

Department of State Growth

Budget Estimates Briefing
Minister for State Development, Construction and Housing
Minister for Resources

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Subject: Hobart City Deal
Date prepared: 6 May 2022
Output Group: 1 Industry and Business Growth
Output: 1.2 Industry and Business Development

Speaking points

- The Hobart City Deal, signed in February 2019, is a 10-year partnership between the Australian and Tasmanian Governments and the Clarence, Glenorchy, Hobart and Kingborough councils.
- The Hobart City Deal is a shared vision to guide and encourage investment to leverage Hobart's natural amenity and build on its position as a vibrant, liveable and connected global city, through seven key focus areas:
 1. Hobart Airport: Building a direct international gateway
 2. Antarctic and Science Precinct at Macquarie Point
 3. Greater Hobart Transport Vision
 4. Affordable Housing and urban renewal
 5. Activating the Northern Suburbs Transit Corridor
 6. Smart, liveable and investment ready City
 7. Strategic collaboration and governance
- The third Annual Progress Report covering the year to December 2021, and an Implementation Plan Update was released in early April 2022.
- The total funding commitment included in the Implementation Plan Update 2022 totals around \$2.5 billion, which is an increase of \$883 million over the 2019 Implementation Plan.

Unit/Program Budget:

The budget provision is \$527 000 per year over the life of the City Deal to support secretariat and project management services for the implementation of the Greater Hobart Act and the City Deal.

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$527 000	\$527 000	\$527 000	\$527 000	\$527 000	\$527 000

Released under RTI

Background

- City Deals are partnerships between Australian, state/territory and local governments to position Australia's population centres for the future. The Hobart City Deal was the second agreed by the Australian Government
- The Hobart City Deal is unique and varies from other City Deals in that it has not been built around a primary, large project. Instead, there are a number of city-shaping projects included over the 10-year period, with capacity for more projects to be identified and included over time.
- A number of these projects are transport related and led by the State. Many of these were in the early stages of development when the Hobart City Deal was agreed.
- The planning, business case and feasibility work undertaken over the last three years of the Hobart City Deal is now informing implementation, with some projects already transitioning to the construction stage, such as the Kingston park and ride facilities and the new Bridgewater Bridge.
- The table below provides important dates on the establishment of, and reporting on, the Hobart City Deal.

2016	Sept	Memorandum of Understanding (MoU) signed between the Australian and Tasmanian Governments to guide the development of City Deals in Tasmania.
2018	Jan	Australian and Tasmanian Governments entered into a Heads of Agreement setting the scope of the negotiations to progress a City Deal for Hobart.
2019	24 Feb	Hobart City Deal signed
	Oct	Implementation Plan 2019 released
2020	Aug	1st Annual Progress Report to February 2020 released
2021	Mar	2nd Annual Progress Report to February 2021 released
2022	Apr	Implementation Plan Update 2022 released
		3rd Annual Progress Report to December 2021 released

Governance

- The governance framework for the Hobart City Deal is led by a Joint Ministerial Committee comprising of:
 - Hon Paul Fletcher MP, Minister for Communications, Urban Infrastructure, Cities and the Arts (Co-Chair)
 - Hon Guy Barnett MP, Minister for State Development, Construction and Housing (Co-Chair)
 - Alderman Doug Chipman, Mayor, Clarence City Council
 - Alderman Bec Thomas, Mayor, Glenorchy City Council
 - Councillor Anna Reynolds, Lord Mayor, Hobart City Council
 - Councillor Paula Wriedt, Mayor, Kingborough Council
- Minister Fletcher has been responsible for the Cities portfolio since December 2020, and previously oversaw this portfolio during the initial development of the Hobart City Deal.
- The Joint Ministerial Committee is supported by the Implementation Board comprising senior officials from Hobart City Deal partner organisations.

- The Hobart City Deal provides a framework for the intergovernmental partnership and identifies the initial commitments made by each party. It is supported by an Implementation Plan that provides a rolling three-year action plan.
- The Implementation Board agreed to a process whereby an advanced draft of the Annual Progress Report will be considered in February each year. The Implementation Plan will be updated as required as part of this process. The Annual Progress Report and Implementation Plan will then be provided to the Joint Ministerial Committee in March each year seeking approval to enable an annual public release of updated documents.
- The Implementation Plan Update and Annual Progress Report was released on 8 April 2022 and is available on the Hobart City Deal website (www.hobartcitydeal.com.au).
- The last Joint Ministerial Committee meeting was held in March 2021, and local government partners are keen to schedule meetings every six months as agreed. The reporting documents released in April 2022 were approved out-of-session by elected members prior to the calling of the Federal Election.
- The Hobart City Deal website (www.hobartcitydeal.com.au) is hosted by State Growth, which provides documentation on the Deal as well as further information on the key focus areas including related fact sheets, a latest news section and a page that provides links to current Hobart City Deal projects.
- Regular reporting will be provided to your office every quarter, following Implementation Board meetings, to provide a progress report on the City Deal.

Summary of Progress

Attachment I provides a summary of progress and funding commitments.

ATTACHMENT I

SUMMARY OF PROGRESS BY KEY FOCUS AREA

Funding envelope: \$2 538 million across all three levels of government

Australian Government	\$1 663 million
Tasmanian Government	\$806 million
Greater Hobart Councils	\$69.4 million

(Council contributions are focused on a range of measures from Smart City solutions, improving the infrastructure that supports our businesses, to investing in cycle ways, road infrastructure and urban renewal, which includes \$36.2 million in transport initiatives)

1. International Flights from Hobart Airport

Contributions	- Tas Govt	<ul style="list-style-type: none"> Support for required infrastructure upgrades at Hobart Airport and engagement with potential carriers and key stakeholders to enable international flights.
	- Aus Govt	<ul style="list-style-type: none"> \$82.3 million to establish border services at the Hobart Airport. Establish an Australian Federal Police presence to coincide with the commencement of direct international flights.
Progress		<ul style="list-style-type: none"> Border services and an Australian Federal Police presence have been established at the Hobart International Airport to support the commencement of international flights. Hobart Airport, with the support of the Tasmanian Government, secured an agreement with Air New Zealand to provide an international service between Auckland and Hobart. Direct flights operating twice-weekly (Thursdays and Sundays) from Auckland commenced on 22 April 2021. Note, quarantine-free travel from all Australian states and territories to New Zealand has been suspended since July 2021 due to COVID-19. Flights between Auckland and Hobart are expected to recommence early July 2022.

2. Antarctic and Science Precinct

Contributions	- Tas Govt	<ul style="list-style-type: none"> Co-funding the business case to identify anchor tenants and precinct options for the Antarctic and Science Precinct. Up to \$100 million (2019-20 State Budget) towards the decommissioning of the wastewater treatment plant. Contribute key parcels of land including transfer of land to the Macquarie Point Development Corporation. \$337 000 in 2020-21 to support Antarctic organisations and events. \$5 million to progress the transformation of Macquarie Point into a cultural and arts precinct. A further \$77.6 million committed in the State of the State address and last election process to finalise remediation and infrastructure works at Macquarie Point.
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- Aus Govt

- Co-funding the business case to identify anchor tenants and precinct options for the Antarctic and Science Precinct.
- \$66.4 million for a detailed business case for a new aviation facility near Davis Station.
- \$462.5 million in infrastructure at Australian Antarctic bases with 40 jobs expected to be created in Hobart.
- The Macquarie Point site has been transferred to the Macquarie Point Development Corporation (previously leased).
- The *Sullivans Cove Planning Scheme 1997* has been amended to support the redevelopment of Macquarie Point.
- The first phase of a business case has been completed for an Antarctic and Science Precinct at Macquarie Point, and discussions are progressing to secure potential anchor tenants.
- The second phase – a Detailed Business Case – has been completed by KPMG, providing estimated costs at a P90 level and outlining functional requirements of potential tenants to inform investment decisions.
- Arrangements made to ensure a COVID safe passage for Antarctic expeditioners through Tasmania, with the 2021-22 season opening in October.
- Australia's new Antarctic icebreaker RSV *Nuyina (noy-yee-nah)* arrived in Hobart, its new home port, on 16 October 2021.
- Two parcels of land at Macquarie Point, *The Escarpment and The District*, have been released to market for development proposals. Remediation activities on the site are continuing.
- \$27

Progress

3. Greater Hobart Transport Vision

Contributions

- Tas Govt

- \$115 million for the Bridgewater Bridge replacement.
- Over \$130 million for a range of transport initiatives (not including the Bridgewater Bridge) including:
 - \$35.5 million to progress a fifth lane on the Southern Outlet
 - \$33 million to implement the South East Traffic Solution package
 - \$20 million for projects under the Kingston Congestion Package
 - \$16 million for improvements to better manage the flow of traffic on Macquarie and Davey streets
 - \$11.5 million to implement an On-road Traveller Information System to provide real-time data to road users
 - \$7.5 million over four years for the development of a contemporary ticketing system
 - \$2 million to progress the trial of a Derwent River ferry service
 - \$2 million grants program to support the Greater Hobart Councils to create or extend cycling routes in Greater Hobart
 - \$2 million for projects in southern Tasmania to improve linkages in the active transport network
 - \$1 million per annum for ongoing incident management
 - \$800 000 to redevelop the Kingston bus interchange and provide for a higher volume
 - \$750 000 to identify locations and commence planning for a Hobart Transit Centre

- Aus Govt

- \$461 million for the Bridgewater Bridge replacement.
- \$130 million from Roads of Strategic Importance to support delivery of the South East Traffic Solution.
- \$11.5 million from Urban Congestion Fund to progress a New Lane Use Management System on the Tasman Bridge.

Progress

- Under the South East Traffic Solution, construction of the Hobart Airport Interchange commenced in late 2020.
- Two park and ride facilities are being progressed in Kingston: Firthside and Huntingfield. Preliminary works for the Firthside park and ride site commenced in January 2021, with the second stage and construction of Huntingfield commencing in August 2021.
- A new express bus service between Huonville and Hobart, run by TassieLink, commenced in mid-July 2021, and additional services, run by Metro, have commenced in early 2022.
- Concept designs for the Southern Outlet Transit Lane and the Macquarie and Davey Streets bus priority measures were released for public display between 31 August to 27 September 2021. Feedback received during this process will inform the development of detailed designs for these projects.
- McConnell Dowell Constructors (Australia) is developing designs and preparing for construction of the new Bridgewater Bridge. Work is expected to commence in 2022.
- A trial Derwent River ferry service between Bellerive and Hobart provided by Roche Brothers commenced on 9 August 2021, with passenger services during the peak morning and afternoon periods during weekdays. Due to high demand, additional services commenced in November and Saturday services operated during the summer months. In early 2022, it was announced that the trial service will run for an additional year until August 2023, with a review of the trial to inform detail of future service decisions.

4. Affordable Housing and Urban Renewal**Contributions**

- Tas Govt

- \$125 000 to partner with the Hobart City Council to deliver the Central Hobart Precincts Plan.
- \$11.5 million committed to develop a mixed-use affordable housing site through Housing Tasmania.

- Aus Govt

- \$30 million to partner with community housing to deliver affordable housing.

Progress

- Progressing work on the Central Hobart Precincts Plan – led by the Hobart City Council. A discussion paper is currently out for public consultation.
- Progressing the implementation of Tasmania's Affordable Housing Strategy, with the Waratah Hotel site converted and operational as a long-term supported accommodation facility, being managed by Bethlehem House and the Goulburn Street project also complete, consisting of 25 ensuite units as supported accommodation for medium to long term elderly residents.
- Progressing the delivery of at least 100 new social housing dwellings in the Greater Hobart area in partnership with community housing providers, with all properties built and tenanted.
- Delivering tools and information to support implementation including an ancillary dwellings brochure, and the Toward Infill report, to support urban renewal.
- A range of precinct planning activities are being undertaken by the Greater Hobart Councils for their respective CBD areas.

5. Activation of the Northern Suburbs Transit Corridor

Contributions	- Tas Govt	<ul style="list-style-type: none"> \$500 000 to support the activation of the Northern Suburbs Transit Corridor, plus an additional \$13.5 million in matched funding for the Australian Government 2022-23 Budget commitment.
	- Aus Govt	<ul style="list-style-type: none"> \$25 million from the Urban Congestion Fund to support the delivery of a transport solution plus an additional \$13.5 million announced in the Australian Government 2022-23 Budget.
Progress		<ul style="list-style-type: none"> The Transport Mode Study, undertaken by PwC, was publicly released in November 2020. The assessment considered three options – light rail, bus rapid transit and trackless tram – and assessed these against three criteria – city-shaping, transport service and deliverability/affordability. Two of these modes, bus rapid transit and light rail, were recommended for further examination. A condition assessment of infrastructure assets in the corridor has been completed and is informing next steps. A Growth Strategy is being progressed to guide urban renewal and activation along the corridor and to support the delivery of high amenity, medium density housing, with a consultant engaged to undertake this work. Glenorchy City Council has undertaken precinct planning for the activity centres of Moonah, Glenorchy and Claremont.

6. Smart, Liveable and Investment Ready City

Contributions	- Tas Govt	<ul style="list-style-type: none"> \$83.5 million to redevelop the MyState Bank Arena (formerly known as the Derwent Entertainment Centre), including \$20 million for a community four court multisport facility (<i>note, not yet included in total City Deal funding figure</i>). \$42.15 million to support the first stage of a major housing development at the Hobart Showgrounds in Glenorchy. \$1.08 million to support Enterprize Tasmania's Hobart Innovation Hub until 2020-21 (<i>note this is an estimated figure reflecting half the investment in Hobart and Launceston hubs</i>).
	- Aus Govt	<ul style="list-style-type: none"> \$867 500 for an Entrepreneurship Facilitator to support people interested in starting or running a business. \$122 000 to upgrade facilities of Enterprize Tasmania's Hobart Innovation Hub.
Progress		<ul style="list-style-type: none"> The recently redeveloped MyState Bank Arena opened on 14 November 2021, coinciding with the commencement of the NBL Blitz pre-season tournament held in Tasmania. Secured an NBL licence for Tasmania to participate in the 2021-22 NBL Season. Trial dining decks have been installed in the Midtown precinct of Hobart CBD to support hospitality businesses to extend their trading space with social distancing. All planned major works to upgrade the Hobart Innovation Hub are complete. The Australian Government's Entrepreneurship Facilitator has been delivering services in South East Tasmania since January 2019. Clarence City Council developing a Master Plan for the Bayview College Sporting Precinct.

7. Strategic Collaboration and Governance – Greater Hobart Act

Contributions	- Tas Govt	<ul style="list-style-type: none"> • \$527 000 per year over the life of the City Deal to support secretariat and project management services for the implementation of the Greater Hobart Act and the City Deal. • \$210 000 towards consultancies to support the development of the Greater Hobart Plan.
- Aus Govt		
Progress		<ul style="list-style-type: none"> • Established the <i>Greater Hobart Act 2019</i> and supporting regulations (commenced 25 December 2020). • Greater Hobart Committee last met on 16 March 2022 to discuss progress on the development of a Greater Hobart Plan. • The inaugural shared Work Program was released in early 2021. • The 2050 Vision for Greater Hobart was endorsed by the Committee in August 2021. • The development of a Greater Hobart Plan is being progressed. The Plan was released for public consultation in May 2022. • A spatial mapping portal has been developed to capture key infrastructure and land use information, which will support strategic settlement, infrastructure and economic development planning. • Greater Hobart Committee website launched – www.greaterhobart.tas.gov.au

Released under OIA

Department of State Growth

Budget Estimates Briefing
Minister for State Development, Construction and Housing
Minister for Resources



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Subject: Greater Hobart Act
Date prepared: 6 May 2022
Output Group: 1 Industry and Business Growth
Output: 1.2 Industry and Business Development

Speaking points

- The Tasmanian Government worked with the Clarence, Glenorchy, Hobart and Kingborough councils to establish the Greater Hobart Act 2019 and the Greater Hobart Regulations 2019, which commenced in December 2019.
- The creation of the legislation was a commitment identified in the Hobart City Deal, signed in February 2019. Prior to this, Tasmania was the only State without a Capital City Act.
- The Greater Hobart Act 2019:
 - contains objectives that identify priority areas for collaboration
 - requires the establishment of a work program identifying actions to achieve the prescribed objectives
 - provides for the establishment of governance arrangements to support the development and implementation of the work program.
- The Act provides a legislative framework for the four central Hobart councils and the Tasmanian Government to better align strategic land use and infrastructure planning across the Greater Hobart area.
- The Greater Hobart Committee (Ministers and Mayors) held its sixth meeting on 27 April 2022, which provided an opportunity to progress the development of the 30 Year Greater Hobart Plan, a key project within the legislated Work Program.
- The draft 30 Year Greater Hobart Plan was released for a 6 week period of public consultation on 9 May 2022.

