as well.  We are planning to expand the success and the experience that is the Great Eastern Drive into other regions, so the budget includes a $1.4 million commitment to develop three new drive journeys.  Needless to say, given the success of the East Coast experience, other regions are wanting to have their share as well, so there will be one in the north, one in the south and one in the north-west.

The northern journey - and these are all being designed and developed in conjunction between respective government agencies but also our regional tourism organisations in the industry sector more broadly, the Tourism Industry Council, notably - but the northern journey is anticipated to take in Greater Launceston; the southern journey Greater Hobart; the north-west builds on the Cradle to Coast Tasting Trail.  There is $600 000 in specific funding over three years for Tourism Tasmania to market the drive journeys and ensure that they highlight regional differences, because each of them will be quite unique but part of a statewide network that showcases our brand as a whole and $800 000 to support the development of each journey and provide necessary infrastructure such as signage and that is, not surprisingly, but it is very important to ensure that there is adequate signage for road users and also serves to promote the experience as well.

Work is well underway, I should add, in developing the Western Wilds, the other journey route that encourages people to enjoy the wilderness of western Tasmania and work is being undertaken to identify places that people can stop, understand the region, the experience, share their journey.  It is expected that the Western Wilds journey will be completed by the end of this year and, as I say, it has been developed in partnership with our RTOs, who are very well placed to ensure that there's optimal visitor experiences and attractions to feature in the routes and that all operators and people working in the visitor economy on those routes are able to leverage off it in how they promote their business and what they offer, and I would hope and expect the same level of success as the Great Eastern Drive.

**Ms HOWLETT -** Thank you.

**Mr DEAN -** I am back to aircraft.  The international flights, Premier, you have covered that.  What other areas, international areas, are we looking at trying to develop flights into Tasmania, direct flights from China.  Some of them you've mentioned.  Are there any other areas?  Have you looked at areas like India to see what the potential there?  I was there recently.

**Mr HODGMAN -** Yes, there are, and I'll ask Mr Van Pelt.

**Mr VAN PELT -** It's a very difficult question.  Given where Tasmania is geographically, we're a long way away from anywhere in Asia.  A challenge always is two-fold.  So bringing people in and making sure you've got enough demand for an aircraft to fly regularly to a destination.  And then equally, you've got to make sure there's enough people on the return flight to allow the aircraft to operate economically.  Whichever destination we talk about, that's our largest challenge.  So if you look at places like Singapore, it's roughly quarter of a million dollars to fly a big aircraft which is the only one that can travel that distance, like an A330.  So let's say a $250 000 cost on today's oil prices, you're then going to struggle.  Most people who arrive here internationally would logically go on to Melbourne or to Sydney to see friends, and that's currently what the pattern is, so yes, the runway enables it.

The world's also changing from a security perspective so we'd have to do a lot of work here to process people internationally but most of this is about making sense in both directions and giving the airline confidence that there's sustainable long-term demand in both directions in order to make a service viable.  We've been working pretty hard at doing that.  There's a couple of opportunities that are closing in but again, as I said before, it's all about the destination.  It's about the increased numbers and it's about the appeal of people wanting to come and experience Tasmania.

**Mr DEAN -** What part do the airlines themselves play in this?  What airlines are you targeting or talking to, who are likely to assist?

**Mr VAN PELT -** To really stick with our overall tourism marketing as a premium destination, the only airlines that we're really pursuing for this is the full service premium carrier that can bring people from a global perspective.  So you work through the major Asian airports and they're the ones that are carrying and will bring the people that we're looking to attract through our marketing activities around the world.

**Mr DEAN -** If we're successful in the pilot academy here, how is that something that we could target for tourism as well.  Wouldn't that help us with marketing in Tasmania?  Putting us back on the map, I suppose, in that regard as well.

**Mr VAN PELT -** Any increase in our education sector has an inevitable flow on to our tourist sector -

**Mr DEAN** - Look at our Maritime College and what that does.

**Mr VAN PELT -** And university - visiting friends and relatives are a really important segment of our resident numbers.  John, you can probably give us a sense of perspective and this will further add with potentially 500 or so pilots coming in to help fly these new planes that will be online and servicing us more in the coming years, it will be a great opportunity for us to secure into the north and other group of -

**Mr FITZGERALD** - The visiting friends and relative market is a gem for us because the more people we can get studying here, being part of those enterprise developments in Tasmania, it's pretty evidential that that creates a fair bit of visitation off the back of it, and obviously strong promotion of Tassie.  Because while they're living here, they're all promoting it to their friends and relatives.  So if we could secure that, it would be great from that perspective and obviously give us even stronger connections to the airlines as well.

**Mr DEAN** - The other area is cruise ships in tourism.  What are the numbers that we're now getting?  Are we getting return tourists coming that have been in here on the cruise ships, which is sadly only a short stay?  Are we getting many of those people coming back as a result of their experience in this state?  Do you have any statistics on that?

**Mr FITZGERALD** - Probably Mr Van Pelt might be able to comment but we're going to up to something like 340 000 cruise ship passengers - just roughly.

**Mr HODGMAN -** I can give you some numbers, you can get your analysis on their return to our state.  There were 125 port calls by cruise ships in Tasmania during 2017-18 carrying 346 236 passengers and crew.  This is an increase from 92 port calls and 236 794 passengers and crew the previous year.  So a massive jump.  There is levelling out of bookings for the next financial year, 117 port calls confirmed.  Then again, it goes back up with 127 booked.  It is estimated that direct expenditure from cruise ship passengers and crew is $37 million in 2017-18 based on the average spend results of the 2016-17 Tasmanian cruise passenger survey, and indirect expenditure is estimated to be $15 million based on figures provided by the Australian Cruise Association.

In total, direct and indirect economic output of cruise shipping in Tasmania is estimated to be $52 million in 2017-18 so it is a significant injection into our economy.  There's a lot of debate about where they should go and what's the right fit for where and that's currently subject to review and analysis that's been done by the Premier's Visitor Economy Advisory Council to make sure that they're not interfering with our brand or with our environment in a way that would in any way be counterproductive.  The overall economic impact, the benefit is quite profound and I would be surprised if, having had a taste of our state via cruise ship, there wouldn't be large numbers who return to do it all again properly.

**Mr VAN PELT -** About 12 months ago, we starting surveying people as part of the Tasmanian visitors survey as to whether they'd been before on a cruise ship, so the numbers are still very low.  There was about 3 per cent of those surveyed, so roughly 10 000 had come back following an initial cruise ship visit, but over a considerable length of time.  So it is small factor.

**Mr DEAN** - We've looked at international tourists and tourism, what about interstate?  What are we now doing there?

**Mr HODGMAN -** They are often overlooked.

**Mr DEAN** - It is.

**Mr HODGMAN -** When we talk about the tens of thousands that come here from America or China, it's hundreds of thousands who come here from Victoria.  John might be able to give us some more details, some context on that.  They are a really important part of Tasmania's visitor economy.  So go behind the scenery is Mark 11, is a really important part of our marketing push and effort to keep that group, not only in Victoria but New South Wales and south-east Queensland coming down to a state.  Would you like to?

**Mr FITZGERALD** - We've got over a million Australians now travelling to Tasmania from the other states and territories.  So it's becoming a reasonably big number.  As I said, most of that growth is still off the eastern seaboard, particularly New South Wales and Queensland which is great because Victoria's always been the really dominant market that we're seeing growth out of those other states, but importantly what we're also doing is looking at who our potential customer is.  So we've just done a piece of research around who are, what we'd call our market segmentation.  So what are the best targets in Australia and we've sort of worked out that - and there's a fair bit of science behind this which I can't go into in a whole lot of detail, but the bottom line is travel is about people meeting their needs these days.  So we've done a piece of work to identify what are the needs that Tasmania can fulfil for our customers, and we've basically identified about 33 per cent of the Australian travelling population as our target audience.  So we're not trying to go out and talk to everyone.  We're just trying to talk to the customers that we think are the most relevant for us.  That's about one in three travelling Australians, and we kind of know where they live.  We know their media consumption habits, all that sort of stuff.  So it is getting quite scientific about how you go about talking to those audiences and who they are and where they live.

**Mr DEAN** - Do we have any statistics on the reasons they're coming here?  What they want to see.

**Mr FITZGERALD** - Absolutely.

**Mr DEAN** - You did a survey about eight years ago now, I think.  Let me get this right.  It would be about eight years ago which is one I can recall where it was identified some of the main attractions that people were coming here for.  Do we have -

**Mr FITZGERALD** - We have all that information and happy to provide you details of that.  That's all captured in the Tasmanian visitors' survey.  So we are very fortunate in Tasmania.  We're the only state in Australia that has its own survey that's been going for more than 30 years.  Because we're an island and we know how people enter and exit, we can capture them pretty well.  So we've got all that information.  Salamanca Market is still the leading attraction in Tasmania in terms if visitation, but others are MONA, Mount Wellington, Cataract Gorge, Cradle Mountain, Freycinet National Park, Port Author, all in the top ten.

**Mr HODGMAN -** Most come here for holiday.  Many come to visit friends and relatives.  A lot come here for work and related business and there's been a massive 19 per cent increase in conference travel.  So our business events sector is very much an understated part of the visitor economy, but is becoming increasingly important, or at least now is going through 19 per cent increase, in fact, over the last year alone which is quite significant.

**Ms ARMITAGE -** I notice Next Iconic Walk is on the table.  Do we have a short list for the areas that we're looking at?

**Mr HODGMAN -** No.  And we were deliberately not wanting to presume what might be the best fit and it does follow very much -

**Ms ARMITAGE -** You have a region, I am presuming?

**Mr HODGMAN -** The whole of Tasmania.  And it follows off the success of Three Capes, overland track, of course, well-established, and it's a long run project.  It's something that will require a lot of planning, environmental assessments.