Unit/Program Budget:

The budget provision is \$527 000 per year over the life of the Hobart City Deal to support secretariat and project management services for the implementation of the Greater Hobart Act and the City Deal.

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$527 000	\$527 000	\$527 000	\$527 000	\$527 000	\$527 000

Released under RTI

Background

- The proposal to develop a Greater Hobart Act was prompted by the findings of a January 2017 Report by SGS Economics and Planning commissioned by the four central Hobart councils to explore the merits, or otherwise, of local government reform, focusing on the four councils.
- Of the options identified in the Report, the four councils agreed the preferred option was to develop a strategic alliance. This resulted in the then Lord Mayor of Hobart writing to the then Premier in late 2017 to propose the development of a Greater Hobart Act to provide a legislative framework for that alliance.
- The Premier was supportive of the suggestion and proposed that it be progressed through the Hobart City Deal.
- Following that exchange of letters, the Government, through the Department of State Growth, worked with the Clarence, Glenorchy, Hobart and Kingborough councils to progress the drafting of a Bill. This was the key output of the Greater Hobart Act Working Group, which was established as part of the governance arrangements under the Hobart City Deal, comprising senior officials from the councils as well as the Tasmanian and Australian Governments.
- The Government and councils collaborated closely during the drafting of the Act and Regulations, which ensured strong support for its passage through both Houses of Parliament.

Scope of the Act

- The Act has an urban focus, reflective of the request from the four councils, and builds on the partnership and collaboration of those councils. It is intended to complement broader land use planning mechanisms such as the Southern Tasmania Regional Land Use Strategy.
- However, noting the importance of Greater Hobart to the broader southern Tasmania region and State, the Act provides a mechanism for other councils in the southern region to be invited to be part of the discussion and development of a shared work program.
- A shared Work Program and a 2050 Vision for Greater Hobart have been developed and released. A 30-Year Greater Hobart Plan has been drafted to help deliver the Vision for Greater Hobart and it underwent a period of public consultation from early May to the 20 June 2022.
- Engagement with other southern councils has continued over recent months and will be an ongoing task over coming years.

Governance

- The Act established a Committee comprising Ministers and Mayors, and an Advisory Group of senior officials from State and local government.
- Members of the Committee and Advisory Group agreed the priority areas for the inaugural Work Program as follows:
 - Develop an overarching shared vision for the Greater Hobart area
 - Provide for an update of the Southern Tasmania Regional Land Use Strategy, by developing a Greater Hobart Plan
 - Support and integrate with the implementation of the Hobart City Deal
 - Develop a collaborative approach to waste management
 - Support the delivery of work program actions through a consistent delivery mechanism and adequate resourcing

- The status of each of the key deliverables are as follows:
 - Work Program – The inaugural Work Program was finalised and released in March 2021.
 - 2050 Vision for Greater Hobart – The Vision was approved and uploaded to the Committee’s website in August 2021, after a period of public consultation in March/April 2021.
 - 30 Year Greater Hobart Plan – The Plan is a long-term strategic planning document that aims to take account of potential future growth patterns across the city and better integrate strategic land use and infrastructure planning to accommodate that future growth. Development of the Plan is ongoing and is expected to be finalised in 2022 after a period of public consultation that will end on 20 June 2022.
 - Collaborative approach to waste management – The Local Government Association of Tasmania is leading work, co-funded by the Tasmanian Government, to identify infrastructure required in the south of the State to improve efficiencies in the management of recycling waste. This work is continuing.
- A Strategic Planners Working Group, bringing together officers from each of the four councils and the State, has held continuous fortnightly meetings since January 2021 to help progress the development of the Greater Hobart Plan.
- Consultants are engaged as required to support the development of the Greater Hobart Plan.
 - Macroplan – to provide ad hoc expert advice on best practice and lessons learned elsewhere led by Gary White who has extensive experience across multiple jurisdictions at both a State and local government level.

Website

- The Greater Hobart Committee website can be found at www.greaterhobart.tas.gov.au
- The website provides information in relation to the work of the Committee and the projects underway as part of its shared Work Program. The website also includes:
 - key data on the Greater Hobart area
 - publications including the Work Program, 2050 Vision, Greater Hobart Plan and background papers on certain issues
 - interactive spatial maps providing shared information on population, planning, transport and other infrastructure.

Department of State Growth

Budget Estimates Briefing
Minister for State Development, Construction and Housing
Minister for Resources



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Subject: 30-Year Greater Hobart Plan
Date prepared: 6 May 2022
Output Group: 1 Industry and Business Growth
Output: 1.2 Industry and Business Development

Speaking points

- The development of a 30-Year Greater Hobart Plan was agreed by the Greater Hobart Committee as a priority area within its inaugural Work Program.
- The Greater Hobart Plan will seek to deliver and implement the 2050 Vision for Greater Hobart agreed and released by the Committee in August 2021.
- The Greater Hobart Plan is a spatial guide to bring together transport, housing and precinct planning in an integrated manner to help coordinate the growth and development of Greater Hobart over the long term.
- Our city is growing and changing and a proactive plan will seek to guide growth and help us retain the Greater Hobart we know and love.
- The Greater Hobart Plan will help us:
 - address our future challenges
 - plan for the future
 - retain our compact city
 - provide direction on where and how to grow
 - ensure infrastructure to support growth
 - protect and promote that which is valuable
- The Plan will be supported by a detailed Strategy for Growth and Change and also an Implementation Plan
- The Greater Hobart Plan and its accompanying Strategy has been released for a six week period of public consultation starting on 9 May 2022 and ending on 20 June 2022.

Key Statistics

- The Plan assumes that over a 30 year period, the population of Greater Hobart may grow by 60 000 persons, or 30 000 dwellings. This equates roughly to a 1 per cent growth rate annually over the 30 year period, which is consistent with growth over the last decade.
- The Plan will target an infill/greenfield development split of 70/30 over the next 30 years, which is broadly inline with the 65/35 split achieved over the last 10 years.
- Over the last 10 years, only 8 per cent of development was within identified densification areas, and only 5 per cent was within identified greenfield precincts. The Plan favours development within these already identified areas, with the “right development in the right places”.

Unit/Program Budget:

The Greater Hobart Plan is a deliverable through the Greater Hobart Committee Work Program and the Tasmanian Government has a budget provision within the Department of State Growth of \$527 000 per year over the life of the Hobart City Deal to support secretariat and project management services for the implementation of the Greater Hobart Act and the City Deal.

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$527 000	\$527 000	\$527 000	\$527 000	\$527 000	\$527 000

Released under RTI

Background

- The Greater Hobart Committee was established by the *Greater Hobart Act 2019* that commenced in December 2019.
- The Greater Hobart Committee comprises elected members from both the Tasmanian Government and the four central Hobart councils of Clarence, Glenorchy, Hobart and Kingborough.
- The Committee is supported by an Advisory Group comprising senior officials from both State and local government.
- The primary objective of the Act is to better integrate strategic land use and infrastructure planning within the Greater Hobart area.
- The Act legislates that the Committee prepare a Work Program of activities which were:
 - Develop an overarching **shared vision** for the Greater Hobart area
 - Provide for an update of the Southern Tasmania Regional Land Use Strategy, by developing a **Greater Hobart Plan**
 - **Support and integrate** with the implementation of the Hobart City Deal
 - Develop a collaborative approach to **waste management**
 - **Support the delivery of work program** actions through a consistent delivery mechanism and adequate resourcing
- The Committee released its 2050 Vision for Greater Hobart outlining its high level direction for the city over the next 30 years in August 2021.

Compact City

- Hobart is already a compact city, but current trends risk excessive sprawl. The Greater Hobart Plan favours retaining our compact city by better utilising inner urban areas, and by encouraging the right development in the right places.
- Infill development is favoured over greenfield development, as infrastructure already exists close to available underutilised land within the current urban footprint of the city. This enables more efficient and effective use of current infrastructure if additional dwellings are located close to transport corridors.
- The right development will focus on low impact medium density dwellings like townhouses, terraces and units close to activity centres and transport corridors. The density levels expected already exist in certain areas across Hobart.

Southern Tasmania Regional Land Use Strategy (STRLUS)

- Once finalised the Greater Hobart Plan will be used to seek an urban Greater Hobart update to the STRLUS, a review of which has just commenced and is expected to conclude in 2024.
- Key aspects of the Plan that are anticipated to inform an update to the STRLUS are:
 - updated densification areas and
 - a strategic approach to extensions of the urban growth boundary.

Finalisation of the Plan

- The Greater Hobart Plan will be released for a six week public consultation period from 9 May 2022 to 20 June 2022, and it is anticipated that a final Plan will be considered by the Advisory Group and Committee in August 2022.

- An Implementation Plan is being drafted in parallel by the Tasmanian Government and Councils to help action and deliver the broad directions of the Plan.
- An action already identified is the establishment of a data portal that will include key performance indicators to enable regular tracking of actions and to determine the effectiveness or progress towards stated goals.

Website

- The Greater Hobart Committee website can be found at www.greaterhobart.tas.gov.au
- The website provides information in relation to the work of the Committee and the projects underway as part of its shared Work Program. The website also includes:
 - key data on the Greater Hobart area
 - publications including the Work Program, 2050 Vision, Greater Hobart Plan and background papers on certain issues.
 - interactive spatial maps providing shared information on population, planning, transport and other infrastructure.

Subject: Macquarie Point

Date prepared: 22 April 2022

Output Group: 1 Industry and Business Growth

Output: 1.2 Industry and Business Development

Speaking points

- The Government is working with the Macquarie Point Development Corporation to support the activation and development of Macquarie Point.
- The Government is providing \$78 million to the Macquarie Point Development Corporation over three years, to facilitate the remaining remediation and redevelopment works required to complete the transformation of Macquarie Point.
- The *Macquarie Point Development Corporation Act 2012* was amended in late 2018 to update planning arrangements to support the implementation of the Macquarie Point Masterplan.
- Planning amendments in support of the Macquarie Point Masterplan came into effect on 30 October 2019. Under the Macquarie Point Masterplan, Macquarie Wharf will remain a working port.
- The planning amendments enabled the first land parcel release for Macquarie Point, *The Escarpment*. The Request for Expressions of Interest was released on 6 August 2020 and closed on 2 October 2020. In November 2021, Milieu, a Melbourne based property developer was announced as the successful proponent for the Escarpment.
- On 17 March 2021, the start of the three-stage competitive bid process for the second land release, *The District* was launched.
- *The District* is a major land release of around 2.7 hectares of land at Macquarie Point, and will include three consolidated land parcels; *The Gateway*, *The Promenade*, and *The Underground*. The Request for Expressions of Interest to be released for The District is due to commence in 2022.
- Macquarie Point and Macquarie Wharf are a focus point for one of the key initiatives identified in the Hobart City Deal: the establishment of the Antarctic and Science Precinct.

- The Tasmanian Government is working with the Australian Government, Macquarie Point Development Corporation and TasPorts, to support the development of a business case to realise the Antarctic and Science Precinct.
- The first phase of the business case, a Strategic Options Assessment, was completed by KMPG in August 2020. This phase of work aimed to identify potential anchor tenants and precinct options.
- The second phase, a Detailed Business Case was completed by KPMG in October 2021, and this provided greater detail around the potential costs of the identified precinct options.
- Under the Act, the responsible Minister can update and issue a Statement of Ministerial Expectations to the Board of the Macquarie Point Development Corporation regarding the Corporation's activities for the proceeding financial year.
- The first Statement of Ministerial Expectations came into effect on 1 July 2019.
- The Statement of Ministerial Expectations for the 2021-2022 financial year took effect from 1 July 2021. A copy of the current Statement of Ministerial Expectations is available on the Corporation's website.

Key Statistics

The Corporation will provide a brief covering specific statistics and financial allocations.

Background

- An Intergovernmental Agreement was signed between the Australian and Tasmanian Governments in 2012, which saw the Australian Government commit \$45 million towards the remediation of the former Macquarie Point railyard.
- To progress this agreement, the Macquarie Point Development Corporation was established through the *Macquarie Point Development Corporation Act 2012*.
- The Corporation is governed by a Board of Directors. Board appointments are made for a term of three years.
- The Board comprises:
 - Brian Scullin, Chair
 - Kim Evans, Secretary of State Growth
 - Penny Morris
 - Saul Eslake
 - Tim Hogg
 - Mary Massina, CEO
- The 9.3 hectare Macquarie Point site links together key destinations and activity centres between the Queens Domain, Sullivans Cove, Salamanca and Hobart's central business district. The development of the site presents a unique opportunity for the city and for the State.
- The Macquarie Point Development Corporation Amendment Bill 2018 was tabled in the House of Assembly on 16 October 2018 and came into effect on 1 December 2018.
- The Amendment Act provided a pathway to update the planning arrangements that apply to the Macquarie Point Site; and updated administrative and governance arrangements to reflect the change in focus from remediation to redevelopment.
- Through the Premier's State of the State address on 16 March 2021, a commitment of \$78 million was made to complete the remediation of the site and to undertake the capital works required to deliver the redeveloped precinct.

Department of State Growth

Budget Estimates Briefing
Minister for State Development, Construction and Housing
Minister for Resources



3

Subject: **ANTARCTIC AND SCIENCE PRECINCT**

Date prepared: 12 May 2022

Output Group: 1 Industry and Business Growth

Output: 1.2 Industry and Business Development

Speaking points

- The establishment of an Antarctic and Science Precinct at Macquarie Point is a key focus area of the Hobart City Deal, signed in February 2019. The Precinct will be a significant opportunity for the sector, an outstanding opportunity to promote Tasmania's Antarctic capabilities and a catalyst for development for the Macquarie Point site.
- A comprehensive two stage business case has been undertaken by KPMG, co-funded by the Australian and Tasmanian Governments.
 - Phase 1 – Strategic Options Assessment – examined potential anchor tenants and location options for the precinct and was completed in 2020
 - Phase 2 – Detailed Business Case – examined the preferred options from phase 1 in more detail including providing estimates of relocation and construction costs as well as contracting and leasing options. This was completed in October 2021.
- The Australian Government has engaged KPMG to undertake further work to update relocation and construction estimates as well as provide more detailed contracting and leasing options to better inform final decision making.
- The Department of State Growth continues to liaise regularly with key stakeholders in relation to enabling projects for the development of the Antarctic and Science Precinct, including:
 - Construction of a new northern access road for the Port of Hobart
 - Decommissioning of the wastewater treatment plant
 - Wharf upgrades to Port of Hobart

Unit/Program Budget:

- The only direct Tasmanian Government funding commitment for the establishment of the Antarctic and Science Precinct was \$1 million to jointly fund Phase 1 and 2 of the Business Case process with the Australian Government which was funded through the Macquarie Point Development Corporation.
- Associated project funding has not yet been committed apart from the \$100 million funding deed with TasWater to decommission the wastewater treatment plant at Macquarie Point.