**Ms ARMITAGE -** That's over a five‑year period.

**Mr HODGMAN -** Yes.  That's realistically the sort of time frame it took to deliver the Three Capes track which is award winning and welcoming 25 000 people at least since it has opened, thereabouts.  Most of them - a large part indeed from interstate or overseas.  Eight-two per cent of them and when you talk about motivates people to come here, 87 per cent of people who walked the Three Capes track said that that was their reason for coming here.  So that's also proving to be one of the key drivers; access to our wilderness, having a look, being able to do it in relative comfort.

So we want to replicate that in another region.  We've allocated $20 million.  It needs to be different to what currently exists, I would suggest, and possibly in another region.  A lot of local councils and regional tourism organisations have got ideas and concepts and they need to be included in what will be a feasibility assessment process that will commence soon, seeking public comment as well.

**Ms ARMITAGE -** I just have a question about the funding.  I notice on page 245, 'This initiative will invest up to $20 million over a five year period to deliver Tasmanian's next iconic multi-day hut based walk'.  However, in the key deliverables, the Next Iconic Walk over the - and I realise it's only four years there, but it only comes to $9 million.  So I'm assuming that 2022-23 is not going to be $11 million.  I am just wondering just the different in figures there.

**Mr HODGMAN -** All the work will commence then.

**Ms ARMITAGE -** The $20 million as opposed to the $9 million listed.  So where's the discrepancy or the changes?

**Mr HODGMAN -** It's as you've identified.  We anticipate the capital works -

**Ms ARMITAGE -** An extra $11 million.

**CHAIR** - But it won't be in one year.  You wouldn't allocate $11 million to one walk in one year, would you?  You would potentially be the government, not me.

**Ms ARMITAGE -** I know it is expensive, but how much is a kilometre of roads?

**CHAIR** - A million dollars.

**Ms ARMITAGE -** But this is a walk so it's not going to be -

**Mr HODGMAN -** It is quite probable, given what happened at Three Capes that the investment into the huts and infrastructure on the walk coming in the latter stages of the investment.

**Ms ARMITAGE -** So the extra $11 million could be -

**Mr HODGMAN -** And without wanting to predict anything like a budget blowout or within what is a significant investment now - $25 million, so it's in that ball park.

**Ms ARMITAGE -**So if it's equivalent, it could be a similar outlay or more because of the time frame -

**Mr HODGMAN -** Very much so and similar works program.  We're conscious to not overreach on a commitment for a project of this scale because it is quite significant.  The planning and approvals process is the sensitivity that's required to develop a walk of this magnitude in an area which will unlikely be a very precious and special part of our state needs this amount of time and funding attached to it.

**Ms ARMITAGE -** So you've obviously got some idea of what the walk is going to be like or the distance.

**Mr HODGMAN -** The only thing we have been specific about, a multi-day hut base because that's what people enjoy, the model works.  I've made some statements that I would think it would want to be a different experience to what we've got otherwise there'd be little reason to do it.  We're literally open to good ideas and models that will fit because the success of Three Capes - which is award winning - and all credit to the Parks and Wildlife Service who will be here shortly.  They've delivered what is regarded as one of the nation's great walks, and we'd love to replicate that in another part of the state.

**Mr HODGMAN -** I just wanted to add the impact for the community, 39 000, plus bed nights and $18 million into the local community off the back of Three Capes within a relatively short period of time.  So it is wonderful for local economies.

**Mr ARMSTRONG** - Down in my patch, there was a group of people that talked about the Geeves Effect.  Can you tell me whether you've had any more discussions with that group?  I think there was some seed funding.

**Mr HODGMAN -** Yes, and I'm due, I believe, to catch up with them again soon.  That's the sort of experience that could potentially fit within this funding envelope or a model similar to that.  That's a great example of community‑led initiative, a concept that leverages off the quite unique features of that community.  It would not be a simple thing to deliver and would have environment and planning issues.

**Mr ARMSTRONG** - And the other one - it is always being talked about - is the south-east cape walk to the southernmost point of Tasmania.  I don't know whether the group is still pushing that, whether you've heard anything of them.  You can walk to the northern-most point of Australia, but you can't get to the southernmost point of Tasmania?

**Mr HODGMAN -** Yes, we might take that on notice with the Parks and Wildlife Service who will be here a little later.  I make a mental note and we can come back to that.

**CHAIR** - In regard to staff numbers, has there been any movement in staffing numbers for your department?

**Mr FITZGERALD** - Yes, we have had some increases, and mostly that's due to filling vacancies.  We did a structural realignment last year in our business because obviously we're a market facing organisation so we've got to be contemporary in the way we design our workforce to be able to do the job in that global marketplace.  So we held a few positions vacant while we were realigning some of the roles in our business.  As a result, we've gone up from about 51.68 FTEs, up to what will be at the end of June 57.8, so we've gone up about six people now.  We have created a couple of new roles in that realignment, but mostly it's been about refashioning existing roles into the new realigned structure.

**CHAIR** - But it is still an increase of around six FTEs?

     **Mr FITZGERALD -** Based on where we were at last year the majority of those are just filled vacancies.

**Mr HODGMAN -** After a fairly dramatic decrease in FTE numbers in previous years.

**Mr FITZGERALD -** That's correct, yes.

**Mr HODGMAN -** Over time.

**Mr FITZGERALD -** Yes.

**Mr HODGMAN -** It's a very lean organisation now.

**Mr FITZGERALD -** Yes, Premier.

**CHAIR -** Everyone had to tighten their belt through those times.

**Mr HODGMAN -** Very much so.  Yes, a lot of that was before my time even so don't blame me.

**CHAIR -** I think you were in the parliament in opposition at the time.  Probably arguing very strongly for an increase in tourism.

**Mr HODGMAN -** Which is what's happening under this Government.

**5.4 Events and Hospitality**

     **CHAIR -** I would like now to move to events in hospitality.  Welcome, Jacqui.

**Mr HODGMAN -** Jacqui Allen, Deputy Secretary.

**CHAIR -** Premier, the event attraction fund, $1 million per year increase from 2018-19 through to 2021-22 and it talks about the fund offering $4 million to enable Events Tasmania to actively target and secure mass participation events.  I'm interested in what you see as being mass participation events.

**Mr HODGMAN -** Yes, and I often take my pen to things where I see that descriptor, which is very much a term that describes an event that will bring larger numbers to our state, to increase our return on investment.  All the funding of events is assessed through a rigorous set of criteria which include, amongst other social and economic benefits, a return on investment.  While we compete, or manage competing needs in our health system and our school system, when we justify expenditure on events, football matches, cultural activities, we want to be assured that there is an economic return to our state, and events that are well-attended and that bring more people into our space meets one of those critical criteria.

**CHAIR -** So has there been an approach from a promoter to access these additional funds at this point in time?

**Mr HODGMAN -** Yes.  Yes there's constant approaches from people, organisations to - including local ones to have secure government support for - with our events, so this is a new program in addition to what we already expend on events.  It will be administered by Events Tasmania to encourage larger scale events to host their thing here in whatever form.  We want to ensure that there's alignment with what is a very compacted events schedule already.  We want to make sure as best we can that it meets our aim to get more events into our regions, and what we've done with MOFO's a great example.  It was deliberately moving events into our out of Hobart, and also a seasonal balance because that is important.  Everyone loves coming here in summer and a lot more are coming now in winter, but we want to spread the events as well.

So it's $4 million over four years.  It's expected that the event will bring a number, larger number of participants and spectators to the state with a higher return on investment.  A couple of good examples, I suppose, of the sort of thing we're talking about include the Ulysses AGM that brought 2500 people here for 10 days.

**CHAIR -** Will they be allowed to wear their jackets?

**Mr HODGMAN -** They're not an outlaw motorcycle gang if they're prescribed.

**CHAIR -** No, I just asked whether they're allowed to wear their jackets.

**Mr HODGMAN -** Of course they can.  Yes, 2500 people for ten days.  The AFL Masters is another good example.  That brought 1150 visitors for 11 days, both of which came at relatively modest cost to Government, I hasten to add.  So you can strike a good deal and bargain hard with these organisers and a lot more of them are coming here.  I referred to business events and we'll get to them later.  They're not necessarily always in the larger scale event, but they're an important part of this as well.  Typically people who come to events like this will stay on for longer and enjoy whatever else our state has to offer, and they're a higher yield visitor too.

So Events Tas is preparing a project plan and project program criteria.  The fund will be formally and officially launched in September of this year, and whilst it's not one of them, we look, I'm sure, all forward to the Triple J One Night Stand on the east coast a little later in the year, which we will, I'm sure, find a way to support.  It's not part of this, but it's a great example of a community‑led submission which no doubt exceeded any other of the hundreds they received, but it's really symptomatic of a lot of national organisations, and international ones, wanting to bring their events to Tasmania to enjoy everything else we've got.  This will just provide us some additional support for that type of event and allow us a bit more flexibility to respond to events that are going to have a good return on investment.

**CHAIR -** The Great Customer Experience, I am interested in how that particular program is going to be rolled out when you're talking about assisting 2000 businesses?

**Mr HODGMAN -** It's already been commenced this program and has supported already – in fact, 600 hospitality businesses have already been involved since the introduction of the Great Customer Experience in 2014.  What it does is provide support to our hospitality sector through the provision of programs that offer skills development, industrial relations support.  It's done in‑house and it's an outreach program supported by government by the Tasmanian Hospitality Association so that staff can go to venues and provide that support and training and education.

A common theme we've had is that if you're not in organised training as a student, as a business operator, it's very difficult to get out of your pub or your venue and go off and get training, so this is taking that into the venues as well.

**Ms ARMITAGE -** Is it right across the state?  In the north as well?

**Mr HODGMAN -** Yes.  I've been to a number of venues in the north that have participated, so we're endeavouring to capture, or at least offer to every hospitality business in the state or close to it an opportunity to be part of the program, and it is ongoing.  There's often follow-up that complements a lot of the other work we're doing with our hotels and clubs within the hospitality portfolio, and it's a $2.8 million commitment.

**CHAIR -** Over four years.

**Mr HODGMAN -** Yes.

**CHAIR -** Sitting alongside that is the THA Workforce Development funding of $750 000 per year from 2018-19 through to 2021-22.  I took some advice before I came today, Premier, as one does, in regard to the difficulties in finding staff in the hospitality industry, and so that, I'm told, is still a real issue because of such a seasonal nature of tourism still in our state.  So I'm interested in how this work force development money will address some of those issues that I don’t see being a short-term fix because of the nature of our tourism industry.

**Mr HODGMAN -** Certainly not, but it requires immediate and urgent action, and that has been already undertaken.  I hasten to add, in the first term of our government, in response to significant stress amongst the sector for access to skilled workers, there is, as I say, various means by which an individual might receive structured training programs.  Through TasTAFE or through their school or some other means but there's also a readily available workforce, including those who are entering the hospitality sector who need to have the right level of skills and need to be trained and have workforce development and Great Customer Experience goes to part of that.

But a number of the actions we're undertaking are important to support more people into what is a rapidly growing sector.  We've announced payroll tax relief and grants to small businesses to take on an apprentice or a trainee in areas where there skill shortages and rapid growth in the hospitality area is one of those.

**Ms ARMITAGE -** Particularly chefs.  Chefs are very difficult because there are split shifts.  It's not a desirable –

**Mr HODGMAN -** Yes, it is complicated.

**Ms ARMITAGE -** It's a hard job to do.

**Mr HODGMAN -** Yes.

**CHAIR -** So how do we, as a state, make those jobs more appealing and more attractive?

**Mr HODGMAN -** Working very closely with the industry and their industry representatives, the THA is important.  There's been some commentary from other parties about why we would support the THA directly, but it's not uncommon for government to partner with key industry representative groups such as the THA because they are very closely connected to their members and also the employees, and prospective employees in this case within the hospitality sector.

So the Tasmanian Tourism and Hospitality Workforce Development Plan was released in December 2016.  It recognises the growth.  We're not playing catch-up by any means, but we do need to increase the urgency with which we are responding to ensure that there are appropriately skilled people to work and deliver a quality product.  A key recommendation of the plan was the establishment of a taskforce that would fulfil this function over a period of time with a view to reporting to the Premier's Visitor Economy Advisory Council, and the taskforce is comprising of nominated representatives from the tourism, hospitality and training industries develop a servicing and a growth report that detailed 17 recommendations for workforce development, investment and reform, and it was formally submitted to government in 2017.

Amongst the recommendations, was ensuring that Drysdale had a more industry-led focus, more autonomy to operate as an industry training body and I would hope and expect one day to be once again considered as one of our country's great hospitality trainers.  We established a sub‑committee of the TasTAFE Board with industry reps on it to oversee Drysdale becoming that centre of excellence as recommended by the taskforce report and the entire budget and management of Drysdale has been transferred to the sub-committee to allow it to be more responsive and effective for industry and why it remains within the TasTAFE umbrella.  It's certainly got a very focussed industry-led board, and obviously with other changes under way at TasTAFE we're now very hopeful of it again, you know, we're not only restoring its reputation, but its capacity to train.

Now there were a number of other recommendations to which I can refer, as I've said and how we are responding to them and what work has been done to date, but if there are particular matters of interest to the committee I can go to them.

**CHAIR -** We might just see what the questions are in regard to that.

**Mr FARRELL -** What reporting back to government on expenditure of the $3 million to the THA, what will that comprise of?

**Mr HODGMAN -** Yes, Mr Evans can talk to the grant deed.

**Ms EVANS -** With the previous set of grant funds we established a grant deed and an MOU to oversight that work.  The Premier spoke about the oversight committee for that work, but we had a group of people comprising Skills Tasmania, Department of State Growth, THA, Drysdale will be invited on to it to oversight the work.  We do intend to commence immediately renegotiation of a new MOU to govern the next tranche of work established under this new program.

**Mr DEAN** - What currently is our largest event here as far as attracting people to the state?  Is Targa well up there?

**Mr HODGMAN -** V8 Supercars, I think - Dark MOFO, there you go.

**Mr DEAN** - Dark MOFO, is it?

**Mr HODGMAN -** I think - yes.

**CHAIR -** So what's the noisiest event?  That would be the V8 Supercars.

**Mr HODGMAN -** Yes, I stand corrected, but I'd put my money on V8 Supercars.

**Mr DEAN -** That's the greatest.

**Mr HODGMAN -** That's our largest participation event - yes, this attracts 8000 interstate visitors.  I think you're talking about in total, aren't you?

**Mr DEAN** - Interstate is interesting, I've got that.

**Mr HODGMAN -** Yes, interstate, they're about even as it happens on the latest figures, if that's 8000.

**CHAIR -** Dark MOFO and V8 Supercars.

**Mr HODGMAN -** Coming into Dark MOFO.  There may be others that rival that, but –

**Ms ARMITAGE -** Sydney to Hobart?

**Mr HODGMAN -** No, in terms of interstaters, it looks like they're neck and neck, but if you'd like I can - am I right though?  They're the top two?

**Mr DEAN** – It would be interesting to know that because with AFL football, we've got four games here –

**Mr EVANS -** Yes, if you totalled up the AFL football it's very significant as well.

**Mr HODGMAN -** Yes, total up.  That's right.  Both ends of the state.

**Mr DEAN -** Is Targa locked in in this state for a period of time?  Are we assured that we're going to have Targa for the next, say, three years, four years or - and the V8s has been an on/off thing there over a period of time but I understand that's fairly firm now?

**Mr HODGMAN -** That will be up for renegotiation soon.

**Mr DEAN -** When's it up for –

**Mr HODGMAN -** Under my Government we've secured another round of V8 Supercars - and they are very important, not only for our interstate visitors, but locals love them.  Part of the events Tasbrief is making sure that we do things that get people moving around our own state and stimulating the economy.  So certainly with respect to the V8s, we're in the final year of that agreement and I imagine if it hasn't happened already, negotiations are under way to secure the next deal.  Last time it was a four year deal, so it may be a similar thing.

**Mr DEAN -** And we're not at risk there?

**Mr HODGMAN -** I'm not aware.  I met with the V8 Supercar executives when they were last here.  Certainly their desire is for Tasmania to stay on the race schedule which is good.  We've invested in the track in recent years.  It's well-supported.  It certainly stacks up in terms of its merits as a good return on our investment given not only the 8000 or so interstate visitors who come, but it is tens of thousands across the event.  They're also thinking about how they can activate other events off the racing as well.  It's not a discussion I've had in great depth with the V8 Supercars' organisers.  They are conscious of the ability to broaden their reach.  They're already do associated events in the region, including drivers before and after the race which is great, and a more concerted and localised advertising campaign was a feature of this year's race highlighting Tassie and having drivers speak about the stage, or at least how they love racing here.  I'm very optimistic, Mr Dean, of being able to secure another deal with the V8 Supercars.

**Mr EVANS -** Targa's locked in until 2021.

**Mr DEAN -** Right, 2021.

**Mr HODGMAN -** That's right, yes, sorry, Targa - yes.

**Mr DEAN -** Yes, it attracts a lot of people as well, and the Chair did raise the issue about the new events, and I'm not sure you answered that.  What new events are we targeting, and this identifies with new events coming to the state or in the state, I suppose.

**Mr EVANS -** We are working up some advice back to the Government about the funding guidelines.

**Mr HODGMAN -** We anticipate having those ready for launch in about August/September of this year.  More broadly, Mr Dean, you might be asking what kind of events, not just under that initiative might we look to next.

**Mr DEAN -** Well, I am, yes.  When you talk about new events, so you must have some idea of the events that you would be targeting, I would have thought.

**Mr HODGMAN -** Emerging trends and interest, yes.

**Mr DEAN -** So can we be told some of that?

**Mr EVANS -** The focus of the commitments around mass participation, and there are a number of those that emerge from time to time, where we could compete, and when those opportunities, we gave the example of the Ulysses AGM, Masters Games.  There have been other examples of mass participation events that we've attracted in the past.  But this fund will give us the capacity to more aggressively identify and pitch to and market the state to those opportunities, and I imagine that there may well be a competitive part to that program as well.  But we haven't yet provided the government with specific advice, so we can't give you all the details, but they're the sorts of events that we would think that we would be targeting for this opportunity.

**Mr DEAN -** Would we be targeting, for instance, AFLW women's games here, and I guess we are?

**Mr EVANS -** Yes, we're getting there.

**Mr HODGMAN -** Yes, we've got them covered.

**Mr DEAN -** Got them covered?  So how many –

**CHAIR -** The AFL would be paying for those.

**Mr HODGMAN -** The Tasmanian Kangaroos.

**Mr DEAN -** Women's AFL, two games I think we've attracted.  Is that it?

**Mr HODGMAN -** This is the partnership with North Melbourne?

**Mr DEAN -** Yes.

**Mr HODGMAN -** Yes, so a five-year partnership with the North Melbourne Footy Club to deliver the North Melbourne-Tasmanian Kangaroos AFLW team into the competition in 2019 will deliver at least two at the North Melbourne Football Club AFLW home games played in our state.

**Mr DEAN -** Where will they be played?  One in the south and one in the north?

**Mr HODGMAN -** Yes, I think that's the plan.  There may be more as the competition expands, or there's capacity for us to do more as the competition expands.  As new teams are introduced, the roster increases.  Certainly my discussions with North Melbourne suggest they're very keen to play a game in the north and possibly eventually in the northwest.  I'm sure they'll be warmly welcomed into the north.