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$-	\$-	\$-	\$-	\$-	\$-

Released under RTI

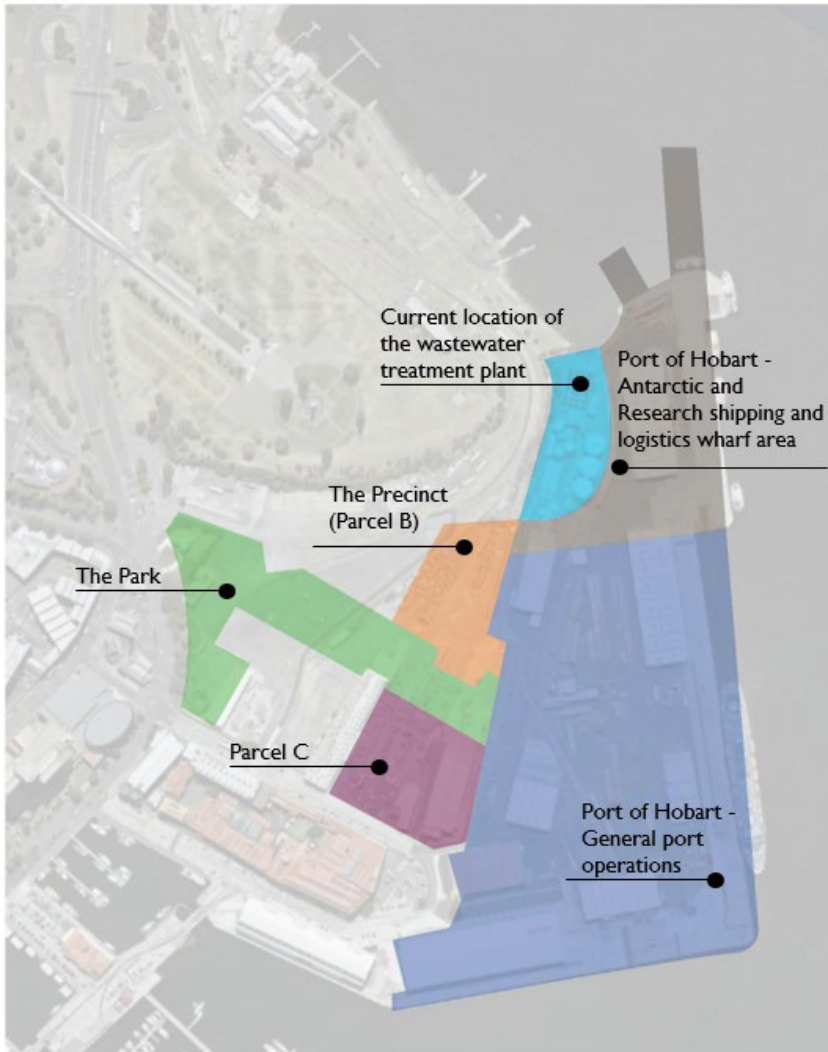
Background

- City Deals are partnerships between Australian, state/territory and local governments to position Australia's population centres for the future. The Hobart City Deal was the second agreed by the Australian Government
- The Hobart City Deal is unique and varies from other City Deals in that it has not been built around a primary, large project. Instead, there are a number of city-shaping projects included over the 10-year period, with capacity for more projects to be identified and included over time.
- A number of the larger projects are transport related and led by the State, but the establishment of an Antarctic and Science Precinct leans heavily on decisions by the Australian Government.
- A dedicated Macquarie Point and Wharf Project Steering Committee, as part of the Hobart City Deal governance, has overseen an initial Strategic Options Assessment completed in August 2020, and a Detailed Business Case completed in October 2021.

Business Case

- In order to refine the proposal and identify the potential anchor tenants in a proposed Antarctic and Science Precinct, the Australian and Tasmanian Governments provided \$1 million each to jointly fund a two-stage business case process.
- **Phase 1 completed August 2020 – Strategic Options Assessment (SOA)** undertaken by KPMG – examined from a high level the proposal and attempted to determine what the proposal would mean for all key stakeholders, including providing an early estimate at a P60 level of potential costs for a relocation and construction.
- **Phase 2 completed October 2021 – Detailed Business Case (DBC)** undertaken by KPMG – built on the work completed for the Strategic Options Assessment and analysed key potential location options and construction and leasing scenarios to better inform future decision making by potential anchor tenants.
- The outcome from the DBC was an acknowledgment that all anchor tenants future office and space requirements could be catered for on a single parcel of land (Parcel B) at Macquarie Point. (see map below) Initially both Parcels B and C were made available to potentially house an Antarctic and Science Precinct.
- The DBC provided an opportunity for a greater level of detail to be included in relation to relocation costs, construction costs and ownership models.

Figure 1. Location of the Precinct (Parcel B)



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Associated Projects

- Decommissioning of the wastewater treatment plant
- TasWater has agreed a funding deed with the Tasmanian Government for up to \$100 million to help decommission the wastewater treatment plant at Macquarie Point.
- TasWater has affirmed that the plant will be decommissioned within 4 years of signing of the funding deed which occurred in September 2021.
- Land swap arrangements will be included as part of the decommissioning process. These negotiations are being led by Macquarie Point Development Corporation through the development of a memorandum of understanding between the Tasmanian Government, MPDC, Tasports and TasWater. This work is progressing.
- Upgrades to Macquarie Wharf
- Tasports is currently developing a business case for major upgrades to its wharf infrastructure within the Port of Hobart.
- Some of these infrastructure improvements are required in order to better service Antarctic vessels while in port, and also to ensure the port is capable of servicing client requirements into the future.
- The business case is expected to be submitted to the Tasports Board during May 2022, and lead to a subsequent application for funding to Infrastructure Australia.
- New Northern Access road
- Due to the expectation that visitor numbers and the useability of Macquarie Point will increase as it develops over coming years, there is a need to reduce the risk of conflicts between people and heavy goods vehicles entering and exiting the port on Evans Street.
- The proposal is to construct a new access road into both the port and Macquarie Point itself from the McVilly Drive interchange.
- Early design work has already commenced on this project to help inform the land swap negotiations between key stakeholders.
- Precinct planning
- This planning is to include the broader site across Macquarie Point, Cenotaph and Regatta Grounds, and will need to include transport connectivity. Future considerations may also include the potential of a new stadium constructed within the same broader precinct. Precinct planning will progress over time as potential plans for the area evolve.

Released under RTI

Department of State Growth

Budget Estimates Briefing
Minister for State Development, Construction and Housing
Minister for Resources



4

Subject: Antarctic Gateway
Date prepared: 12 May 2022
Output Group: 1 Industry and Business Growth
Output: 1.2 Industry and Business Development

Speaking points

- Hobart is internationally recognised as the gateway to east Antarctica and the Southern Ocean. It is the permanent Antarctic gateway for the Australian and French National Antarctic Programs and other Antarctic programs such as Italy, Japan and the United States regularly operate through Hobart.
- The Tasmanian Antarctic Gateway provides a truly competitive advantage and brand for Tasmania and is a major contributor to Australia's national Antarctic capability.
- The sector is a significant contributor to the Tasmanian economy. In 2019-20 the sector directly employed 947 FTE and Antarctic organisations spent \$158.7 million in Tasmania purchasing goods and services. The contribution of the sector to the Tasmanian economy has been growing significantly for the past two decades.
- The development of the Antarctic and Science Precinct at Macquarie Point will cement Hobart's international reputation for Antarctic and Southern Ocean excellence and is a key focus area of the Hobart City Deal, signed in February 2019.
- The \$60 million commitment from the Federal Government to upgrade the Hobart Airport runway will open up opportunities for increased Antarctic related aviation and facilitate logistics supporting Antarctic expeditions.
- Tasmanian Government released its Antarctic Gateway Strategy in 2018. The Strategy is currently under review by the Tasmanian Antarctic Gateway Advisory Committee (TAG), led by Antarctic Tasmania and should be ready to release by December 2022.

- Significant opportunities for Tasmania are generated by Australian Government's February 2020 announcement of a further \$804 million investment over the next 10 years to strengthen Australia's national interests in Antarctica through expansion of Australian logistics capacity in Antarctica, increased diplomatic engagement and reinforcement of Hobart's position as the premier gateway to East Antarctica and international hub.
- This spending is in addition to significant investments made in the last decade in Australia's new icebreaker, RSV Nuyina, which is based in Hobart, and in off- and on-ice infrastructure and equipment.
- Tasmania's international gateway reputation was significantly enhanced in the 2020-21 and 2021-22 Antarctic season by the success of the substantial effort, led by the Antarctic Tasmania team in the Department of State Growth, to facilitate transit of expeditioners through Hobart while observing all COVID border and quarantine requirements.

Key Statistics

A report by Wells Economics commissioned by the Department on *The Contribution of the Antarctic and Southern Ocean Sector to the Tasmanian Economy 2019-20* provides a snapshot of the size of the sector and point of comparison to a report conducted in 2017-18.

The report shows that in 2019-20, the Antarctic and Southern Ocean Sector:

- represented 947 direct FTEs, up from 855 in 2017-18, there are additional indirect jobs in Tasmanian businesses and the wider community.
- average wage compensation of \$136 198, which was 171 per cent of the Tasmanian average, compared to \$130 815 in 2017-18.
- generated \$158.7 million expenditure on goods and services in Tasmania, compared to \$120.3 million in 2017-18.
- generated 7000 room nights in Hobart for expeditioners and conference delegates
- generated 52 PhD students at University of Tasmania in Antarctic and Southern Oceans areas of study
- An individual port call by an Antarctic vessel can generate as much as \$1.5 million in local spending.
- The French Antarctic program generates over \$7 million per annum to Tasmania.

For the 2021-22 Antarctic season the Government contracted Rydges Hotel in Hobart as an Antarctic quarantine facility at \$4.7 million. This facility was used by international Antarctic expeditioners transiting through Hobart and personnel associated with the Australian Antarctic Program going south and meant that expeditioners could be kept isolated from all other travellers in quarantine.

Jobs/Investment created:

- 947 jobs (0.47 per cent of Tasmanian employment).
- \$300 million over 10 years Serco services and supply contract to Tasmanian Shipping Supplies for RSV Nuyina
- \$5 million (approx) contract for William Adams tractors sold to Russian Antarctic program
- \$3.25 million in contracts awarded by the Australian Antarctic Division to businesses in Tasmania in 2021-22 (1 July 2021 to end April 2022).

Budget commitments forward:Annual

- \$25 000 per year for TPN
- \$50 000 per annum for two years Integrated Marine Observing System (IMOS)
- \$75 000 per annum for five years for Southern Ocean Observing System (SOOS)
- \$200 000 per annum – Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) International Secretariat (increased by CPI annually)
- \$25 000 per annum – Agreement on the Conservation of Albatrosses and Petrels (ACAP) International Secretariat
- \$25 000 per annum Antarctic Tasmania operational budget
- In addition, the Tasmanian Government's co-contribution to the Antarctic and Science Precinct is \$1 000 000. This contribution is being made via the Macquarie Point Development Corporation over 2020-21 and 2021-22.

Unit/Program Budget:

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
412 000	409 802	412 000	412 000	412 000	412 000

Note: Excluding CPI indexation

Background

Tasmania's Antarctic Gateway Strategy

- The Antarctic Gateway Strategy has five goals:
 - Strengthen Antarctic and Southern Ocean research, education and training
 - Facilitate international engagement and visitation
 - Facilitate growing polar innovation and expertise in Tasmanian businesses
 - Facilitate investment in Tasmania's future Antarctic gateway infrastructure
 - Facilitate active collaboration between Tasmania's Antarctic science and business communities and the Tasmanian and Australian governments to grow Tasmania's Antarctic capabilities.
- The Tasmanian Antarctic Gateway Advisory Committee (TAG) develops an annual action plan of initiatives to achieve these goals. TAG members are senior executives of the major Antarctic institutions and the Department of State Growth.
- The current priority actions are:
 - Realising opportunities arising from the Australian Government's significant expenditure on Antarctic infrastructure and commitment to build Tasmania's status as an Antarctic and Southern Ocean global research hub.
 - Development of the Antarctic and Science Precinct at Macquarie Point as the world's only concentrated research facility next to a working port.
 - Further development of opportunities arising from the Centre for Antarctic Remote and Maritime Medicine (CARMM) - a partnership bringing together capabilities across organisations.
 - Further development of opportunities arising from the newly established Centre for Antarctic Science and Technology (CAST) - also a partnership to utilise capabilities across organisations.
 - Maximise attraction of international Antarctic and Southern Ocean project offices and secretariats and the resulting international visitation.
 - Grow international Antarctic program ship visits, aviation activities and associated economic benefits.
- Since the release of the strategy in 2018 there have been significant changes affecting the sector: increased geopolitical tensions, the global COVID-19 pandemic, the Australian government's new policy priorities in Antarctica and the Southern Ocean, including increased expenditure on Antarctic activities, and a new French Antarctic strategy will all have impact on Tasmania.
- The dynamic environment brings increased risks but also increased opportunities that mean a review of the Antarctic Gateway Strategy is timely. The Department of State Growth is leading the review
- The Department of State Growth is leading a review of the strategy with recommendations developed for priorities for the sector from 2022-23 onwards.

Australian Government Investment in the Australian Antarctic Program

- There will be significant opportunities generated by the Australian Government's February announcement of a further \$804 million investment over the next 10 years to strengthen Australia's national interests in Antarctica.

- This funding will expand Australia's logistics capacity in Antarctica through:
 - increased aerial capability in Antarctica -drones, helicopters, intracontinental aeroplanes
 - additional inland traverse capability - autonomous vehicles, remote sensing
 - additional shipping capability
 - additional scientific research
 - environmental management
 - enhanced international engagement.
- The Department of State Growth will be working with Tasmanian suppliers and organisations to ensure that they are prepared for the opportunities that arise from this investment, including increased international engagement and visitation.

Covid-19 impacts on the Antarctic sector

- COVID-19 has impacted on the sector's ability to promote the Tasmania's capabilities internationally, with international Antarctic meetings held virtually.
- For National Antarctic Programs using the Hobart gateway, COVID-19 introduced a great deal of complexity for their Antarctic operations. As well as the lack of flights into Australia, as international arrivals - both to and from Antarctica - expeditioners were subject to the Australian and Tasmanian border restrictions and quarantine requirements. This included 14 days in state-controlled quarantine hotels and COVID-19 testing. This requirement aligned with the conditions established by international Antarctic agreement that personnel would quarantine for 14 days in the gateway city before departure to Antarctica.
- In both seasons 2020-21 and 2021-22 the Department of State Growth coordinated the multi-agency effort by international organisations, Australian and Tasmanian government agencies to gain the required permits and exemptions for travel to and from Antarctica, while also coordinating with the efforts of the Australian Antarctic Division for its expeditioner movements.
- In season 2021-22 just under 600 international expeditioners and crew from France, Italy, Japan, and the United States passed through Hobart to and from Antarctica. Prior to the Tasmanian state borders opening on 15 December 2021, expeditioners went into state mandated quarantine in a dedicated quarantine hotel, as required by Cabinet, secured by the government at a cost of \$4.7 million. After borders opened, expeditioners went into 14 days self-isolation in the quarantine facility before travel to Antarctica.
- The hotel was used to quarantine all international Antarctic expeditioners and some from the Australian Antarctic Program, with some cost recovery through a charge of \$5 000 per person.
- The French Antarctic program has been operating through Hobart for 60 years, longer than the Australian Program. The French program injects at least \$7 million per annum into the Tasmanian economy through purchase of goods and services. Port calls by Antarctic vessels can inject up to \$1.5 million.
- The Tasmanian Government has a Memorandum of Understanding (MOU) with the French Polar Institute Paul-Emile Victor (IPEV) which was signed in 2019. Under the MoU the government facilitates the operations of IPEV through the Hobart gateway.
- Nevertheless, after the Australian government cancelled the submarine contract with France in September 2021 the French considered moving their Antarctic operations to Christchurch. Fortunately, this did not eventuate. In April 2022, France reiterated its commitment to Hobart.