**Mr DEAN -** That's great.  They certainly will be.

**Mr HODGMAN -** It'll be great.  They'll have a permanent training base here.  They're looking very closely at University of Tasmania's stadium because of existing infrastructure there as well, bearing in mind some grounds are out of action that time of year with cricket.  It won't be a problem at UTAS stadium, and already there are three Tasmanian players who have been committed to play in the team and it is likely there'll be a number more.  Ultimately it's hoped there'll be an equal split of Tasmanian women playing alongside interstaters.

**Mr DEAN -** We have Daria Banister from Rocherlea, which is wonderful.

**Mr HODGMAN -** It is superb.  So we are really excited about that, and it is an event in its own right.  It's obviously important for the sport, and for the development of the game in women's footy, but I would expect significant numbers will want to go and watch AFLW in Tassie.

**Mr DEAN -** Yes, I'm sure they will.

**Mr HODGMAN -** As I say, if the northern community can get behind North Melbourne and women's team I think that'd be great for the footy generally.

**Mr DEAN -** Yes, I'm confident they will.

**CHAIR -** Thank you, Premier, last question because we're taking up our afternoon break.

**Ms ARMITAGE -** I'm sure we'll get behind North Melbourne.  We do believe that Hawthorn is our Tasmanian team and it would be very sad –

**Mr HODGMAN -** Not in the women's comp, no.

**Ms ARMITAGE -** Do you know why?

**CHAIR -** The question is, does the Premier know why.

**Ms ARMITAGE -** Well, if he doesn't just let me tell him that –

**CHAIR -** Watch out.

**Ms ARMITAGE -** Absolutely.  Now let me just find it.

**CHAIR -** It's something to do with Hawthorn being allocated Katherine?

**Ms ARMITAGE -** It is.  The AFL supported Tasmanian women's team.  Gillon McLachlan believes North Melbourne should have Tasmania as a women's development region.  Well, Hawthorn already supports women's sporting teams with the Prospect Hawks junior female team and the North Hawks netball club.  It's disappointing to see they are likely to yet again be closed out of Tasmania as a development region.  They were given Katherine in the Northern Territory and Gippsland in Victoria, and I appreciate it wasn't a decision of the state government.  However, I still believe, and there's many in the north believe, that the decision will be made by the AFL that Hawthorn should leave our state and North Melbourne should take over.  While some may support that, I'm sure the majority in the north that don’t.  My further question, Premier, is where are we at with North Melbourne and Hawthorn with regard to their contracts with Tasmania?

**Mr HODGMAN -** We still have four years to run so we're –

**Ms ARMITAGE -** Both?

**Mr HODGMAN -** Yes.

**Ms ARMITAGE -** And they fall at the same time.

**Mr HODGMAN -** Yes.

**Ms ARMITAGE -** Which is very coincidental.

**Mr HODGMAN -** Yes.

**Ms ARMITAGE -** I think it was made to fall with the other one, wasn't it?  From memory North Melbourne's was shortened to fall with, or lengthened to fall with Hawthorn?

**Mr HODGMAN -** They would have been - they had a shorter arrangement under the previous government, I think.

**Ms ARMITAGE -** So all of a sudden maybe we might only have one in four years' time rather than both?

**Mr HODGMAN -** They are important arrangements and we respect them and value their contribution socially and economically and further development of the sport.  Just on the women's development zone –

**Ms ARMITAGE -** It was just disappointing that Hawthorn was given Katherine after the long association they had with Tasmania and the short association North Melbourne had.

**Mr HODGMAN -** Part of the issue they had was that they were not as active as North Melbourne in securing a licence.  In fact, they weren't one of the preliminary bidders back when the AFL looked to expand the competition and North Melbourne got a foothold and have run with it.  So Hawthorn ultimately came to the table but too late in the day.

**Ms ARMITAGE -** Probably is not what I've heard from them but anyway, I'll accept what you've –

**Mr HODGMAN -** No, but that's the facts.  In fact, for a long while Hawthorn didn't have an active bid lodged whereas North Melbourne did –

**Mr EVANS -** So in the first round –

**Mr HODGMAN -** As did the mighty Cats.

**Mr EVANS -** Hawthorn didn't apply.

**Mr HODGMAN -** That's right, they didn't apply.

**Mr EVANS -** North Melbourne applied and didn't win the licence but won a provisional licence.

**Mr HODGMAN -** Yes, that's right.

**Mr EVANS -** And then in the second round Hawthorn competed, but the licences went to those teams that had provisional licences.

**Mr HODGMAN -** Yes, I think Hawthorn will eventually enter the competition.

**Ms ARMITAGE -** I'm sure they will.  As I said, they've been given Katherine in the Northern Territory and Gippsland in Victoria for their development regions.  More of my concern is the fact that both Hawthorn's contracts and North Melbourne fall due at the same time in four years' time, and it's probably more likely that we will only have one team.  It will be very sad if the people of the north were to lose Hawthorn in favour of North Melbourne from the south.

**Mr DEAN -** Premier, there is a compromise.  We can go for the mighty Tigers.

**CHAIR -** On the strength of football, we'll never be able to please everybody.  It's not possible because of everyone's commitment to their team.  We'll suspend and have a cup of tea and ask everyone to be back by 4.10 p.m.  Thank you.

**The committee suspended from 3.39 p.m. to 3.52 p.m.**

**CHAIR** **-** This will be the last part of our scrutiny session today.  I remind members and minister and anyone else who might be answering questions that the longer we take to ask a question and the longer we take to answer it then we will be still here at 7.30, and I don't mind staying until 7.30.

**Minister for Heritage**

**CHAIR** **-** Premier, in your role as Minister for Heritage, and I believe this is a new area.  So you might have a few things to say, and you have a new team.

**Mr HODGMAN** - So Dr John Whittington and the director of Heritage Tasmania, Mr Pete Smith.

**CHAIR** - Thank you and we always we provide a warm welcome to anyone who presents to the Legislative Council.  So thank you, minister.

**Mr HODGMAN** - I will just be very brief in terms of some highlights with respect to the heritage portfolio which is receiving new support through initiatives in this budget.  They are designed to showcase remarkable heritage in new and innovative fashion, firstly through a new heritage loan renewal scheme which will provide $10 million for the refurbishment of heritage properties to facilitate tourism and business opportunities, central heritage conservation, adapting a property to support a new business initiative that will grow the visitor economy.  It might be visitor accommodation, retail, galleries or a cellar door.

Another highlight of the whole budget is a $3.6 million commitment to the Royal Tasmanian Botanical Gardens in their bicentenary year.  Having just spoken about some of the most visited places and events in our state the Royal Botanical Gardens are right up there as one of those, and the commitment is to help them build a visitor centre at the front entrance of the gardens.  It will not only provide a better experience, the befitting of the gardens, but also importantly allow the gardens to generate additional revenue and to ensure its sustainability.  These come on top of other significant commitments to support not only our build heritage but also our parks and reserves which we will get to shortly, but do demonstrate in my view a very strong commitment by government to invest in what are two of our greatest assets, our precious parks and reserves and also our remarkable built heritage.  Questions, please.

**Mr DEAN** - I would just like to comment on the National Trust Office in Launceston and applaud Mr Smith very much for the $12 000 finance provided to the National Trust Head Office.  That's an agreement with the state Government in relation to the lease of that and it's very much appreciated and will help them because they spend their money on the maintenance of the buildings that they are responsible for.  That is a wonderful gesture and we appreciate that very much.

**Mr HODGMAN** - Yes, exceptional work there and of course the Tasmanian Government provides support of $300 000 a year to the National Trust Tasmania to support the excellent work they do.

**Mr DEAN** - Yes, it has been raised previously, but that's not CPI adjusted as I understand it.  It's just been a $300 000, and the question I ask, will there be some consideration to adjusting that by at least CPI annually?  It's been a standard $300 000 for a period of time now.  Is there any likelihood that that can happen?  They struggle but there's $12 000 made available now to put them in quite a good position.

**CHAIR** - Mr Smith hasn't asked us to ask that question, Premier.

**Mr HODGMAN** - No.  I certainly would take note of that budget submission.

**Mr DEAN** - Thank you for that because it is doing vital work, and the premises they have now is really putting them in a strong position.

**Mr HODGMAN** – It has been increased, but not indexed, no.  It's expected to increase, yes, in the next three financial years.

**Mr DEAN** - Thank you, Premier.  The first question is about the $10 million being made available for low interest loans.  As I understand that is really only for business premises, it's not for private residences, and it's where business premises will attract visitation and tourism and all of that part of it.  What's the take up so far?  Is there any indication of any take up in this area?

**Mr HODGMAN** - We have only literally just fired the starter's gun so to speak, but there has already been significant interest.  This was a great idea too that's come forward through our heritage sector you might say or community that often identify the significant cost that's attached to not only maintaining and preserving, but also potentially upgrading our heritage assets.  Those remarkable places which are of great interest to Tasmanians and also our visitors in the back of the last discussion in terms of what is bringing people to our state and getting Tasmanians to move around our heritage assets a key driver of that.

So what we thought we would do in partnership with the owners of these properties is provide access to low rate competitive loans to process by the Tasmanian Development and  Resources Board for the purpose of refurbishing, refreshing or developing new or existing businesses.  The point was made yesterday there are many owners of heritage properties who will not be running commercial ventures from them.  In the instance where they do, and it provides a broader return, economic return to the state, we believe the loan scheme which currently comprises $10 million will be subject to review in due course as to the merits of the program and will be a great way to co-contribute to an investment that not only supports our visitor economy but will support the preservation and maintenance of our heritage properties.

**Mr DEAN** - Premier, it's a very interesting issue.  When the survey the tourism survey that was done about eight years ago the statistics that came through from that was that there was a large percentage of tourists to Tasmania came here for its heritage, to look at its heritage buildings.  Launceston was an attractive area because it had maintained streets of heritage.  So it can be argued that a home privately owned is a tourist attraction and brings tourists into the state.  I guess it would be fairly difficult to argue under this criteria for them to get a cheaper loan.  As I understand it there's interest on it, but it's at a reasonable rate, a low rate, but it's not as though they have been given the money free, they're not.  The question is, what would a private residence have to be able to sustain or be able to support to be able to access money under this criteria?

**Mr SMITH** - Some very valid points.  One of the things that we need to be conscious of is that the government in creating this loan scheme that ticks a number of boxes.  One is it provides very intangible incentives to heritage listed property owners, and two it helps to facilitate the building of a visitor economy, and that's a very strong driver for this government.

One of the other things that we do which is a really big incentive for owners is we provide free professional advice to private owners, to businesses, to others with other interests in heritage to assist them to do what they want to do and to achieve good outcomes.  So collectively those three things tick a lot of boxes in this regard.

**Mr DEAN** - Yes, they do.  Thank you for that.  The decrease in the budget you identified with the completion of the works at Woolmers, and that's a great project and certainly of considerable value to the state.  So that's great.  What is the number of properties still to be assessed as to their heritage value?  Where are we with that list now?  Is there any backlog in relation to that list that we talk about year in year out?

**Mr HODGMAN** - No, that project has been completed.

**Mr DEAN** - So there's no backlog now at all?

**Mr HODGMAN** - No, we wanted to restore some integrity to the heritage register that project was undertaken some years ago and concluded in fact in December 2016.  It resulted in 15 entries being removed from the register as they were all determined to not meet at least one criteria to the act.  All of the entries removed remain on the relevant local historic heritage code, so they are still noted for in their place within that code, but there are two main types of entries that were either removed or replaced.  Modest residential dwellings in suburban areas or towns not considered to be of heritage significance to the whole of Tasmania.  Each of these places as I say remain on local historic heritage listings, but they have not been deemed to have merit to stay on the state's register, nor indeed large rural properties where the whole title was entered on the register.  After reviewing the entry the Heritage Council was able to reduce the size of each considerably and this focused the entries on the most important heritage features and removed 30 000 hectares from the register.

So the council is now focused on reviewing and updating existing entries on the register, adding new entries in order to fill important gaps and reflect the diversity of our heritage places and stories.  Which is a significant body of work, but it's absolutely essential that the register have integrity and not be called into question as it had been.  That project there is now concluded, but our efforts to ensure that the register remains a very important asset register continues.

**Mr DEAN** - The concern of the people in relation to this, and my questions around that heritage register, that's been done you're telling us - is that the properties that dropped off that register were on there because they had heritage significance of some sort.  The concern of the people, and there are many people in this state passionate about the heritage as I am, as to what - is the likelihood future of those buildings, because they make up a big part of the important, what should I say, history of the state and it would –

**Mr HODGMAN** - They still remain on those local historic heritage codes.

**Mr DEAN** - My point is they're on that local register and they will be under strict control of the Local Government council areas.  So they go on to that register.  So they're still there, so that's an important.

**CHAIR** - I have a question in regard to disused rail tracks.  Have any of the disused rail tracks that have heritage rail, can be used for heritage rail, been included or will be included on the heritage register?

**Mr SMITH** - I think it's the south-east rail corridor which ran to Sorell from Bellerive has been entered on the register, aspects of that, including parts of the tunnels at Tunnel Hill, but I don't believe we've had any nominations for other lines at this point in time.  One of the things that we have also recently done is we've been reviewing the entry for the Ida Bay Railway and we're proceeding to the provisional entry of that with some recognition of the heritage values of the rolling stock there as well as the other facilities and features of that site.

**CHAIR** - Do we have any number of conflicts or number of where something's been taken off the register or not put on the register that's caused added discussion if you like within the Heritage Council?

**Mr HODGMAN** - Yes.  Disputes with respect to listings?

**CHAIR** - Yes.

**Mr SMITH** - I wouldn't have thought so.  We're meant to be really conscious that initiatives like the integrity project very much reinforce the COAG agreement on the environment of 1997 which was about recognising that places of heritage value might be a world of national, of state or territory or local significance, but then you also have places of heritage value that might be particularly significant to a local community group or even a family.  Now we don't get involved in the statutory process at that end of the scale, but as Ivan was pointing out there's a range of different points of heritage.  The more significant a place is the higher the statutory onus often is, and that's where government or Local Government in some cases get directly involved, and it's about recognising that there is a bit of a sliding scale or a tiered system and we try to ensure that that applies at the most appropriate level for that place.

**CHAIR** - We also talked about the review that's being undertaken and looking at some of these heritage listings and taking away 30 000 hectares I believe.  How much more work is there to be done on the current heritage register for looking at where something can be perhaps removed?

**Mr HODGMAN** - It is ongoing work.

**CHAIR** - Ongoing.  Does it ever end?

**Mr SMITH** - How long is a piece of string.  We currently have just over 5000 entries on the Tasmanian heritage register.  We're doing some work in the central highlands and southern midlands at the moment to continue what was the rural exclusion agreement replacement program.  To review the appropriateness of those entries the extension of rural land holdings and what should be the focus of a heritage register entry.  But I suppose one of the things the Heritage Council is very conscious of is trying to balance their effort between identifying and filling notable gaps in heritage that hasn't previously been well represented such as twentieth century heritage or industrial heritage, mining heritage, which isn't well represented because often residential dwellings have been well and truly represented.  It's also got a dual focus on trying to ensure that the entries that are on the register are as accurate and as thorough as they can be, and I think maintaining that duality of focus will be important for years to come.

**Mr FARRELL** - As far as moving heritage goes, and it was alluded to with the Ida Bay Railway, are you actively looking at other moving heritage items?  For example there's groups around the heritage transport like buses and trains and that type of thing.  Do you have any influence over the preservation or the funding of those projects?

**Mr SMITH** - Our involvement is very limited in terms of our legislation.  Usually items of moveable cultural heritage are only covered if they've got a direct association with a specific place.  Whilst the focus of our legislation is on historic cultural heritage it's usually on places that have a defined geographical boundary, i.e. a set boundary and it's not moveable, such as rolling stock for instance or vintage cars or a ferry for instance, but what we do have the capacity to do is where a particular place has notable items of moveable heritage it might be considered as part of that entry.  For instance we're currently reviewing the entry for Parliament House and we're having some discussions with the staff at Parliament House about some of the key features of moveable heritage that directly relates to this place that might be important to acknowledge.  It might be the Presidents and the Speakers Chairs, for instance.

**Mr DEAN** - I like the way the annual report has been done and it's good.  It's very succinct, it points out the very important areas fairly easily in their annual report and I like the way it's been done.

**CHAIR -** The second compliment.

**Mr DEAN** - Yes, you're right.

**Mr HODGMAN** - They're very good at this, the department, I've noticed.

**Mr DEAN** - The Wrest Point Hotel Casino - that's on a provisional registration I understand.  It's been now talked about for quite a long time, hasn't it?

**Mr HODGMAN** - Wrest Point?

**Mr DEAN** - Yes, the Wrest Point Hotel Casino.  So where are we with –

**Mr HODGMAN** - I will seek advice from Mr Smith.

**Mr SMITH** - I could check if you would like me to, but I believe it's actually into a permanent entry status.  One of the things we have done is start a conversation with the Federal Group, five or six years ago, because the Heritage Council is interested in recognising the role that Wrest Point Hotel Casino played in the development of Tasmania's tourist industry.  It's really early an important site from a European perspective and it's had a number of different layers of history.  We're also conscious of the role that it's played in developing Tasmania's fine hospitality industry.  So there are a number of layers to the story of Wrest Point we're looking to recognise.  But we had some quite lengthy discussions with them about what aspects of the site are most appropriately listed.  In that case the focus was very much on the façade of the tower.  We excluded the convention centre and we had a focused entry that gave us the ability to say these core elements of this site helped to represent the different layers of the story of this site.  Then that gave us the ability to have some discussions about how Wrest Point might continue to refurbish and adapt the site into the future and they were very happy with that outcome which was really encouraging.

**Mr DEAN** - My other question concerns the removals from the register.  When they occur is it done I take it in close consultation with the local council areas each time that happens and thus ensure that it remains on their registers for them to deal with.

**Mr SMITH** - So the Heritage Council made a conscious decision that it wanted to work with and engage in local planning authorities that are affected by the integrity project.  As part of the consultation process required when the intention to remove process starts there is an obligation to consult with the owner of the listed place, but also consult with the relevant planning authority.  So there's a formal aspect to that and an informal side as well.

**Mr DEAN** - I understood there was a legal action taken against Heritage Tasmania in relation to the Boland Street premises.  Did that happen?  There was a lot of talk in the paper about it going to occur.

**Mr SMITH** - I understand one of the former owners had expressed some interest in the media on a number of occasions about their intention to take legal action.  We consulted our own legal advisers and followed that up and there's been no further action taken.  I would note though that there's been some interesting developments there that lead to a much better outcome for that site and I think that's a positive thing for Launceston, like the CH Smith site which is also a positive for Launceston.

**Mr DEAN** - Well that's good that no legal action was taken in this state.

**CHAIR** - Thank you very much and we very much appreciate Mr Smith's contribution today and we will move on to 3.4 which is the –

**Mr HODGMAN** - I would like to acknowledge the efforts of the Heritage Council and the chair Brett Torossi through the work done on this project which has had many benefits and was not a small task and a complicated one.  Thank you.