- The Japanese research vessel *Umitaka Maru* had scheduled two visits to Hobart in January 2022. This vessel comes to Hobart in most seasons whilst undertaking research in the Southern Ocean. Unfortunately, on arrival in Hobart, they cancelled their Antarctic voyage and returned to Japan, due to the post-border COVID-19 outbreak in Tasmania.
- In early March 2022 the US icebreaker *Polar Star* made a port call in Hobart on its way back to the United States after its season in Antarctica. The Department of State Growth arranged for engagement with Antarctic sector organisations for the US Consul-General and consular staff, the commanding officer and senior officers for networking and information sharing.
- The work of the Department of State Growth with international Antarctic Programs ensured that COVID-19 did not enter Tasmania or Antarctica, reinforced the Tasmania Government's commitment to the Antarctic sector and gateway users and enhanced the international reputation of Hobart as an Antarctic gateway, particularly in comparison with other gateways.

Released

Department of State Growth

Budget Estimates Briefing
Minister for State Development, Construction and Housing
Minister for Resources



14

Subject: Northern Suburbs Transit Corridor
Date prepared: 6 May 2022
Output Group: 1 Industry and Business Growth
Output: 1.2 Industry and Business Development

Speaking points

- Activating the Northern Suburbs Transit Corridor is a key focus area of the Hobart City Deal, a 10- year partnership between the Australian and Tasmanian Governments, and the Clarence, Glenorchy, Hobart and Kingborough councils, signed in February 2019.
- Under the Hobart City Deal, the Northern Suburbs Transit Corridor is highlighted as a priority area for both the development of a key public transport network and a key location for encouraging urban renewal to improve housing supply, housing diversity and affordability.
- The activation of the transport mode along the corridor is the responsibility of the Minister for Infrastructure and Transport, Hon Michael Ferguson MP.
- The activation of land use changes and precinct planning activities along the corridor sit with the Minister for State Development, Construction and Housing.
- The Northern Suburbs Transit Corridor was previously identified as a key location for urban renewal in the Southern Tasmania Regional Land Use Strategy released in 2010. The work underway to progress a Greater Hobart Plan has highlighted this is still a priority area for development.
- A **Growth Strategy** is being finalised that will help set principles and a vision for the land use activation along the corridor, and it is expected that a detailed precinct planning exercise will commence in late 2022 to provide a detailed view of the changes required along the corridor consistent with the agreed vision.
- In 2020, the Tasmanian Government funded an independent assessment of transport options along the Northern Suburbs Transit Corridor, undertaken by PricewaterhouseCoopers (PwC).

- Through this work, various potential transport modes were subjected to a multiple criteria analysis that identified two modes for further work: bus rapid transit and light rail.
- The full report was publicly released in November 2020 on the Hobart City Deal website at www.hobartcitydeal.com.au.
- As part of the Hobart City Deal, the Australian Government previously committed \$25 million funding towards the activation of the Northern Suburbs Transit Corridor through the Urban Congestion Fund and a further \$13.5 million in its most recent Budget. The intention is for this funding to be spent on mode neutral corridor activation works.
- A condition assessment of the corridor between the Glenorchy CBD and Macquarie Point commenced in June 2021, with GHD completing an engineering survey and visual inspections of the track, culverts and bridges structures, as well as meeting with stakeholders holding information about the Corridor. A Final condition assessment report has been received and was released in February 2022.
- The **Condition Report** found that the current corridor is in poor condition and is unsuitable for running a modern light rail or a rapid bus service. It identified a program of mode neutral activation works needed to remove the existing rail track, replace bridges and address corridor width, drainage and level crossing issues.
- Further work will be required to activate the corridor for a transit mode including installation of a surface and the construction of station infrastructure.
- Assessment of the mode choice for the Corridor is being progressed through the Minister for Infrastructure and Transport, including discussions with relevant City Deal partners.
- Scoping and planning work, including further investigation of identified travel time reliability, contamination and geotechnical risks, is expected to take at least 18 months.
- Staging the development of the corridor is likely, with a particular focus on the Glenorchy to New Town section of the corridor, noting the need to resolve complex transport integration on the southern section of the corridor due to projects like the new Hobart Stadium proposal and northern port access into Macquarie Wharf.
- A consultancy for scoping work on the replacement of three bridges in New Town, was awarded to GHD in March 2022. The Scoping work consists of geotechnical investigations (borehole drilling) and bridge concept designs.
- We are on track to activate a transport solution on the corridor within five years consistent with the Hobart City Deal commitment.

Key Statistics

- In addition to its original commitment of \$25 million to assist the activation of the Corridor, the Australian Government committed a further \$13.5 million in its 2022-23 Budget, which will be matched by the Tasmanian Government to result in an additional investment of \$27 million.

Unit/Program Budget:

- The Tasmanian Government committed \$200 000 in 2021-22 to develop a NSTC Growth Strategy to help identify agreed principles for the future land use activation along the corridor. The Growth Strategy was developed by COX Architecture for \$150 000 which was below the budgeted funding commitment.
- The Tasmanian Government has committed to match a \$13.5 million Australian Government commitment made in its 2022-23 Budget released in April 2022.
- In addition to the Australian Government commitment of \$25 million from its Urban Congestion Fund to assist the activation of the Corridor, the Australian Government committed a further \$13.5 million in its 2022-23 Budget to assist the activation of the corridor.

	2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26	Total**
State	\$200 000	\$150 000					\$13 700 000
Federal							\$38 500 000
Other							
Total	\$200 000	\$150 000					\$52 200 000

** Note budget in outer years has not been specified as timing and amounts are not finalised

Background

- Activation of the Northern Suburbs Transit Corridor (NSTC) is overseen by the NSTC Working Group, comprising representatives from the Tasmanian and Australian Governments, and Hobart and Glenorchy City councils. The most recent meeting of the Working Group was held on 3 March 2022.

Transport mode

- The findings of the PricewaterhouseCoopers (PwC) report in 2020 indicated that each of the three shortlisted options analysed – light rail, bus rapid transit and trackless tram – have very high capital costs, while delivering similar transport outcomes. The capital costs ranged from \$445 million to almost \$600 million for a service between the Hobart CBD and Granton.
- Light rail was estimated to have the greatest impact on city shaping objectives, based on the observed experience of the consultants in relation to light rail projects in other jurisdictions, and assumptions around the capacity and attractiveness of bus rapid transit and trackless tram.
- PwC recommended further work be undertaken to confirm a preferred transport mode and cost, including appraisal of two transport options – light rail and bus rapid transit – and consideration of alternative, off-corridor options. This approach is consistent with Infrastructure Australia’s assessment framework.
- This PwC consultancy was the most recent in a series of studies examining public transport options along the NSTC. These studies include –
 - Examination of light rail as part an integrated package of passenger transport and land use planning measures in Hobart (Parsons Brinckerhoff, 2009)
 - Preparation of initial business case (ACIL-Tasman, 2011)
 - Peer review of business case (AECOM, 2012)
 - Preparation of second business case (ACIL-Tasman, 2013)
 - Development of a comprehensive project evaluation (PWC, 2014)
 - Glenorchy to Hobart Public Transport Corridor Study (GHD, 2016)
 - NSTC Transport Mode Study (PwC, 2020)
- Generally, these consultancies focused on the viability of light rail as a discrete transport project, examining potential patronage, operating models and project costs and benefits, as part of an economic evaluation of operational viability.
- None of these reports have resulted in a positive cost benefit analysis.
- Over recent years, Glenorchy City Council has remained committed to a light rail solution along the NSTC (being opposed to any other transport mode). However, Alderman Bec Thomas, Mayor of Glenorchy City Council has taken a more pragmatic approach in order to encourage activation of investment along the corridor.
- GHD has completed a Condition Assessment on the existing assets in the NSTC and this report indicates that the current infrastructure is not suitable for a modern rapid transit system.

NSTC Growth Strategy

- A consortium led by Cox Architecture has been engaged to progress the Growth Strategy. This work will involve the development of a vision for the Corridor, recommendations for the staged activation of areas along the Corridor, and identification of potential pilot areas.
- The growth strategy is intended to inform the development of a vision for the activation of the NSTC to support targeted investment by Hobart City Deal partners, encourage appropriate investment by the private sector and inform precinct planning.

- The broad objectives of the growth strategy are as follows:
 - Strategic development and investment – inform future development along the NTSC, especially in the vicinity of proposed stop locations, and encourage appropriate investment
 - Land use – inform residential and commercial densification, to increase the population living along the NSTC to support the operational efficiency of a transit solution
 - Urban renewal – support urban renewal and value uplift along the NTSC
 - Transport – encourage movement of people along the NSTC, and between stop locations, and other public transport routes
- The objectives of the NSTC Growth Strategy will support the proposed direction identified as part of the development of the MetroPlan under the Greater Hobart Committee work program.
- The NSTC Growth Strategy has been finalised but has not yet been fully endorsed by the Working Group, as further engagement is required with certain stakeholders prior to being endorsed, provided to elected members or being made public.
- The natural next step after the Growth Strategy is a detailed precinct planning exercise to identify what changes can be made on the ground in accordance with the agreed Growth Strategy vision, principles and staging of activation projects.

Release

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	AIRPORT INFRASTRUCTURE				
Date prepared:	17 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	2.1 Infrastructure Tasmania				
Election commitment/ policy, stimulus package, funding program etc.					
Funding:	22-23	23-24	24-25	25-26	Total
State	\$4.05 million-	\$1.1 million	-	-	\$5.15 million
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total	\$4.05 million	\$1.1 million	-	-	\$5.15 million

KEY MESSAGES

- The Tasmanian Government committed a total of \$15.15 million over 2020-21 and 2021-22 for Hobart and Launceston Airports to support infrastructure upgrades.
- These upgrades will enable both airports to improve capacity to accommodate movement of passengers through the terminals.

Speaking points:

Hobart Airport

- The Tasmanian Government committed \$10 million towards infrastructure works necessary to deliver the temporary facilities required for border force, quarantine and border security functions at Hobart Airport to support direct international passenger flights being trialled between Australian and New Zealand for a period of two years.
- Construction commenced in December 2020 and was completed in April 2021, enabling commencement of direct flights between Hobart and Auckland, operated by Air New Zealand, on 22 April 2021
- Total construction expenditure amounted to approximately \$14 million, with Hobart Airport responsible for all costs in excess of the Tasmanian Government's \$10 million commitment.

Hobart Airport - Runway

- Hobart International Airport Pty Ltd has put forward its proposal to strengthen the mid-section of the runway and undertake associated infrastructure upgrades to realise the full operational capability of the runway extension completed in December 2017.
- The strengthened runway will maximise the opportunities available within the current runway and airport footprint. This will include direct flights to key Asian markets and hubs.
- It is also recognised that airport infrastructure has a role beyond commercial operations, which in Tasmania extend to Tasmania's role as an Antarctic Gateway and supporting the Australian Defence Forces.
- The airport's physical capacity to support these sectors into the future are critical matters for consideration in any final funding decision.
- In developing its proposal, and seeking public funding support, I understand that Hobart International Airport Pty Ltd is engaging with key stakeholders across all sectors.
- The Tasmanian Government will continue to work with all parties to support this initiative.

Launceston Airport

- The Tasmanian Government has committed \$5.15 million to new works at Launceston Airport.

- The works will see upgrades to the arrivals hall, improved security screening and construction of a new freight handling facility for Virgin Airlines, delivering a larger and more contemporary arrivals experience, improved passenger security screening and a larger departures and check-in facility.
- The development of a new air freight cargo facility at the airport will support increased air freight movements, including for time sensitive freight.
- Launceston Airport has experienced some delays in securing contractors to deliver these projects. It is anticipated that work will commence with the security screening upgrades in 2022-23, with the freight handling and arrival hall improvements to follow.

Key Statistics:

- Air New Zealand commenced operations to Hobart Airport in April 2020. Following a 12-month hiatus due to COVID-19, the service will recommence in July 2022

Jobs/Investment created:

- The \$15.15 million commitment has already generated at least \$9.15 million in direct infrastructure investment, together with ongoing investment by Hobart Airport and Air New Zealand in the trial direct service.
- The upgrades to Hobart and Launceston Airports will provide increased capacity to move passengers efficiently through the airports. This provides flow on benefits across multiple sectors, with airports demonstrating significant multiplier effects for the broader economy.

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$10 million	\$3.05 million	\$4.05 million*	\$1.1 million	\$-	\$-

*includes \$3.05 million rolled forward from 2021-22

Background:


- The 2020-21 budget provided \$7.5 million in each of 2020-21 and 2021-22 to support airport upgrades. However, the total commitments made by the Government amounts to \$15.15 million.
- The Hobart Airport redevelopment was costed at \$10 million and was required to be completed within the 2020-21 financial year. This was achieved by re-cash flowing of the budget commitment, leaving \$3 million to expend in 2021-22, with the remainder in outyears.
- The Grant Deed with Launceston Airport is currently being finalised, with project commencement being delayed as a result of challenges experienced by Launceston Airport in securing civil contractors. As a result of the delays, the \$3 million from 2021-22 has been cash flowed to 2022-23.

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	NORTHERN SUBURBS TRANSIT CORRIDOR				
Date prepared:	17 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	2.1 Infrastructure Tasmania				
Election commitment/ policy, stimulus package, funding program etc.	Hobart City Deal, Urban Congestion Fund.				
Funding:	22-23	23-24	24-25	25-26	Total
State					13.5 M
Federal					38.5 M
Other					0 M
Total					52 M

KEY MESSAGES

- **The Tasmanian Government is committed to improving public transport in a sustainable way recognising both Hobart's fundamental transport challenges and the State's financial constraints.**
- **As part of the Hobart City Deal, the Tasmanian Government is working with the Australian Government and the Hobart and Glenorchy councils to deliver the most effective public transport solution to utilise the Northern Suburbs Transit Corridor.**
- **This work is supported by a \$38.5 million commitment from the Australian Government** ^{s 27} 

Speaking points:

- The Tasmanian Government is committed to improving public transport in a sustainable way recognising both Hobart's fundamental transport challenges and the State's financial constraints.
- As part of the Hobart City Deal, the Tasmanian Government is working with the Australian Government and the Hobart and Glenorchy City Councils to deliver the most effective public transport solution to utilise the Northern Suburbs Transit Corridor.
- This work is supported by a \$38.5 million commitment from the Australian Government and a \$13.5 million commitment from the Tasmanian Government to support the activation of the Corridor.
- The Northern Transit Corridor Working Group, comprised of senior officials from the three levels of government, agreed in May 2021, to progress key initiatives to activate the Corridor, including a growth strategy and a condition assessment of the existing Corridor.
- The growth strategy will focus on encouraging urban renewal and activation along the Corridor, especially in the vicinity of potential transit stations, while the condition assessment takes a mode neutral review of the existing Corridor to identify key infrastructure constraints and inform estimated costs associated with progressing a future transit service.
- Condition assessment work commenced in June 2021, with GHD completing an engineering survey and visual inspections of the track, culverts and bridges structures, as well as meeting with stakeholders holding information about the Corridor. A Final condition assessment report has now been received and released in February 2022.
- The Condition Report found that the current corridor is in poor condition and is unsuitable for running a modern light rail or a rapid bus service. It identified a program of mode neutral activation works needed to remove the existing rail track, replace bridges and address corridor width, drainage and level crossing issues.
- Further work will be required to activate the corridor including installation of a surface and the construction of station infrastructure.
- Assessment of the mode choice for the Corridor is being progressed, including discussions with relevant City Deal partners.
- Scoping and planning work, including further investigation of identified travel time reliability, contamination and geotechnical risks, for the project is expected to take at least 18 months.

- Staging the development of the corridor is likely, with a particular focus on the Glenorchy to New Town section of the corridor, noting the need to resolve complex transport integration on the southern section of the corridor due to projects like the new Hobart Stadium proposal and northern port access.
- Scoping work for Early Works consisting of the replacement of three bridges in New Town, was awarded to GHD in March 2022. The Scoping work consists of geotechnical investigations (borehole drilling) and a bridge concept designs.
- We are on track to activate the corridor within five years consistent with the Hobart City Deal.

Key Statistics:

- N/A

Jobs/Investment created:

- Activation of the corridor will involve a substantial construction program and ongoing employment for transit operators. The project will provide work and have a positive impact for ongoing employment. It is expected that there will also be a positive impact on subcontractors and local suppliers including design consultants.
- From a procurement perspective all tenderers must provide the Department with a Tasmanian Industry Participation Plan identifying how they will be using local industries to support their design and construction methodologies.

Unit/Program Budget:

2021-22 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$88,000	\$440,000	\$5,526,000	\$8,000,000	\$6,000,000	\$5,000,000

- **Budget in outyears 1-4 above is what is in Finance 1 – doesn't reflect the full \$52M commitment of which \$38.5M is Federal, \$13.5M is State.**

Background:

- Activating the Northern Suburbs Transit Corridor is a key focus area of the Hobart City Deal – a 10-year partnership between the Australian and Tasmanian Governments and the Clarence, Glenorchy, Hobart and Kingborough councils.

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- PricewaterhouseCoopers (PwC) was appointed through a competitive tender process to undertake an assessment of the most appropriate mode of transport for the corridor, providing a final report in early August 2020. Following targeted engagement with key stakeholders, the report was publicly released in November 2020, in full, on the Hobart City Deal website at www.hobartcitydeal.com.au.
- The report indicated that each of the three options analysed – light rail, bus rapid transit and trackless tram – have very high capital costs, while delivering similar transport outcomes.
- Glenorchy and Hobart councils have been engaged throughout the project.
- It is understood that since the 2021 State election, Glenorchy City Council's strong advocacy for the immediate construction of a light rail service along the Corridor has been replaced by a willingness to consider other modes on their merits.
- A consortium led by Cox Architecture has been engaged to progress the Growth Strategy. This work will involve the development of a vision for the Corridor as well as recommendations for the staged activation of areas along the Corridor, including the identification of potential pilot areas. This work is anticipated to be completed in the next few months and will lead into a period of precinct planning.
- The existing condition assessment was undertaken by GHD, as part of the Department of State Growth's standing panel contract.

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Position: CEO, Infrastructure Tasmania

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Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	PARK AND RIDE INVESTMENT				
Date prepared:	17 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	2.1 Infrastructure Tasmania				
Election commitment/ policy, stimulus package, funding program etc.	\$20M New Park and Ride Facilities				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$7.78M	\$1M	\$3.5M	\$5M	\$17.28M
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total	\$7.78M	\$1M	\$3.5M	\$5M	\$17.28M¹

KEY MESSAGES

- Greater Hobart is growing, and by 2050 it is estimated that our city will be home to 60 000 more people than today. This level of population growth will generate more than 32 000 extra work-related trips per day.
- The aim of investing in Park and Rides is to encourage more people to use public transport. Park and Ride sites need to be located close to key arterial roads and growing population centres. Furthermore, they need to support the existing public transport and any future bus rapid transit network.

¹ The remaining funding for the election commitment is beyond the 2025-26 budget papers.
Last updated: 3 August 2022

- As part of the 2021 State Election, the Tasmanian Government committed to investing \$20 million to develop new park and ride facilities for commuters south of Rokeby, in Sorell and the southern beaches community, and in Hobart's northern suburbs.
- The Department of State Growth has identified three sites that support the key arterial corridors: namely the Brooker Highway (Claremont Links Road), the South Arm Highway Corridor (Pass Road) and the Tasman Highway (Midway Point). This is in addition to the Park and Ride facilities currently under construction in the Kingborough Municipality to support the Southern Outlet.
- The Department of State Growth is currently progressing the work to deliver on this commitment including how these sites will be serviced by current and future bus services. Concept designs for each site are now being finalised for public consultation.

Speaking points:

- As part of the 2021 State Election, the government committed to investing \$20 million to develop new park and ride facilities for commuters south of Rokeby, in Sorell and the southern beaches community, and the Glenorchy area in Hobart's northern suburbs.
- The proposed sites for the three park and ride facilities are:
 - Claremont Link Road, Claremont
 - Fenton Street, Midway Point
 - Pass Road, Rokeby
- Concept designs have now been prepared for the three park and ride facilities and will be available for public consultation in June 2022, with construction planned to commence early 2023.
- Further sites including New Norfolk, Huonville and Brighton will be assessed for their suitability.

Jobs/Investment created:

- Scoping and construction projects are expected to be undertaken wholly by local business and are within the capability of local businesses.
- The projects will also provide work and have a positive impact for ongoing employment. It is expected that there will also be a positive impact on subcontractors and local suppliers including design consultants.

- Additionally, all tenderers must have previously provided the Department of State Growth with a Tasmanian Industry Participation Plan, where relevant, identifying how they will be using local industries to support their design and construction methodologies.

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
	\$0.53M	\$7.78M	\$1M	\$3.5M	\$5M

Released under RTI

Background:

- The objectives of the new park and ride facilities are to:
 - meet the needs of Hobart's population growth, particularly in the outer suburbs
 - provide infrastructure to support bus services
 - provide commuters with a choice for travel options into the CBD
 - influence mode shift from using private vehicles and choosing public transport.
- It should be noted that no additional funding has been provided for a service uplift for these new park and ride sites.
- This budget initiative does not include the park and ride facilities being brought on line in Kingborough. As part of the Hobart City Deal, Council and community support was successfully gained for two park and ride facilities at Huntingfield and Kingborough for the growing Kingborough area.
- Firthside is now operational and Huntingfield will come online by August 2022.
- The Huntingfield Park and Ride facility will be supported by additional express bus services as a two-year trial.

Department of State Growth

Budget Estimates Briefing
Premier
Minister for Tourism
Minister for Trade



Subject: WILKINSONS POINT MULTI SPORT FACILITY
Date prepared: 01 June 2022
Output Group: 2 INFRASTRUCTURE AND TRANSPORT SERVICES
Output: 2.1 INFRASTRUCTURE TASMANIA

KEY INFORMATION (MINISTER BARNETT – LEAD)

- The Tasmanian Government has committed to develop a contemporary, community indoor multi-sport facility at Wilkinsons Point for use by the greater Hobart community.
- Tasmanian firm ARTAS Architects, working with global architecture firm Populous and several other Tasmanian businesses, has been contracted to design the multi-sport facility.
- The Tasmanian Government has allocated \$34.7 million to deliver the community facility. The project formed part of a 2018 State Election commitment.
- Further consideration is also being given to including training facilities for the Tasmania Jackjumpers NBL team along with creating a connection with Elwick racecourse principally to provide for additional car parking on that site which would provide benefits to both sites and maximise the development of prime waterfront land at Wilkinsons point.

Following commitments made by the new Australian Government for ferry infrastructure at Wilkinsons Point, further consideration will also need to be given to how this integrates with the site and proposed private development of the site to be undertaken by the LK Group.

TALKING POINTS

- In the lead up to the 2018 State Election, \$10 million was committed towards the development of a contemporary, community indoor multi-sport facility in Glenorchy for use by the greater Hobart community.
- A site options analysis was undertaken, with Wilkinsons Point identified as the preferred site for development of the indoor multi-sport facility.
- The Department of Communities Tasmania also progressed analysis of the sports to be catered for in the facility which informed a decision by the State Government that basketball, netball, volleyball, futsal and gymnastics would be included.
- Additional funding of \$10 million was committed to the project as part of the *Rebuilding Tasmania Infrastructure Investment program* in 2020, following the commencement of design work and consultation with sporting organisations on the scope of the facility in 2021.
- Following further scope clarification as well as consideration of the buoyant construction market which will increase build costs, a further \$14.7 million was allocated to the project as part of the 2021-22 Revised Estimates Report in early 2022. This now brings the total budget provision for the project to \$34.7 million.
- Local Tasmanian firm ARTAS Architects, working with global architecture firm Populous and several other Tasmanian businesses, was awarded a contract to design the multi-sport facility in early 2021.
- In late 2021, former Premier Gutwein decided to progress the inclusion of training facilities for the Tasmania JackJumpers within the design subject to funding being allocated which has not occurred as yet.
- At the same time, responsibility for the multi-sport facility project was transferred to Infrastructure Tasmania (now the Major Stadiums team) to deliver as part of the broader Wilkinsons Point development.
- Infrastructure Tasmania undertook a review of the project in late 2021 with the assistance of sports facility and stadia experts, Waypoint, which has subsequently been appointed as the Project Director to ensure successful delivery of the project.

- The review assessed the design of the facility in meeting the needs of stakeholders, considered how the facility fits as part of the development of the broader precinct and ensured the management and operational model for the facility is designed for optimal ongoing financial viability.
- Work to redefine the functional requirements and incorporate training facilities for the Tasmania JackJumpers NBL team has been commenced. Further consideration will be required on the funding of these facilities.
- Additional stakeholder engagement has been completed as part of redefining the functional requirements, and to inform an analysis of operational considerations for the facility (including intended usage) once it has been constructed.
- Considerable work has also been progressed regarding the way in which the facility integrates with the broader Wilkinsons Point precinct and also potential connections from the site with Elwick racecourse to provide mutual benefits to both sites and maximise the development of prime waterfront land. This work is ongoing at this time and the design process for the multisport facility continues to progress.
- It is important that master planning of the site is finalised and agreed before further construction commences.

Released under RTI

Background

- As part of the 2018 State Election, funding was committed towards the development of a contemporary, multi-sport facility in Glenorchy for use by the greater Hobart community.
- Between 2018 and October 2021, the Project was being administered by the Department of Communities Tasmania. Key items undertaken during this time:
 - January 2020 - the then Minister for Sport and Recreation approved the sports for inclusion to be netball, basketball, futsal, volleyball, and gymnastics,
 - September 2020 - the Minister for Sport and Recreation announced the sports for inclusion and the opening of a tender for the design consultant.
 - February 2021 - following a competitive tender process, the design contract was awarded to ARTAS Architects (at a value of \$1.3 million).
 - February 2021 - engagement between sporting groups and the design team commenced.
- The estimated value of the project has grown significantly as a result of the additional scope brought about through stakeholder engagement and to accommodate NBL standard training facilities, as well as the changes in the construction market. A high-level breakdown of the project funding is set out below:

2018 State Election Commitment	\$10 million
Rebuilding Tasmania Infrastructure Investment	\$10 million
Scope clarification and buoyant construction market costs (2022-23 State Budget)	\$14.7 million
Current 2022-23 Budget provision	\$34.7 million
Potential Tasmania JackJumpers training facilities (estimated)	\$15 million
Total potential cost	\$49.7 million

- Stadia and sport facility experts Waypoint were appointed as Project Director in early December 2021, under a contract value of up to \$600 000 (excl. GST) over an 18 month period. The scope of work to be provided by Waypoint as Project Director includes:
 - Specialist advice and recommendations to the Department to support the successful delivery of the IMSF project
 - Advice on the strategic and operational requirements and considerations for developing the venue
 - Advice to support the Department's approach with respect to the further development of the Wilkinsons Point site, including the interconnections between the developments, and the risks, challenges and opportunities presented for the multi-sport project.
- The changes to project scope have resulted in an increase in the design fees payable to ARTAS of approximately \$1 million.
- Other key appointments include WT Partnership as Quantity Surveyor and Warren Green Consulting to provide operation and management modelling advice for the project. An external Project Manager to oversee delivery of the project will also be appointed through a competitive process.

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Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	COMMON TICKETING				
Date prepared:	2 June 2022				
Output Group:	2 Infrastructure and Transport				
Output:	2.3 Passenger Transport				
Election commitment/ policy, stimulus package, funding program etc.	Election Commitment 2021 - Modernising Tasmania's Transport Services				
Funding:	22-23	23-24	24-25	25-26	Total
State \$(000)	14 500	4 000	4 000	-	\$31.5M* **
Federal					
Other					
Total \$(000)	14 500	4 000	4 000	-	\$31.5M**

* provided to Metro Tasmania as a mixture of grants and equity

** total election commitment of \$31.5m includes \$2m under Intelligent Transport Systems funding; and \$7m allocated to Common Ticketing in 2021-22.

KEY MESSAGES

- As part of its 2021 election commitments, the Government has committed \$31.5 million to deliver a common ticketing system to allow passengers to use a range of public transport services on a single ticket.
- Through Metro Tasmania, in collaboration with the Department of State Growth, the Government will deliver a modern ticketing solution that will apply to all General Access operators and will

integrate with intelligent transport solutions for users and providers of public transport including ferry services; and access to real time information for passengers, along with the ability to make fare payment by credit card, phone or wearable smart device.

- **The Government has made an in-principle decision to work with another jurisdiction and its ticketing provider, to see if such an approach can deliver a cost effective solution for Tasmania, but also reduce the risks associated with delivering such a complex project.**

Speaking points:

- As part of its 2021 election commitments, the Government has committed \$31.5 million to provide commuters with a seamless journey, combined with real-time information, which will boost public transport patronage and help mitigate congestion.
- This will ensure a fully integrated, intelligent transport solution for users and providers of public transport in Tasmania.
- It will deliver a modern common ticketing solution that will apply to all General Access public transport operators and will integrate with intelligent transport solutions for users and providers of public transport – now and into the future, including ferry services.
- It will provide a range of potential benefits including:
 - fare payment by credit card, phone or wearable smart device;
 - making it easier to transfer between services and operators; and
 - facilitating innovative and tailored fares to incentivise travel.
- It will also help inform network planning and fleet performance, leading to better and higher frequency services between bus interchanges.
- This commitment will be delivered through Metro Tasmania, funded through a mixture of grants and equity.
- This commitment complements the \$7.5 million equity injection already provided to Metro Tasmania as part of 2018 election commitments, to assist Metro with the upgrades required to its systems and infrastructure, as part of commencing the introduction of a common ticketing system.
- Most current Australian integrated ticketing systems are concentrated on serving major metropolitan centres. No integrated system currently operates across an entire state. The significance of this undertaking should therefore not be underestimated.

- The technology supporting integrated ticketing is also developing at a rapid pace. The platforms for integrated ticketing are evolving, with mobile applications and credit/debit card-based systems emerging to compete with the more familiar closed loop, proprietary systems (such as Metro's own Greencard system).
- I have asked Metro and the Department of State Growth (the department) to work together to deliver a new integrated ticketing solution for Tasmania.
- Through a joint steering committee, which includes industry representation, the project has planned its initiation stage, and is in now well progressed in discovery stage.
- Metro's prior work undertaken through its Request for Expressions of Interest process has tested the market, and will be used to assist in ascertaining the value for money proposition a jurisdictional solution presents.
- The body of work completed has enabled the Government to make an in-principle decision to work with another jurisdiction and its ticketing provider through the remainder of calendar year 2022, to see if such an approach can deliver a cost effective solution for Tasmania, but also reduce the risks associated with delivering such a complex project.
- The jurisdictional solution will provide customers with the ability to use bank issued credit and debit cards to pay fares, and will also retain an account-based system similar to Greencard. It is compatible with wearable devices and smart phones, and will provide real-time passenger information and journey planning assistance.
- This solution is attractive in that bigger jurisdictions are able to access a product which Tasmania could not otherwise afford.
- Potentially partnering with a larger jurisdiction also enables us to limit project risks.
- Ticketing systems are notoriously difficult to implement due to their complexity, and getting this right is a priority for Government.
- Following an established and proven deployment program provides us with expertise and learnings from their own deployment which we would not otherwise have access to.
- The investment of a larger jurisdiction can also be leveraged to Tasmania's benefit, providing us access to utilise their research, product development and knowledge from running a larger public transport network.
- As you can imagine, regardless of size, jurisdictions face many of the same challenges and opportunities. This creates a beneficial partnership, with potential for ongoing collaboration and support beyond a ticketing relationship across all aspects of public transport.