**Mr DEAN** - Well done.  Thank you.

**3.4 - The Royal Tasmanian Botanical Gardens**

**CHAIR** - The Royal Tasmanian Botanical Gardens, 3.4.  You've already provided some overview into the gardens for the construction of the new – is it a centre?

**Mr DEAN** - The increased funding here reflects the construction of the new visitor centre of course.  Is that funding the total cost of the new construction or is that only a part of it?  If you look at the funding of it it's quite a large amount as it is, so I'm wondering what it will be.

**Mr HODGMAN** - Yes, it is a significant funding allocation which will provide from what I've seen in early stages some very exciting conceptual designs for the visitor centre.  Especially if you look at what currently welcomes visitors to the country's second oldest botanical gardens.  At the best, it's not really suitable for a first class visitor experience, and indeed what sits there now is very temporary and has had its own moments following some recent floods and storms.  So the new visitor centre will certainly provide a better experience that's commensurate with an institution such as one celebrating 200 remarkable years.  Also it will importantly go to a more sustainable business model or venture for the gardens to leverage off increased revenues through sales of gifts and other products that are part of the visitor experience.

**Mr DEAN** - So the $3 million, will cover the cost of the build or is that just a part of it.  I take it there will be function centres sections in this rebuild.  What will happen to the old building, is that build around it or removed or heritage listed, or what?

**CHAIR** - Is it going to be heritage listed?

**Mr DEAN** - Will it be removed?  If I could get an answer to those questions.

**Mr HODGSON -** I will ask Gary Davies, the director.

**Mr DAVIES** - Thank you, Premier.  The $3.6 million is for full planning, so that's the entire planning process as well as the actual build cost for the front end with a little bit of cost for refurbishment.  That's not the entire cost, but that will do the whole front end construction.

**Mr DEAN** - What will happen to the old building, do you know, Premier?

**Mr DAVIES** – What we're going to do is move our front end, so it's our business enterprise, the shop.  The shop becomes part of it.  That frees up that area for other business.  So it would open up to conference.  There's a whole host of possibilities in there.  So that revamping of that to make it more user-friendly to generate better income for the gardens.  We will use that whole area for that.

     **Mr DEAN** - Thank you.  Visitor numbers have had a healthy increase and the target increase for 2017-18 from the original target set of 450 000 has gone to 470 000, so how are we going in relation to that target?  Does it look like it will be met for the year or surpassed?

**Mr DAVIES** - The figures are showing 470-plus, so on the last month and a half, you know, our statistics coming in, it looks like we'll certainly be over 470, what that is, we don't know, but it will certainly be over that so it's good.

**Mr DEAN** - Yes, it great gardens.  It is a show piece.

**Mr DAVIES** - It is a remarkable increase.  It is an increase from 390 000 five years ago, to 470-plus.  We're in a growth spurt that's for sure.

**Mr DEAN** - What's the visitation numbers there with interstate, international and local visitation?  Are there any statistics on that?

**Mr DAVIES** - We have just done a survey.  It's on a particular period of time from mid-March through to the end of May, so it's that period, so it does get skewed a bit because we have to finish the rest of the study during that peak cruise season.  So that may swing it around, but for that particular period of time, it was 50 per cent Tasmanian and 50 per cent other.  In other words, 37 per cent Australian, other Australians, and the rest were international.  So it just depends on that December, January, February one, will possibly be more international and the rest of Australia, so we'll see what the overall year ends up being.  But at this stage it is 50/50.

**Mr DEAN** - Is there strong marketing of the garden internationally, or interstate?  What sort of publicity do we give that garden?

**Mr DAVIES** - What we have done is we've moved, as you have seen, the business enterprise side has been shifted and we have support staffing in that area and solid support, so we've actually got a top level promotions and marketing person and that has started to roll things along.  What we do is, we advertise wherever possible through the whole tourism system and the rest is starting to fall into place as being a popular spot for return people, and those statistics I was talking to you about signify there's a lot of return visitation which is quite interesting.  So the amounts of return visitation and more than two people in a party also is interesting statistics to work on and once we've got those statistics we can then look at where we really need to focus our marketing.

**Mr DEAN** - So when will those statistics be available?

**Mr DAVIES** - Well, that last component of the study is for December, January, February of the year and then we will have the full picture, but in the meantime, we've got a good enough picture to start to do our marketing.

**Mr DEAN** - Thank you very much.

**Mr HODGMAN -** The a rare coup with the recent appearance of His Royal Highness Prince Edward, Earl of Wessex in opening the Lily Pads, newly constructed in April of this year; had a massive impact with 2000 people at the event, but more broadly Royal watchers from across the world, no doubt, seeing the gardens showcased through that, will have great impact.

**CHAIR** - I didn't know he was coming along or else I would have brought my mother down.  She's a great Royalist.

**Mr FARRELL** - Looking at the issues you have with raising funding because you don't charge admission and while you're numbers are growing, there's obviously an opportunity there.

**CHAIR** - A gold coin donation.

**Mr FARRELL** - There is a donation box.  But are there other possibilities of income streams like festivals and that type of thing in partnership with other groups?  You didn't charge for the Prince's visit, I don't think.

**Mr HODGMAN -** Actually it is a very good question and the building of the visitors' centre does open up in that space, a number of opportunities.

**Mr DAVIES** - Certainly with that promotions and marketing, the different business enterprise areas of the garden looking across the spectrum of conferences, weddings, you know, the secondary part if you're not charging a visitor, you need the dollars from them in some other way.  So it's the restaurant, it's the other facilities that we offer which have all been upgraded and starting to look good.  So that's giving us extra income for the year commercially, but then we're also on those promotions, promoting interesting donation boxes.  You'll notice we've done a complete branding exercise, so we've gone a little bit funky there but it's quite exciting for people because they start to see a different things and hopefully put more into the donation box as well.  So there's commercial revenue streams and then there's support from the community which we're boosting both.

**Dr WHITTINGTON -** If I might just add to Gary's point of view.  Look at the gardens over the last four years from being essentially a state servant run restaurant that actually was costing us money to run, to having a professional commercial operation operating out of the facility.  The work that has been done on the branding, the website and other materials, advertisements in the paper.  It's really transformed the gardens and the capacity to generate its own income is really significant and we're only just starting to tap into that.  With the new gateway, that will amplify our ability to operate all the more commercially and so I see we've a positive future.

**CHAIR** - Thank you very much.  It is certainly a good news story and we congratulate the efforts that have been undertaken at the gardens, so thank you.  Thank you, Gary for your time.  Now, we will move to our last area of scrutiny which is Parks and Wildlife Management.

**8.1 Parks and Wildlife Management.**

**CHAIR** - As your role for Minister for Parks.

**Mr HODGMAN -** I just note some of the major commitments in the budget which go to investing in our precious parks and reserve assets.  I do note in passing also, alongside heritage which is one of the great drivers of visitation, so too are our 13 national parks where visitation has increased by 6 per cent in the last year to one and a half million visits, more visits than ever before, so we need to acknowledge and recognise the fact and celebrate the fact that people want to access our national parks but also make sure we're investing in them to protect them.  To future proof them and to provide the infrastructure people need to enjoy them more and to look at new opportunities to achieve a commercial return that investment through commercial activity, but also recreational opportunities for Tasmanians, particularly those, as we've described, of older years.

So the budget commits additional funding to protecting these assets, boosting our rangers and frontline staff, investing in infrastructure to maintain and improve our parks and reserves, invest in new iconic experiences such as the Cradle Mountain development. Also to develop that next multi-day hut based walk that we've spoken about already today, a new initiative in the budget that will provide seniors card holders with free access to our national parks for a year and then at a discounted rate, will provide an incentive for wonderful older Tasmanians to visit those areas.

There's $16 million in funding over four years to improve visitor infrastructure across the state.  A number of iconic areas and experiences and assets that include Maria Island, the Overland Track, east-coast camping, the Tasman National Park gateway at Cockle Creek, the Ben Lomond.  There's a longer list than that, but they are some of the key features of that additional $16 million commitment towards improving the infrastructure at those places which are being frequently visited.

A billion dollars' worth of assets are managed by the Parks and Wildlife Service which do service the needs of visitors but the budget explicitly points to the fact that these are assets, valued especially by Tasmanians, and the 200 or so businesses that operate in our parks and reserves as well.  So we do need to future proof them.  We do need to treat them with the greatest of respect and care, and this budget certainly does a lot more in that regard than any one previously.

Ongoing maintenance of the asset portfolio is critical to the work that Parks and Wildlife Service do, so $8 million is provided over four years to support essential asset repairs and maintenance work to ensure that the parks are well-preserved and are safe for our visitors.

**CHAIR** - I will invite Mr Farrell to ask the first question.

**Mr FARRELL** - This is a great area to invest funds and I congratulate the government for that.  It's good to see money going into what is one of our real assets, and so that's a really good thing.  I was just wondering if you could give some more detail on the list of projects that you are planning and in which areas they are in.  Hopefully all at Mount Field.

**Mr HODGMAN -** There's a number and in different categories, you might say.  I will capture as much as I can from what is a reasonably long list.  I've referred to the Cradle Mountain visitor experience redevelopment $35 million in funding, totalling over $50 million in combined funding by State and Commonwealth Governments will be, I think, an extraordinary investment in an iconic destination.  The Next Iconic Walk, we've spoken about, with $20 million committed to that.  The essential maintenance provision which extends across four years and across the asset portfolio.  Fifteen additional frontline staff is a really important investment to support.

**CHAIR** - Spread across the state, Premier?

**Mr HODGMAN -** Yes, and I can get to them separately if you'd like.  Maria Island has $4 million assigned to implement the Maria Island Rediscovered tranche to infrastructure upgrades and heritage sites support, and an EOI for new tourism accommodation.  The Overland Track has $3 million to renovate hut modes at Waterfall Valley, Kia Ora and Windermere Huts.  There's $1.5 million for east coast camping to upgrade camping facilities at Diana's Basin at St Helens and various other points.

Tasman National Park Gateway needs improved facilities; platforms, tracks, toilets seriously need upgrading - I can attest to that, but is a very much loved visitor point.  Devil's Kitchen, Tasman Arch, Fortescue Bay.  Cockle Creek to improve the southern gateway to the Tasmanian Wilderness World Heritage area, $800 000.  There is $800 000 for Cape Bruny day use area and car park; $450 000 at The Nut to formalise the penguin viewing area, construction of new toilets and pathways and signage; $400 000 at Ben Lomond for the lower car park to upgrade it and to improve visitor facilities there; the capacity below Jacob's Ladder safe entry point for its visitors; $400 000 for Sarah Island to upgrade tracks and interpretive signs; $300 000 for the Strahan Bond Store restoration with an expression of interest for tourism and community services opened; $250 000 for facilities at Highfield House; Carinya boat ramp, $50 000 for upgrades; and unallocated projects yet to be determined.

**CHAIR** - I've got one ready for you - the Ben Lomand visitors centre.

**Mr HODGMAN -** $3.05 million and there is ongoing work in respect of Mount Field and what's required there which I wouldn't say is a less certain body of work, but it's been quantified and refined.  Are you able to provide an update on where we're at with Mount Field?  Sorry, in relation to staffing - there's also the free parks for seniors and discounted parks commitments.

**CHAIR** - Is seniors over 75?

**Mr HODGMAN -** No, 60.  So the rangers are spread across the state.  Four in the north-west.  Three in the north.  Three in the south plus a regional compliance officer.  Statewide there is a reserve activity assessment specialist, a planner, a reserve management policy officer and a recreational engagement officer.  They're all frontline staff but work on a statewide basis.  So a very equitable geographic spread.  It goes to the points of high demand and high need.  Importantly, there will be advertised Aboriginal identified positions which we'll provide three.  Yes, three are to be Aboriginal ranger positions and as I say, nine of the 15 in the north and north-west of the State and they include locations at Mt Field, Seven Mile Beach, Bruny Island and St Helens.

**CHAIR** - Thank you.  Any follow up question?

**Mr FARRELL** - No, that was all covered because I was going to ask about the allocation of rangers.

**CHAIR** - Premier, there's something that's been left off that list.

**Mr HODGMAN -** There's a much longer list too, which I would be happy to table.

**CHAIR** - Thank you.

**Mr HODGMAN -** Or at least provide in summary by way of a program of works that is underway.

**CHAIR** - On that much more detailed list, does that include the rebuilding of the Ben Lomand visitors' centre and it has been suggested that the Mt Field visitor information centre could be duplicated at Ben Lomond.  I'm interested to see if it is on that extensive list.

**Dr WHITTINGTON** - If I may, Premier.

**Mr HODGMAN** - Yes, Dr Whittington.

**Dr WHITTINGTON** - As you are aware, there was a fire which took out, amongst other things, the infrastructure.  So we've got some immediate works being done which are in the process of being done right now so that we've got a facility that's able to keep people out of the weather for the coming season.

**CHAIR** - Which I believe is a shipping container.  Transportable.

**Dr WHITTINGTON** - Transportable.  We have to get these things up Jacob's Ladder at very short notice.  We've also worked with some of the existing businesses up there to make their toilets accessible for the public, so we're working with them.  We're also retrofitting some shipping containers to be snow proof toilets which would be hopefully delivered in the next week.  So we'll have some immediate fix for this season.  There will be times when it won't be the most comfortable but it will certainly be operable and safe.  But certainly, as soon as we get through this snow season we will start the planning for something good and new on Ben Lomond and we'll work with the insurer and there are funds to do that.

You mentioned Mt Field and the Mt Mawson shelter.  That's in the final stages of construction -

**CHAIR** - Could that be duplicated?

**Dr WHITTINGTON** - It may not be exactly the same design, but certainly the sorts of functions and facility, it would make sense to have something equally as good at Ben Lomond.

**CHAIR** - I suggested that.  It would save doing another set of plans, Premier.  You could save money on another set of plans if you just use the same ones again.  It is certainly food for thought.  There's been an increase in the number of parks and hectares and the obligations that come with that.

     **Mr HODGMAN -** Yes.

**CHAIR -** Of hectares, and the obligations that come with that.  It has been brought to my attention, not for the first time, that there's a significant feral cat problem within our parks.  I am interested to know what has been undertaken in the way of addressing the prevalence of feral cats in national parks.

**Mr HODGMAN -** John?

**Mr FITZGERALD -** I might have to get some help from Jason, if that's okay.

**CHAIR -** How many traps do we have?

**Mr HODGMAN -** It is an operational matter, so Jason Jacobi.

**CHAIR -** Thank you, Jason, welcome.

**Mr JACOBI -** Yes, trapping of feral animals is regularly undertaken in each of our field centres and bases across all of our parks and reserves.  Cat trapping has not been a primary focus for us to date but it is certainly emerging as an issue.  The information we have, based on some UTAS research is that cats have not become a major problem for us in terms of threats to native animals, but we are certainly keeping a very close eye on numbers and populations.

**CHAIR -** That is contrary to the information that I received around the Meander Valley area only two weeks ago - part of my new electorate as the member for McIntyre - and there is a huge concern that the numbers are exploding.  Is there some way that perhaps those numbers that we have gathered may well be incorrect?  May there be another look at that?

**Mr JACOBI -** Your point made is really well made.  More broadly in the state, we have the Cat Management Plan and there's a whole range of activities that go underneath that which look at reducing the number of cats leaking from domestic cats into the natural environment.  The solution to cats, if there is such a thing, starts there as well as at the feral end and we need to work at both ends and the government across a number of portfolios is in that space.

**CHAIR -** I know it's an issue for local government and I have also suggested –

**Mr JACOBI -** Yes, they are laughing at my expression at both ends.

**Ms SIEJKA** - Cats leaking!  It's late in the day.

     **CHAIR -** It's only Tuesday, though, we have still got two more days to go.  I have suggested that this needs to be a joint approach.  I have asked that this particular matter be put on the local government agenda so that it can be raised formally as well with the Government.  I am looking for that to happen as well, but obviously it is on the radar of the Government.

**Mr DEAN** - I am laughing to myself because I thought if we had a few more foxes, they would have eaten the cats.

**CHAIR -** We have never had an estimates process where fox haven't come into it.  Thank you, John.

**Dr WHITTINGTON -** Certainly through the Cat Management Plan, and the other thing that we have done in specific areas is put considerable effort into feral cat control and things like Tasman Island is an example of that.  Where we have identified a problem, we will put effort in and we will relook at Meander Valley.

**CHAIR -** We had a project on Macquarie Island; is that correct?  A feral cat project?

**Dr WHITTINGTON -** Yes, and then rats and mice.

**CHAIR -** I know that is confined.

**Dr WHITTINGTON -** And rabbits and mice, and that has been very successful.

**CHAIR -** I know it's a confined area, more confined than what the Meander Valley area is going to be and the rest of Tasmania, but we already know that a program can work.

**Ms SIEJKA** - We eradicated the foxes.

**Mr HODGMAN -** $25 million expended on the Macquarie Island Pest Eradication Project, allowing the island's ecosystem to recover from rabbits, rats, mice.  It has been a devastating impact and that was a Commonwealth commitment predominantly.

**Dr WHITTINGTON -** There was money from both governments.

**Mr HODGMAN -** Yes, so both.

**Mr DEAN -** I take it that Macquarie Island is still clear.  Have you been watching that and monitoring that?

**Mr HODGMAN -** Yes.

**CHAIR -** I am sure more information will come forth.

**Mr HODGMAN -** Can I just ask how that information was provided to you?  Was it just from locals?

**CHAIR -** Local constituents.

**Mr HODGMAN -** They had seen more?

**CHAIR -** They are also a member of the Meander Valley Council, hence my suggestion to put it on the LGAT agenda and get some more broad support from local government.

**Mr HODGMAN -** I thank you for that.

**CHAIR -** Then it comes to the government in the way of a motion supported –

**Ms SIEJKA -** Perhaps you could table it.

**CHAIR -** Table?

**Ms SIEJKA -** Yes, you are asking the questions now.

**Mr HODGMAN -** Yes.  It's good to know there's -

**CHAIR -** Two way communication, thank you.  Do we have any rogue plantations in our parks?

**Dr WHITTINGTON -** I don't know about rogue plantations, but we certainly have –

**CHAIR -** Unproductive - I think some people call them feral plantations.  They are of no value, they are not native and they are not productive.

**Dr WHITTINGTON** - Especially with an increase in our estate which has happened since 2013 - there was that period when we got a lot of additional land - and in that land there are all sorts of values.  Some of them are what you would call a rogue plantation and we have programs to remediate areas, working with local groups in some areas.  We have also inherited some plantations as well which have productive value and we have a dialogue with SST around how they might be eventually harvested.  We have a full range of values in that land that came across from high natural values through to some fairly degraded land.

**CHAIR -** I am aware that there's been a really effective project up in the Scamander area where there has been revegetation of native land and that has worked really successfully, but, of course, that needs ongoing funding.  The really key part of that has been the fact that people who used to work in the timber industry that are no longer employed have been able to transfer their skills into this area and be part of that revegetation program.  I am interested to know whether the Government has looked at those programs.  Would you consider some programs?  I know that the Furneaux Group, Flinders Island, particularly where it had a plantation taken out, needs to have some revegetation done.  Is there a possibility that that can occur or would the Government look at that?

**Mr HODGMAN -** Yes, certainly.

**CHAIR -** I am happy to have a meeting outside of this.  I know we are not supposed to be pushing single issues, but when we have an opportunity I will do so.