- Key to the successful delivery of such a transformational project as a common ticketing system for the entire state will be the engagement with our customers and operators. We want to ensure everyone is supported in this journey, as the magnitude of change is significant.
- I have asked the Department of State Growth to work closely with the community and operators to prepare for the new ticketing system, critical work which will commence now and be in place through to the ticketing system going live.
- Beyond the physical roll out of ticketing equipment, the project will need to support a large pipeline of work, including driver education and training, network planning, a review of fares concessions, policy and legislation, delivery of customer transition support and education, communications, marketing, branding, retailing and the establishment of ongoing customer support for a state-wide, multi-operator ticketing solution.
- The next step for is for Metro and the Department of State Growth to provide advice and I will then, as Treasurer, consider whether progressing to direct sourcing is appropriate.
- Given the current status of this work, and my requirement to consider this matter as both Treasurer and Minister for Infrastructure and Transport, I am not yet able to comment further. I look forward to providing more information in the coming months.

Key Statistics:

- General access services are delivered by eight bus operators under 19 long term contracts, and a short-term contract with Metro. There is also a contract with a ferry operator for a Derwent River ferry service
- There is a total of 300 buses across the general access operators, including 69 buses operated by private operators and 231 Metro Tasmania buses and a passenger ferry vessel.
- There are 173 fare charging school bus contracts, providing services with a fleet of 365 buses. Note that fare paying school services are not in scope for the common ticketing project.


Unit/Program Budget:

- Funding provided to Metro Tasmania

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
	\$7 000	\$14 500	\$4 000	\$4 000	\$-

Metro to report on actual expenditure at Government Business Enterprise Scrutiny Committee.

Background:

- The Tasmanian public transport system is reliant on services delivered by more than 93 operators.
- The largest single operator, Metro Tasmania Pty Ltd (Metro), provides urban services in Hobart, Launceston and Burnie and a limited set of non-urban services. Metro operates over 230 buses.
- There are eight other general access bus operators (noting that three; Redline, Merseylink and Sainty's, are commonly owned by Kinetic), and one passenger ferry operator in Tasmania. In total, private operators utilise approximately 70 buses on general access services.
- There are 365 school buses in operation in Tasmania.
- Metro introduced a smartcard system in 2009, supported by INIT. The system was characterised by the relative simplicity of the operating model, particularly when compared to smartcard systems introduced in other jurisdictions. The single-operator model allowed Metro to tailor the system to its own specifications, up to and including the name, Greencard (which is owned by Metro). Metro's approach dramatically reduced development time and rollout cost.
- Greencard has subsequently been introduced by Tassielink, under a direct contractual arrangement with Metro. It is understood these arrangements have created an ongoing administrative burden for Metro, reflecting the complexity of extending operating systems to multiple operators.
- Six other general access bus operators (O'Driscoll Coaches, Manion's Coaches, Calow's Coaches and East Tamar Bus Lines and Redline's northeast services, formerly known as Sainty's Bus Service and Merseylink) utilise smartcard ticketing systems.
- These operators all use the Transportme ticketing system. This is a low-cost, small-scale, 'off-the-shelf' common ticketing system, which offers smartcards and real-time passenger information. These bus operators transitioned to the Transportme system as part of the Bus Services Review Project. While it is the same system, it is not integrated, with each operator using a stand-alone instance of the system.
- Tasmanian Redline Coaches (Kinetic) is the only general access bus operator without a smartcard ticketing system. Redline has retained its proprietary ticketing system because of its need to maintain a booking-only system for travel on its intercity service. More recently, new management is reviewing Redline's ticketing systems.
- However, these systems are limited in their ability to meet the scale and complexity of the operators' network.
- The majority of fare charging school bus services currently utilise paper based ticketing systems.
- Through a Request for Expressions of Interest (REOI) process conducted in 2020, Metro previously tested the market for its capacity to provide a ticketing solution based on a budget allocation of \$7.5 million, originally scoped for Metro's requirements with future capacity to be expanded across the network.
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- Metro and the Department of State Growth met with representatives of another jurisdiction in April 2022 to explore potential for a piggyback opportunity. This involved formal meetings with the jurisdiction and service providers and field observations.

Released under RTI

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	DERWENT RIVER FERRY SERVICE				
Date prepared:	3 May 2022				
Output Group:	2. Infrastructure and Transport				
Output:	2.3 Passenger Transport				
Election commitment/ policy, stimulus package, funding program etc.	Election Commitment – 2018 - \$2M establishment Budget Funding - 2022-23 - \$19M infrastructure				
Funding:	22-23	23-24	24-25	25-26	Total
State \$(000)	\$8.13	\$4.82	\$2.95	\$2.95	\$18.84
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total \$(000)	\$8.13	\$4.82	\$2.95	\$2.95	\$18.84

KEY MESSAGES

- The Derwent River ferry service is an initiative under the Hobart Transport Vision being delivered through the \$1.6 billion Hobart City Deal between the Australian and Tasmanian Governments and the Hobart, Clarence, Glenorchy, and Kingborough Councils.
- The ferry trial commenced on 9 August 2021 and since this time passenger numbers have averaged 460 per day overall, and 500 per day during the summer peak.
- In January 2022 the Government announced the extension of the ferry trial into a second year.

- **Given the popularity of the ferry, the Government has now committed to making the existing ferry between Hobart and Bellerive an ongoing service for travelling commuters.**
- **A ferry service on the Derwent River offers an alternative to the Tasman Bridge for pedestrians and cyclists, providing commuters from the eastern shore with fast and convenient access to the city.**
- **For the two-year ferry trial, the Government committed \$2 million and to take the service forward, the Government has now committed \$19 million over four years.**
- **This funding will enable the start of an ongoing service between Hobart and Bellerive and provide appropriate infrastructure to support ferry operations.**

Speaking points:

- The Government is committed to the ongoing future of the Derwent River ferry service and has provided \$19 million over four years to transition the current trial into an ongoing service, and to provide appropriate infrastructure to support ferry operations.
- The Derwent River ferry service provides a convenient and comfortable travel option while helping to reduce congestion on our road network. It offers an alternative to the Tasman Bridge for pedestrians and cyclists and provides commuters from the eastern shore with fast and convenient access to the city.
- The service operates on weekdays (other than public holidays) in morning and evening peak periods.
- Since commencing operations, the service has moved over 70 000 passengers with feedback from patrons being extremely positive.
- The Government's commitment provides certainty beyond the initial trial for those Tasmanians who have come to rely on the ferry as their preferred commuter transport method.
- Additionally, upgraded infrastructure on the Bellerive side will replace the existing fixed term structure with purpose-built ferry birthing facilities to improve disability access and safety compliance.
- Passengers at Bellerive will further benefit from all-weather amenities which will provide a greater user experience, particularly in the colder months as there is currently little provision against the elements.

- While the Government's immediate priority is delivering an ongoing service between Bellerive and Hobart, given the success of the ferry service we have commenced engaging with councils to develop a framework to support decision making regarding any expansion of services.
- An engagement strategy has been provided to councils to outline the guiding principles that will support this work. Meetings have now been held with Hobart and Clarence City Councils, along with Kingborough and Clarence Councils.

Key Statistics:

- 80 per cent of passengers in year one of the trial to date have travelled for free on the presentation of a Greencard.
- 15 per cent of passengers travelled free as cyclists.
- The Summer Timetable had two vessels undertaking services.
- The overall daily passenger average is upward of 460, and 500 per day during the summer peak.
- Prior to Christmas the ferry had a daily service peak of 749 passengers.

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$0.155M	\$2M	\$8.13M	\$4.82M	\$2.95M	\$2.95M

Background:

- A 2018 election commitment of the Tasmanian Government was to establish a trial Derwent River ferry service between Hobart and Bellerive.
- The Derwent River ferry service is an initiative under the Hobart Transport Vision being delivered through the \$1.6 billion Hobart City Deal between the Australian and Tasmanian Governments and the Hobart, Clarence, Glenorchy, and Kingborough Councils.
- A ferry service on the Derwent River offers an alternative to the Tasman Bridge for pedestrians and cyclists, providing commuters from the eastern shore with fast and convenient access to the city.
- Following an initial expression of interest process in August 2020, a Request for Tender (RFT) for a private operator to run a one-year trial of a Derwent River ferry service (with potential for a one-year extension) was advertised on Saturday 7 November 2020.
- Derwent Ferries Pty Ltd, an associated entity of Roche Bros (Navigators) which operates the popular ferry service to Mona and tourist services at Port Arthur, was selected to operate the service.
- The Derwent River Ferry commenced service on 9 August 2021.
- Strong community support has been shown for the service, with many passengers cycling, walking and getting dropped off at Bellerive Pier to catch the ferry to Hobart.
- The target patrons for the service are people accessing the service by active transport and by bus. Accordingly, parking options at Bellerive have not been incorporated in the trial. Parking is a low value use of prime waterfront land.
- As part of the trial, the Government chose to introduce a Summer Timetable prior to Christmas to provide increased services in the lead up to Christmas and the holiday period. This timetable proved popular and has been run throughout the daylight savings summer time.
- With the cessation of daylight saving, the ferry service returned to the regular timetable from 16 May 2022.
- In January 2022, the Government announced that the ferry service would continue into a second year of the trial. This will provide the opportunity for a comprehensive evaluation of commuter travel preferences as well as data on the establishment of ferry operations beyond this time.
- While not part of the contracted ferry service, event-specific services operated for the Ashes Test Match in January 2022. These services attracted approximately 11 000 passengers over the three days of the match. City of Hobart Council also operated Saturday services to support city retail and the Salamanca Market between mid-December 2021 and early February 2022 averaging about 1 000 passengers per day.

Released under RTI

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	BRIDGEWATER BRIDGE PROJECT				
Date prepared:	13 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	Capital Investment Program				
Election commitment/ policy, stimulus package, funding program etc.	New Bridgewater Bridge				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$42.6M	\$56.1M	\$22.9M	\$16.9M	\$138.5M
Federal	\$208.4M	\$224.4M	\$91.6M	\$67.6M	\$592M
Other					
Total	\$251M	\$280.5M	\$114.5M	\$84.5M	\$730.5M

KEY MESSAGES

- The Australian and Tasmanian Governments have committed \$786 million to build new Bridgewater Bridge.
- This represents the biggest transport infrastructure project in Tasmania's history.
- The funding commitment includes a \$210 million boost for free-flowing traffic connections to and from New Norfolk and the Derwent Valley, as well as Boyer Road and Bridgewater.
- Building a new Bridgewater Bridge will improve safety, reduce congestion, provide more reliable travel times and create local jobs.

- The project will see a new four-lane bridge built downstream of the existing bridge, including enhanced connections at Bridgewater and Granton, a shared path for cyclists and pedestrians and a navigation height matching the Bowen Bridge.
- The project is on track to start construction later this year as planned.
- Funding has been approved, a contract has been awarded, a design is being finalised, and a planning permit has been received through the new Major Projects planning process.
- The opening of the new bridge to traffic will be followed by around six months of additional civil works finalising the interchanges at either end of the new bridge, ahead of a target project completion date of mid-2025.

Speaking points:

- Forming a critical part of Tasmania's transport network, the Bridgewater Bridge is a key link in the Burnie to Hobart freight corridor, Tasmania's highest volume freight network, and is an important transport connection for Greater Hobart.
- Over the past year, significant progress has been made to prepare the project for construction of a new Bridgewater Bridge to start.
- As part of this effort, an Early Contractor Involvement (ECI) procurement process was conducted, a contractor has been engaged, funding has been secured, the chosen design is being developed, the project has secured a planning permit and support has been received from the Parliamentary Standing Committee on Public Works.
- In December 2021, the Tasmanian Government announced McConnell Dowell as the successful contractor to deliver the project.
- McConnell Dowell's chosen design is a value for money solution that will provide positive outcomes for the local residents, commuters and the wider Tasmanian community.
- The chosen design will see the construction of a new 1.2-kilometre bridge built downstream of the existing bridge.
- The four-lane structure will include enhanced interchanges at Bridgewater and Granton, an 80km/h speed limit, a three-metre-wide shared path for cyclists and pedestrians and a navigation clearance matching the Bowen Bridge.
- By removing the bottlenecks at each end of the bridge, congestion will be reduced, and people will be able to plan their journeys with more confidence.

- A free-flowing crossing with a higher speed will also improve freight routes and boost productivity for the heavy vehicle industry.
- Stakeholder engagement has been a major part of the project, and the community provided important feedback during consultation on the reference design for the project in late 2020.
- The tenderers involved in the competitive design process were provided with this information and it was pleasing to see much of it incorporated into the chosen design.
- At Granton, the Lyell Highway junction and Black Snake Road junction will be grade separated from the Brooker Highway, meaning traffic can easily travel from Brooker Highway onto the Lyell Highway towards New Norfolk.
- On the northern side of the river at Bridgewater, there will be new Midland Highway ramps at Old Main Road and Gunn Street will connect to Old Main Road under the new bridge.
- There will also be a south bound ramp from Bridgewater onto the new bridge, that will provide better connections for local traffic.
- The announcement of McConnell Dowell as the contractor to deliver the project included confirmation by the Australian and Tasmanian governments of an extra \$210 million in funding, taking the total project budget to \$786 million.
- The formal funding commitment was confirmed through the approval of the Delivery Phase Project Proposal Report (PPR) in March 2022.
- The funding profile for the Project has not changed from last year's budget, other than the further \$210 million being committed to deliver the chosen design including enhanced connectivity at both Bridgewater and Granton.
- Because the chosen design is an independent bridge separated from the existing bridge and causeway, the demolition of the existing bridge and associated road interchange works cannot occur until after the new bridge is completed. Funding for this work and other end of project works is included through until 2025-26.
- Construction will support around 830 jobs, including the creation of more than 200 direct new jobs for Tasmanians.
- A minimum of 25 per cent of these roles will be recruited from the Brighton, Derwent Valley and Glenorchy local government areas.
- McConnell Dowell is expected to procure around 85 per cent of the construction work through subcontract agreements with Tasmanian companies, who will need to recruit extra capacity into their organisations.
- This will provide more job and career opportunities for Tasmanians and potentially increase the long-term skills and capacity of the industry.

- Geotechnical and site investigations are now underway as well as engagement with key stakeholders as part of the detailed design work and preparation of construction management plans.
- Consultation and engagement is ongoing around how the project will be delivered to create maximum benefit while minimising the impacts on the community and environment.
- As with any major construction project, there will be disruptions to the local community and travelling public. The New Bridgewater Bridge Project team is working with the contractor and the community to ensure these disruptions are minimised.
- Construction will start later in 2022 including commencement of a temporary bridge to facilitate construction and earthworks on the northern and southern sides of the river.

Released under RTI

General Project Background

- The existing Bridgewater Bridge is the fourth built at the crossing point between Granton and Bridgewater and has reached the end of its economic life. It is expensive to maintain and repair and its unreliable lifting span results in frequent disruption to traffic on the Midland, Brooker and Lyell Highways.
- Planning for a new Bridgewater Bridge has been ongoing for a number of years. Following a \$576 million funding commitment from the Australian and Tasmanian Governments in 2018, Tasmanian business Burbury Consulting was engaged in 2019 to develop and consider options that would deliver a crossing solution that was affordable within the funding commitment.
- Work on the project progressed quickly since late 2019, with a set of high-level functional specifications approved by the Project's Executive Steering Committee in early 2020. These were presented to Cabinet alongside two concept designs (option 1 and option 2) in June 2020 and were publicly released in July 2020.
- A more detailed reference design showing what could be built to deliver the project's design requirements within budget was released for public consultation in October 2020. The reference design was consistent with option 1 and included the construction of a new, two-lane bridge, the retention of the existing causeway and the replacement of the existing bridge with a new two-lane bridge.
- All information received through the consultation process was provided to the tenderers involved in the competitive Early Contractor Involvement (ECI) procurement process prior to their tenders being submitted in August 2021.

Removal of the existing bridge

- Due to the substantial maintenance costs and upgrade requirements, the planning approvals sought under the *Land Use Planning and Approvals Amendment (major Project) Act 2020* included the decommissioning of the existing bridge once it is no longer needed.
- The removal of a redundant asset is a normal part of infrastructure development and is consistent with what has occurred at the site for each of the prior bridges since the first crossing was developed.
- Public perception exists that the removal of the bridge will compromise future options for passenger rail services, however including rail infrastructure on the new bridge is outside the scope of the project and would not be as simple as attaching an additional structure onto the side of the new bridge, considering the different alignment that trains require.

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	CYCLING SAFETY INVESTMENT				
Date prepared:	28 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	Capital Investment Program				
Election commitment/ policy, stimulus package, funding program etc.	2018 State Election Commitment (\$6 million) State Roads Upgrades – Northern, Southern and North West & West Coast Region 2021 State Election Commitment (\$6 million) Cycling Infrastructure				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$2.57M	\$0.5M	\$0.5M	\$1.5M	\$5.07M
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total	\$2.57M	\$0.5M	\$0.5M	\$1.5M	\$5.07M¹

KEY MESSAGES

- In 2018, the Tasmanian Government committed \$6 million to boost active transport options around Tasmania, linking cycling routes on local roads on a negotiated basis. This successful policy has delivered important safety upgrades such as the improvements at Bonnet Hill between Tarroona and Kingston, and motorists and cyclists alike are appreciating the benefits.

¹ The remaining funding for the election commitment is beyond the 2025-26 budget papers
Last updated: 3 August 2022

- **The Tasmanian Government is continuing this successful program in partnership with local government, with another \$6 million in funding over four years from 2022-23, delivering \$2 million in improvements in each of the three regions.**

Speaking points:

- The Tasmanian Government has committed \$11 million to improve cycling safety on State roads across the three regions from 2015-16 through to 2021-22.
- The popular West Tamar Highway cycling route was also improved with works undertaken between Riverside and Legana completed in the 2020-21 construction season through additional funding of \$1.5 million.
- Further projects delivered during 2021, included the Goodwood Main Road off-road path between Howard Road and the Bowen Bridge, improvements to the off-road path along Stony Rise Main Road at Stony Rise in Devonport and improvements on Ranelagh Secondary Road to the off-road path between Huonville and Ranelagh.
- A further \$6 million has been committed through to 2025-26 with further projects being identified for delivery.
- Consultation and collaboration with key stakeholders, including local councils and bicycle advocacy groups, is ongoing and will assist in identifying priorities for future projects over the course of the cycling safety investment program.

Key Statistics:

- N/A

Jobs/Investment created:

- N/A

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$2.13M	\$1.33M	\$2.57M	\$0.5M	\$0.5M	\$1.5M

Background:

- The Tasmanian Government investment builds on previous commitments to cycling infrastructure state-wide, with the first project delivered through this commitment being the popular cycling route on the Channel Highway at Bonnet Hill between Baringa Road and Proctors Road.
- Based on the cost to deliver cycling facilities under the current State Roads Cycling Safety Improvements project, the commitment to ongoing funding will help deliver more facilities across the State road network to complement existing infrastructure.
- The Department of State Growth has worked with the Bicycle Network as the key cycling advocacy body in Tasmania to identify potential projects. A list of local council priorities has been collated and the relationship with Bicycle Network will be maintained to ensure meaningful infrastructure improvements continue to be made.
- The relationship with Bicycle Network delivered the safety upgrade on Bonnet Hill, increased shoulder width for Grass Tree Hill Secondary Road at Risdon Vale, improvements along the West Tamar Highway between Launceston and Legana, as well as the projects undertaken in 2020-21.
- Other planning work undertaken in 2021-22 for future projects includes a pathway connecting Rocherlea and Dilston on the East Tamar Highway, as well as further concept development for a pathway along Stony Rise Road between Middle Road and Durkins Road.
- Following further consultation with the Launceston City Council, the Department is also investigating the opportunity for a pathway along the Kings Meadows Connector.
- Bicycle Network, TasRail and the Department have also discussed rail crossings on disused rail lines. Options for improvements were considered as a result of discussions at the Road Safety Advisory Council and discussions on this particular aspect of cycling safety will continue, as it remains a difficult issue to resolve, given the complexities of legislative arrangements at road and rail interfaces.
- The Department will continue to work with TasRail around maintenance issues at these crossings to ensure that the State road pavements are kept in an acceptable condition for all road users.

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	GREATER HOBART TRAFFIC SOLUTION – ELECTION COMMITMENT				
Date prepared:	13 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	Capital Investment Program				
Election commitment/ policy, stimulus package, funding program etc.					
Funding:	22-23	23-24	24-25	25-26	Total
State	\$44.4M	\$30M	\$22.5M	\$4.7M	\$101.6M
Federal	\$4.7M	\$25M	\$19M	\$16M	\$64.7M
Other	-	-	-	-	-
Total	\$49.1M	\$55M	\$41.5M	\$20.7M	\$166.3M

KEY MESSAGES

- **Population growth and increased economic activity are putting pressure on the Hobart road network, particularly arterial corridors and Hobart CBD streets.**
- **Effective transport planning and traffic management is vitally important for Hobart to retain and improve its liveability and particularly to remain globally competitive in attracting visitors and new residents.**

- **The Greater Hobart Traffic Solution commits \$204.8 million for short and long-term transport initiatives to manage peak commuter demand in the Hobart area.**
- **The Australian and Tasmanian Governments have committed \$130 million of this to invest in the strengthening of the Tasman Bridge and widening of its pathways to provide for safer and more productive journeys to and from Hobart's east. This funding will continue to the 2026-27 year.**
- **The Tasmanian Government has also contributed \$20 million to this program for the Kingborough Congestion Fund.**

Speaking points:

- Population growth and increased economic activity are putting pressure on the Hobart road network, particularly arterial corridors and Hobart CBD streets.
- Effective transport planning and traffic management is vitally important in order for Hobart to retain and improve its liveability, and particularly to remain globally competitive in attracting visitors and new residents.
- The Greater Hobart Traffic Solution commits \$204.8 million in funding for short and long-term transport initiatives to manage peak commuter demand in the Hobart area.
- The Greater Hobart Traffic Solution implements key aspects of Infrastructure Tasmania's Hobart Transport Vision and the Hobart City Deal through the following nine initiatives.

Tasman Bridge Pathways

- The Australian Government and Tasmanian Government have both provided \$65 million to the Tasman Bridge.
- Upgrading the Tasman Bridge to accommodate wider pathways and improved barriers will provide safer and more convenient access to the bridge for pedestrians and cyclists.
- Development for the project is underway with consultants GHD, with work expected to start in 2022-23, subject to procurement of construction contractor. The project will take place in stages, and it is anticipated works will be completed in 2024-25.

Fifth Lane on Southern Outlet

- A concept design has been prepared for a T3 northbound Transit Lane on the Southern Outlet from Olinda Grove to the start of Macquarie Street.
- Public consultation on the concept design concluded in September 2021.

Davey and Macquarie Streets

- Concept designs have been finalised for bus priority measures in Macquarie and Davey Streets. These measures include the extension of the transit lane on Macquarie Street to Ispahan Avenue, removal of parking and extending clearways at the top end of Macquarie Street to reduce turbulence and signal optimisation to maximise bus travel time reliability.
- Detailed design is expected to be completed in September 2022 with a tender to be advertised in October 2022.
- Construction is expected to commence in early 2023.

Traffic Incident Response Team

- The Department of State Growth and Tasmania Police have developed operational protocols to improve on-site coordination of traffic incident response to ensure traffic disruptions due to network incidents is minimised as much as possible.
- The Department of State Growth has contracted Stornoway, through the Southern Maintenance Contract, to provide standby tow truck services for incident response at three strategic locations around the network during peak times, including all-day coverage of the Tasman Bridge on weekdays.
- The same tow trucks are also used to tow vehicles parked in clearways in Macquarie Street during the morning peak period.
- Incident response vehicles are managed through the Department of State Growth's Traffic Management Centre.

Bus Priority Measures on Key Feeder Routes

- Bus prioritisation measures are being progressed on Main Road and Elizabeth Street, such as more clearways and bus-only lanes on key roads during busy peak times; queue jump starts before the approach to an intersection to allow buses to bypass traffic queues; and consolidating bus stops to ensure they are "paired" and more evenly spaced.

Arterial Access Improvements

- The Australian Government announced in the 2018-19 Budget funding of \$10 million to upgrade Intelligent Transport Solutions on the Tasman Highway. The State Government has committed to match this funding. This will include:
 - modernisation of the lane use management system on the Tasman Bridge; and
 - provision of Variable Message Signs at key locations, to provide early warning of incidents, including detours and travel time information.
- Both of these projects will be taken to market in 2022.

Derwent River Ferry Service

- The Tasmanian Government engaged a private operator, Roche Bros (Navigators), who operates the popular ferry service to Mona and tourist services at Port Arthur, to run the trial Derwent River ferry service between the eastern shore and Hobart.
- Derwent River Ferry services commenced on Monday 9 August 2021 with over 70 000 passengers having utilising the service since this time. The daily average currently sits at upward of 460 passengers.
- The Derwent River ferry service provides a convenient and comfortable travel option while helping to reduce congestion on our road network.
- The announcement in January 2022 by the Tasmanian Government, of the ferry service moving into a second year of the trial will provide the opportunity for a comprehensive evaluation of commuter travel preferences as well as data on the establishment of ferry operations beyond this time.

Active Transport Investment

- The Tasmanian Government committed \$6 million over four years from 2018-19, to improve cycling safety on State roads with \$2 million for each of the three regions. Additionally, a further \$6 million has been allocated over four years from 2021-22.
- Additionally, the Tasmanian Government has also committed to a \$2 million grants program in partnership with southern councils to create or extend bicycle routes that connect areas within towns or regions.

Hobart Bus Transit Centre

- The Tasmanian Government committed \$750 000 in 2019-20 and 2020-21, to examine the feasibility of a new bus transit centre in the Hobart CBD.
- The Tasmanian Government has committed a further \$4 million for scoping and development activities over three years 2022 to 2025.
- The existing Elizabeth Street bus mall has limited capacity and will prevent the expansion of bus services into the city.
- WSP completed its technical feasibility study in February 2020, which provided the functional requirements for a transit centre and selected two options as being broadly feasible with indicative costs of up to \$263 million ($\pm 50\%$). The Tasmanian Government was briefed on this in early March 2020 and a Cabinet Minute was submitted by the Department of State Growth in August 2020.
- During 2020 to 2021, WSP completed further design development work on the two options including concept designs of an above ground and below ground option, operational and constructability assessments and a high-level assessment of alternative sites.

- As a result of significant risks inherent in the two options, a high-level examination of a third option offering cost and constructability advantages was undertaken in 2021. For the remainder of 2022, more detailed concept design and cost estimate work will be progressed on this option.
- To enhance pedestrian connectivity between Hobart's waterfront and ferries, to the current bus interchange at Franklin Square, the Government is also investigating a Brooke Street pedestrian walkway to go under Davey and Macquarie Streets.

Hobart Western Bypass Feasibility Study

- The Hobart Western Bypass Feasibility Study was completed by GHD in March 2020 and submitted for Cabinet Consideration. Key stakeholder briefings were conducted in September 2020 for City of Hobart, Kingborough, Clarence and Glenorchy Councils, RACT and NCK Evers Network, and a Summary report was publicly released.
- The Study found that a bypass is not currently feasible for managing CBD congestion with each trip costing taxpayers \$31 for a travel time saving of at most four minutes. Tolling revenue would only cover the cost of running the tolling collection system.
- A bypass will cost \$3.4 billion, and will have a substantial impact on Hobart's heritage, affecting up to 64 State listed properties.
- Of the \$1 million budget, \$887 000 was spent on the study.

East Derwent Highway studies

- Under the election commitment for Bowen Bridge Eastern Connector-feasibility, the Department of State Growth has investigated the feasibility of completing the Flagstaff Gully Link Road through to the East Derwent Highway, as well as future highway duplication between Shones Corner and the Bowen Bridge. Consultants Pitt & Sherry started these studies in November 2020 and feasibility and options reports have been prepared. The study has involved consultation with Clarence City Council officers.
- A further check of Flagstaff Gully Link traffic modelling is being conducted and will be completed by mid-2022. After that time, results of the study will be shared with Clarence City Council and the public.

Key Statistics:

- The committed \$204.8 million is allocated as follows:

Davey and Macquarie Streets	\$16 million
Southern Outlet Fifth Lane	\$35 million
Tasman Bridge	\$117 million ¹
Kingborough Congestion Fund	\$20 million
Derwent Ferry	\$2 million
Traffic Incident Response Team	\$4 million
Active Transport Grants	\$2 million
Hobart Bus Transit Centre	\$4.75 million
Bus Priority Measures	\$1 million
Western Bypass Study	\$1 million
Hobart Transport Master Plan	\$2 million

Jobs/Investment created:

- The projects will also provide work and have a positive impact for ongoing employment. It is expected that there will also be a positive impact on subcontractors and local suppliers including design consultants.
- From a procurement perspective all tenderers must provide the Department with a Tasmanian Industry Participation Plan identifying how they will be using local industries to support their design and construction methodologies.

¹ Another \$13M to be provided from Urban Congestion Fund (total project value \$130M)

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$7.74M	\$27.53M	\$49.1M	\$55M	\$41.5M	\$20.7M

Released under

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	HOBART BUS TRANSIT CENTRE				
Date prepared:	13 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	Capital Investment Program				
Election commitment/ policy, stimulus package, funding program etc.	Greater Hobart Traffic Solution				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$2M	\$1M	\$1M		\$4M
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total	\$2M	\$1M	\$1M		\$4M

KEY MESSAGES

- Prior to the 2018 State Election, the Tasmanian Government announced its intention to plan, design and develop a new (possibly underground) Bus Transit Centre in Central Hobart as part of the Greater Hobart Traffic Solution.
- The Hobart City Deal then made the commitment to develop a Hobart Transit Centre and state funding was provided for the first phase of the project to identify possible locations.
- Increased use of passenger transport can reduce pressure on the greater Hobart road network.

- **The Hobart CBD will need a more efficient, dedicated bus transit centre to cater for increased bus services.**
- **Under the City Deal, the Tasmanian Government provided \$750 000 to identify possible locations and commence planning for the transit centre - this work has been completed.**
- **The Government has committed a further \$4 million for scoping and development activities over three years 2022 to 2025.**

Speaking points:

Hobart Bus Transit Centre

- In 2019, expert consultancy firm WVSP were engaged to examine the feasibility of a new transit centre.
- Following completion of a feasibility study in February 2020, detailed design development work on two preferred options from the feasibility study has revealed that both the above and below ground options at Franklin Square and lower Elizabeth Street would have significant challenges for construction as well as ongoing operability for both traffic and buses.
- Following the assessment of alternative locations completed in September 2020, further options, including options in and around the Dunn Street Carpark and City Hall sites, have been investigated.
- Work in 2021 confirmed that an alternative location offers cost and constructability advantages compared to the options at Franklin Square, however a cost estimate has not been prepared.
- This is a highly complex project and will take several years to plan, fund, construct and commission.
- For the remainder of 2022, concept design and cost estimate work will be progressed for the transit centre at the third location. This work will form the basis for preparation of a Business Case in 2023.

Key Statistics:

- N/A

Jobs/Investment created:

- Substantial investment will be required with cost estimates for the different Hobart Bus Transit Centre options ranging from \$50 million to \$270 million. Construction periods of up to two years are expected.