**Mr HODGMAN -** Of course.  Yes, we can certainly arrange that and be interested in your input.

**CHAIR -** It's an absolutely fantastic project worth going to look at.  Some of my colleagues came on-site and Todd Dudley, who has done terrific work in that area, hosted us for the day, so I would like to continue to support his work.

**Ms HOWLETT -** Could you please update us on the latest visitor numbers to our parks and reserves and how do those numbers support our regional communities?

**Mr HODGMAN -** Thank you, Ms Howlett.  I did mention in my opening remarks that there had been a massive increase in visitors to our parks, a 6 per cent increase in 2017, and 1.5 million visits, more than ever before.  The stand out site, I can advise, was the Tasman Arch with an increase of 18 per cent, 205 000 visitors, which is why there is a dedicated commitment in this budget to provide some better facilities in that spot, which is often bursting at the seams.

**CHAIR -** Is that toilets and facilities?

**Mr HODGMAN -** Yes.

**CHAIR -** Shelter?

**Mr HODGMAN -** Yes, a range of  facilities and amenities planned there and a million dollar commitment to that site to start the work.  Other national parks that reveal a continuing increase in visitor numbers include Freycinet, up 5 per cent to a record 301 000; Cradle Mountain is up 12 per cent to 268 000; narawntapu up 5 per cent to 48 000 visits, and, as a result of increases in visitation, the revenue from parks passes has also increased 9 per cent in the financial year, which generates extra revenue for the Parks and Wildlife Service.  That can be reinvested into new and improved assets, infrastructure and services for the public and our visitors.

We have spoken about the extraordinary number of people enjoying the multiple award-winning Three Capes Track, and my congratulations to the Parks and Wildlife Service on an extraordinary experience and investment in infrastructure that we plan to replicate.  In another iconic walk, of course, 9000 walkers or thereabouts enjoy the Overland Track, too, and from what we have heard and what we have spoken about earlier today, a lot of people are coming explicitly to our state to enjoy one of our great walks.  They stay on a lot more, in fact, on average, 6.7 additional nights in our state, so it value adds to the investment in the infrastructure, but also the quality of the experience has massive flow-on impacts for local communities.

I mentioned earlier the impact on the Tasman community from the Three Capes Track with additional nights stayed and expenditure in that local community, people staying there who may not have otherwise visited, and the Parks and Wildlife Service employing 13.7 full-time equivalent staff associated with the Three Capes Track and, of course, important partners, Pennicott Wilderness journeys, the Port Arthur Historic Site Management Authority employs staff there.  The growth in visitation is really fuelling this element of the visitor economy and I am sure you have come to the conclusion that the deliberate combination of my portfolios of tourism, hospitality and events along with parks and heritage and the broader trade portfolio are very closely interconnected within the visitor economy.  If I had more time, I would take on primary industries, too, but –

**CHAIR -** You have to leave something for someone else.

**Mr HODGMAN -** It is a deliberate combination, I think, of what are truly great competitive strengths and the impact for our economy more broadly but particularly for local and regional economies is quite profound.

**Mr DEAN -** The commercial developments - there has been a lot of talk about that inside some of our reserves and parks and so on.  Can we get an update on where any of that is at and whether some developments are moving, or where they are at?

**Mr HODGMAN -** Yes, I certainly can.  It was an initiative of the Government following the last election that we commenced a process to invite expressions of interest into developments that are sensible and sustainable that match and fit with the world class experience that our parks and reserves and indeed the World Heritage area are deserving of, but a process was established to allow for innovative ideas, Tasmanian enterprise to come to the fore and help make our state an even more attractive place to visit and be an environmental ecotourism capital of the world.

A process was established with an assessment panel comprising a number of eminent and expert representatives to assess the expressions of interest subject to oversight by an independent external probity auditor.  As a result of quite robust assessment that also in no way short-circuits or obviates the need for any proponent to get all the necessary state and Commonwealth planning approvals where appropriate and to meet very high environmental standards, of course, seven of the EOI proposals are now operational:  Blue Derby Pods, narawntapu Adventures Precinct, Freycinet Retreat Walk, Freycinet Lodge extension, TasBoat Charters, Port Davey and surrounds, the Project Point Adventure, Remote Trekking and Water Transport Adventure, and the Maydena Bike Park are those seven.

There are a number of other projects that are currently within the assessment panel process.  There are 14 of those.

**CHAIR -** Can you identify where they are?

**Mr HODGMAN -** Can we identify?

**CHAIR -** It might be difficult.

**Dr WHITTINGTON -** Once they come out of that process, then we start talking about them.  There is a degree of confidentiality around the proposals, so we respect that whilst they are in that process, but when they come out, then there is disclosure of the projects on the Office of Coordinator-General's website.

**Mr DEAN -** When is that likely to happen?

**Dr WHITTINGTON -** It is a rolling process.  The EOI is open and they just come through the process.  There are about 13 that are currently under negotiation and all their details are on the website, some quite topical ones in the media.

**Mr HODGMAN -** Some are better handled by the Parks and Wildlife Service separate to the EOI process.  There are a couple of those.  Four have been withdrawn and we are anticipating more will emerge.  Yes, so it has been a successful program.  I think if you are familiar with any of the projects that have been passed and are now operating, they are all exceptional, very much in keeping with the quality of our tourism offering, but also very cognisant of low impact environmentally but high impact in terms of quality of experience.

**Ms ARMITAGE -** About the Three Capes Track, when is the third cape track likely to be completed?  We have started it, haven't we?

**CHAIR -** We have two capes.

**Ms ARMITAGE -** But the third one is started, isn't it - commenced or not?

**CHAIR -** The high end one isn't.  That's the question.

**Mr HODGMAN -** You want an update on Three Capes?

**Ms ARMITAGE -** I thought I read somewhere it was started.

**CHAIR -** It's not officially three yet, is it?

**Ms ARMITAGE -** But it's not far from.  It says it has now commenced?

**Mr HODGMAN -** Yes, January this year, I think it was, that Cape Raoul was up and running.

**Ms ARMITAGE -** When it's going to be completed.

**Mr HODGMAN -** I did it not long after.

**Ms ARMITAGE -** Ship Stern Bluff.

**Mr HODGMAN -** Yes, and from my personal experience, it's a wonderful day walk and is part of a bigger Three Capes Track experience that has now been delivered and has had a massive impact in terms of people on it but also in the local community enjoying –

**Ms ARMITAGE -** It is not completed yet, though, is it, the third?

**Mr HODGMAN -** Yes.

**Ms ARMITAGE -** It has been completed?

**Mr HODGMAN -** Yes.

**Ms ARMITAGE -** Okay.

**CHAIR -** There is still money in the budget, though, 2018-19, $2.477 million.

**Mr HODGMAN -** Yes, as part of stage 3, it is the intention of the Government to use the remaining $2.5 million and the additional $7.8 million allocated by the state and Commonwealth towards the construction of a new day walk from Remarkable Cave to Mount Brown and Crescent Bay and improve facilities at Remarkable Cave.

**Dr WHITTINGTON -** As the Premier is saying, it was $2.5 million of the additional $7.8 million, not $2.5 million plus $7.8 million.

**Mr HODGMAN -** Yes.

**Dr WHITTINGTON -** That $2.5 million, what we have done is we have the Three Capes Track, which is a really successful product as the multi-day walk, and then we have developed with Cape Raoul a really fantastic day walk.  Then what we are doing is developing another day walk system around Mount Brown and Crescent Beach that will then give people an experience of they can do day walks, they can do a beach walk, a cliff walk, or a multi-day walk or combine the whole lot and staying on the Tasman Peninsula.  So we see the product mix as being the best way of showcasing the area and providing tourism opportunities to the Tasman.  So, we have all three capes well and truly open.

**Ms ARMITAGE -** Good, thank you.

**CHAIR -** We will now move into grants and subsidies.  Is there any question in regard to grants and subsidies for this area?  If there are not, Members, then we will go to capital investment program.

**Capital Investment Program**

     **CHAIR -** I think Mr Dean has a question.

**Mr DEAN -** That was the June 2016 floods, parks infrastructure, estimated total was $11.9 million.  In this budget, 2018-19, is $1.5 million.  What is the position here?

**Dr WHITTINGTON -** Most of the works associated with the floods have now been completed, so the money has been allocated and spent, and that is the tail of works that is residual from the 2016 floods.

**Mr DEAN -** So that's the $1.5 million?

**Mr HODGMAN -** Yes.

**Mr DEAN -** It is the residual works that have to be met?  Okay.

**CHAIR -** Can we have some idea where they are?

**Mr DEAN -** Yes.

**Dr WHITTINGTON -** I would have to get some advice on where the last little bit is.  I can ask, if you would like.

**CHAIR -** Thank you.

**Dr WHITTINGTON -** Jason?

**Mr JACOBI -** I don't have the detail in front of me at the moment.

**Mr HODGMAN -** We will have to take it on notice.

**CHAIR -** All right.

**Mr DEAN -** If we could just see where it is.

**Mr HODGMAN -** Yes.

**CHAIR -** If there are no other questions, Premier, in light of the fact that we have exhausted all our areas of inquiry for today, on behalf of everyone on Committee B, we particularly thank you for your very enlightening information and congratulate the people who have supported you through the entire day and I expect yesterday as well.  It is very much appreciated.  This committee prides itself in looking for information on behalf of the communities that we represent and Tasmania as a whole and we believe that we do that well.  We thank you for your time.

**Mr HODGMAN -** Thank you.  I thank the staff and assisting personnel but also the committee for the engagement.  I noted a number of ideas and issues that may require follow-up, so please at any point contact me or my office, the relevant agency, and we will follow up on those matters.

**CHAIR -** Thank you, Lynne, we are off air.

**The committee adjourned at 5.01 p.m.**