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$0.63M	\$0.05M	\$2.0M	\$1.0M	\$1.0M	\$

Released under RTI

Background:Transit Centre

- Prior to the 2018 State Election, the Tasmanian Government announced its intention to plan, design and develop a new (possibly underground) Bus Transit Centre in Central Hobart as part of the Greater Hobart Traffic Solution. The Hobart City Deal then made the commitment to develop a Hobart Transit Centre and state funding was provided for the first phase of the project to identify possible locations and commence planning.
- Consultant WSP was awarded the Feasibility Study work after an open Request for Quotation was released by the Department in March 2019 and four tenders were evaluated.
- WSP has extensive experience in the design of functional requirements for bus transit centres, with relevant projects including Perth's Busport and the award-winning Christchurch Bus Interchange in New Zealand.
- WSP identified the functional requirements of a bus transit centre in terms of the size of area required for bus stands, passenger and driver amenities, service information and ticketing facilities. The technical feasibility of five above ground, partial and wholly underground options for a bus transit centre at lower Elizabeth Street and Franklin Square was assessed. Indicative costs were provided for two preferred options.
- A Feasibility Study report was delivered in February 2020 and indicated significant uncertainties that required further work before advice could be properly considered by the Tasmanian Government.
- In May 2020, WSP were directly engaged to carry out Design Development work concentrating on the two preferred options identified in the Feasibility Study, one above ground and one below ground. This work included stakeholder engagement, concept design work, more detailed cost estimates, examination of the bus operability, constructability and a rapid assessment of other central locations for a transit centre.
- Concept designs and detailed cost estimates have now been completed for both options, however the Department considers both to be fatally flawed due to significant constructability and operational risks.

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport



Subject:	SOUTH-EAST TRAFFIC SOLUTION				
Date prepared:	13 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	Capital Investment Program				
Election commitment/ policy, stimulus package, funding program etc.	South East Traffic Solution Roads of Strategic Importance				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$10.19M	\$15.84M	\$15M	\$10M	\$51.03M
Federal	\$15.41M	\$57.63M	\$88.19M	\$37.39M	\$198.62M
Other					
Total	\$25.6M	\$73.47M	\$103.19M	\$47.39M	\$249.65M

KEY MESSAGES

- In 2018 the Tasmanian Government announced the South East Traffic Solution commitment to invest strongly in the South-East road network to maintain the liveability of Sorell and the Southern Beaches, by reducing commute times through a more efficient, safer road network.
- The commitment included the following projects: Hobart Airport Interchange, Duplication of the Tasman Highway near Tasmania Golf Club, Duplication of the Tasman Highway at Midway Point, the Sorell Southern Bypass, overtaking lanes on the Arthur Highway and the design for duplicated causeways near Sorell.

- **In 2020 additional funding of \$187 million was announced for the construction of both the Midway Point and Sorell Causeways which includes a \$150 million contribution from the Australian Government.**

Speaking points:

- The Tasmanian Government leveraged its existing 2018 State Budget \$27 million commitment to secure an additional \$130 million Australian Government funding to ensure the projects can proceed. This was increased with an additional \$150 million in 2020 for duplication of the Midway Point and Sorell Causeways. The total funding commitment is \$349.5 million.
- The South East Traffic Solution Program consists of six separate road projects along the Sorell to Hobart road corridor. These projects are:
 - The Hobart Airport Interchange, current total project estimate \$46 million
 - Highway duplication (four lanes) between the Airport Interchange and the Midway Point Causeway, current total project estimate \$28 million
 - Removal of the roundabout at Midway Point and duplication of the highway through Midway Point, current estimate \$29 million
 - The Sorell Southern Bypass, current estimate \$25 million
 - An overtaking lane on the Arthur Highway near Iron Creek costing \$3 million.
- The Hobart Airport Interchange Design and Construct Contract was awarded to Hazell Bros Group in November 2019.
- The Midway Point Intersection Solution Construction Contract was awarded to Fulton Hogan Constructions in October 2020.
- The Sorell Southern Bypass Construction Contract was awarded to Hazell Bros Group in February 2021.
- The Tasman Highway duplication between the Hobart Airport Interchange and Midway Point Causeway is currently going through the approval process.
- Construction of the Arthur Highway overtaking lane was completed in March 2020.
- Environmental investigations and design are progressing on the Midway and Sorell Causeway duplications and community consultation commenced in late February 2022.

Key Statistics:

N/A

Jobs/Investment created:

It is estimated that 1 398 direct jobs and 233 indirect jobs will be created through the life of this program.

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$29.09M	\$52.17M	\$25.6M	\$73.47M	\$103.19M	\$47.39M

Released under RTI

Background:

- This Tasman Highway corridor is a critical road network particularly for commuters, freight, and tourists. The Tasman Highway is a Category 1 / Trunk Road from Hobart to the Airport (Holyman Avenue) Roundabout. From the Airport Roundabout to Sorell it is a Category 2 Regional Freight Route Road and is also the major access from Hobart to the east coast via Sorell.
- The Sorell area (including the Southern Beaches communities) has one of the highest population growth rates in Tasmania. Currently, during morning and afternoon peak hours, the Tasman Highway at Midway Point and the causeway between Midway Point and Holyman Avenue are at capacity. Investment in the South East Traffic Solution is needed to relieve the increasing pressure on the Tasman Highway as more people commute between Sorell to Hobart to access jobs, education, training and other services.
- The population of the Sorell municipal area is increasing at a compound rate of 1.7 per cent per year, nearly three times the Tasmanian rate (Source: Sorell Township Urban Masterplan) and population projections out to 2036 point to an increase of 40.5 per cent.
- A large percentage of this expansion is in the Southern Beaches area of Lewisham and Dodges Ferry, located east of Sorell. There is a heavy reliance on the motor vehicle for transport in these regions, with 80 per cent of people using cars as their primary method of travel.
- The Airport Interchange to Midway Point (Western) Causeway project requires significant modifications to the Tasmania Golf Club, a design for the required works on the golf club has been developed and approved by the Tasmania Golf Club committee.
- A threatened species has been identified within the Airport Interchange to Midway Point (Western) Causeway project footprint triggering a referral under the EPBC which has been submitted for assessment.
- The Midway Point Intersection solution includes traffic signals at the Penna Road intersection and four lanes through Midway Point and the design has retained the service station and adjacent businesses.
- The Sorell Bypass design is for a two-lane highway, roundabouts at the eastern and western connections to Sorell and a speed limit of 80 km/h.
- The Western Causeway Planning Feasibility Study completed in April 2020 identified the presence of endangered marine species on the western causeway that requires a referral under the Commonwealth *Environmental Protection and Biodiversity Control Act* with further investigations underway in preparation for the referral submission.

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	TASMAN BRIDGE PATHWAYS				
Date prepared:	13 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	Capital Investment Program				
Election commitment/ policy, stimulus package, funding program etc.	Greater Hobart Traffic Solution Urban Congestion Fund				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$9.35M	\$24.65M	\$23.13M	\$4.7M	\$61.83M
Federal	\$4.66M	\$25M	\$19M	\$16M	\$64.66M
Other					
Total	\$14.01M	\$49.65M	\$42.13M	\$20.7M	\$126.49M

KEY MESSAGES

- **The Tasmanian Government is committed to ensuring the Tasman Bridge meets community's transport needs into the future.**
- **Design for improvements to the pathways, safety barriers and associated strengthening required for the upgrades is being progressed.**
- **In the 2020-21 Budget, the Tasmanian and Australian Governments co-funded a total of \$130 million for the pathways and associated bridge strengthening.**

Speaking points:

- The Tasmanian Government is committed to ensuring the Tasman Bridge is fit to meet the community's transport needs into the future.
- In the 2020-21 Budget, the Tasmanian and Australian Governments co-funded a total of \$130 million for the pathways and associated bridge strengthening.
- The Bridge upgrade works include strengthening to provide for widened pathways and increased traffic, particularly freight transport.
- The improvements to the pathways will include increased barrier heights and the maintenance upgrades include improved inspection access along with feature lighting for the gantry and the Bridge's arches at night.
- Wider pathways and improved barriers will provide a safer and more convenient access to the Bridge for pedestrians and cyclists.
- Work commenced in 2021 with the development of concept options and information to be presented to key stakeholders and the community in mid-2022. The strengthening and pathway construction will commence in early 2023 and be completed in early 2025.

Key Statistics:

- N/A

Jobs/Investment created:

- It is estimated that 520 direct and 87 indirect jobs will be created.

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$0.29M	\$2.01M	\$14.01M	\$49.65M	\$42.13M	\$20.7M

Background:

- The review of the bridge design has concluded that higher barriers with wider pathways can be achieved with some localised strengthening work.
- The improvements to the pathways and associated strengthening is being progressed with construction expected to commence in 2022-23 financial year.
- The higher barriers and wider pathways will further mitigate the risk of the use of the Tasman Bridge as a means for suicide.
- There is strong evidence to confirm that raising the profile of the Tasman Bridge through the media will lead to an increase in the number of suicide attempts. The Department treats all correspondence and contact on this issue with sensitivity. Similarly, the installation of barriers as part of improvements to the Bridge pathways will require sensitivity and coordination in a combined effort from across Government and the community.

Released 4

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Department of State Growth

**Budget Estimates Briefing
Minister for State Development, Construction and Housing**

12

Subject: LAUNCESTON CITY DEAL
Date prepared: 20 April 2022
Output Group: I Industry and Business Growth
Output: I.1 Office of the Coordinator-General

Speaking points

The Launceston City Deal (LCD) represents a 10-year partnership between the Australian and Tasmanian Governments, and the City of Launceston to make Launceston Australia's most innovative and liveable regional city.

The LCD was signed by the Prime Minister, Tasmania's Premier and Launceston's Mayor on 20 April 2017.

The LCD aims to deliver a coordinated approach for planning, policy reform and leveraging infrastructure investment in Launceston.

Currently, a total of \$569 million in government and private investment has been directed to the LCD commitments. The Tasmanian Government has provided a total of \$126 million dollars in funding to the LCD to date.

The LCD was the second City Deal signed in Australia and the first Tasmanian City Deal partnership.

The LCD was formally extended from five years to 10 years (2027) by the three signatories in August 2019.

The fourth Annual Progress Report was released on 19 November 2021 as well as the results of a three-year review of the implementation of the LCD.

Key projects in the LCD include:

- the University of Tasmania (UTAS) relocation to Inveresk
- Launceston City Heart
- Tamar Estuary River Health Action Plan
- the Launceston Creative Precinct

- Northern Suburbs Revitalisation (My Place My Future).

The Office of the Coordinator-General (OCG) is working with the Australian Government and City of Launceston representatives to develop the City Deal extension implementation plan.

The OCG has responsibility for facilitating the implementation of the LCD through the Executive Director Northern Cities. The Coordinator-General is the co-chair of the Executive Board which oversees the City Deal's implementation.

Information on the LCD, including public reports and publications, can be found on the Australian Government website at www.infrastructure.gov.au/territories-regions-cities/cities/city-deals/launceston

Key Statistics

There are currently 22 commitments outlined within the LCD. The Tasmanian Government is responsible for delivering 11 of these initiatives. 15 commitments have been completed since the Deal's inception.

Jobs/Investment created

The LCD is expected to create 430 new direct construction jobs.

The Launceston Apprenticeship Pipeline Project delivered a total of 89 work placements, new apprenticeships, and pre-apprenticeships in Launceston.

TasWater has provided a high level estimate that at the program peak, over 125 direct jobs may be employed via the infrastructure upgrades to Launceston's combined sewerage and stormwater system.

The relocation of the UTAS campus to Inveresk will create an additional 225 full time equivalent staff to support a campus of 10 000 students annually by 2032.

A total of \$569 million in government and private investment has been directed to LCD commitments. The Tasmanian Government has provided a total of \$126 million in funding to the LCD to date.

Unit/Program Budget

The Tasmanian Government has provided the following investment to implement commitments outlined within the LCD:

- \$60 million for the relocation and redevelopment of the UTAS main Launceston campus to Inveresk
- \$3.5 million to support the Tamar Estuary Management Taskforce (TEMT) to develop the Tamar River Action Plan and develop an enduring governance model for the Tamar Estuary
- \$47.5 million to implement key projects identified within the Tamar River Action Plan
- \$4 million to undertake site specific dredging of the Tamar Estuary
- \$5.8 million to implement the City Heart Project

- \$2 million to establish the Launceston Hub of the National Institute for Forest Products Innovation
- \$2.7 million towards implementing the \$10.9 million Greater Launceston Transformation Project
- \$150 000 to complete a consultancy to inform options for urban infill across Launceston
- \$140 000 to assist Northern Tasmania Development Corporation (NTDC) to develop a Regional Economic Development Strategy
- \$100 000 to implement the Launceston Apprenticeships Pipeline Project
- \$125 000 towards completing a business case for the UTAS Defence and Maritime Innovation and Design Precinct

Launceston City Deal Governance Funding:

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
		\$190 000	\$315 000		

Tasmanian Government City Deal Commitment Funding:

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$33 463 500	\$16 780 000	\$43 233 500	\$27 270 000	\$60 000	\$0

Launceston City Deal Partner Funding Contributions (2016-17 until 2022-24):

Australian Government	Tasmanian Government	Local Government	UTAS	Corporate Partners	Total
\$265 398 775	\$126 355 338	\$27 965 732	\$109 342 735	\$39 950 355	\$569 012 935

Background

Governance

- The Office of the Coordinator-General (OCG) is responsible for the Launceston City Deal, the Greater Launceston Transformation Project (Smart Cities) and the Northern Cities Major Development Initiatives, including ongoing State Government oversight of, and negotiations for, the University of Tasmania Northern Transformation program.
- The Launceston City Deal Governance Funding will allow for the employment of two staff on fixed term contracts over the next two years to support all the above-mentioned initiatives.
- The LCD Executive Board has responsibility for facilitating the implementation of the City Deal. The Executive Board reports to the Federal Minister for Communications, Urban Infrastructure, Cities

and the Arts; the Tasmanian Minister for State Development, Construction and Housing; and the Mayor of Launceston.

- The membership of the Executive Board includes:
 - the Assistant Secretary City Deals and Policy, Department of Infrastructure, Transport, Regional Development and Communication (co-Chair)
 - the Tasmanian Coordinator-General (co-Chair)
 - the CEO of the City of Launceston
 - the Australian Government's Department of Education and Training.
- UTAS was a member of the Executive Board until November 2021 when a recommendation of the LCD three-year implementation review was implemented to only have the three levels of government represented on the Board.
- A Community and Business Advisory Group is established to support the Executive Board. The Advisory Group's role is to be a key conduit between the Executive Board and the community on matters relating to the Deal. The current interim chair of the Group is the CEO City of Launceston, Michael Stretton, after recently being held by the CEO, NTDC.
- The OCG continues to work closely with staff from the Cities Division of the Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) and the City of Launceston on implementing the LCD.
- A three-year implementation review of the LCD was recently completed with a summary being publicly released in November 2021.
- The outcomes of the three-year implementation review will inform the extension of the LCD

Extension of the Launceston City Deal

- The LCD was formally extended from five to 10 years (2027) by the three partners in August 2019.
- LCD partners are progressing work on the extension and programming of commitments that will be delivered over the extended timeline. It is anticipated that the extension of the LCD will be completed by the end of 2022.
- The OCG has been consulting with Tasmanian Government agencies and stakeholders to inform the extension of the LCD.
- The LCD Executive Board hosted a business forum on 30 July 2021 to engage directly with the business sector, community organisations and the education sector to inform the extension process. A number of potential projects were put forward during the forum that will be considered for inclusion in the extension of the LCD.

Progress of Commitments

University of Tasmania Relocation to Inveresk

- The LCD includes the \$304 million investment to relocate UTAS to Inveresk. The Tasmanian Government is contributing \$60 million towards the project that is constructing a modern contemporary campus at the Inveresk site initially for 10 000 students by 2032 and ultimately to the agreed target of 16 000 students and staff.

Launceston City Heart

- The Tasmanian Government has provided the City of Launceston with \$5.8 million in funding toward the \$19.4 million City Heart project under the LCD. The City Heart project is bringing new life to Launceston's city centre. It includes the revitalisation of both the Brisbane Street mall and Civic Square, which are now complete.

Creative Precinct

- The Launceston Creative Precinct was announced as a successful project under the Australian Government's Building Better Regions Fund in June 2020. The Launceston Creative Precinct is an exciting project to transform Launceston and the Northern region by driving education outcomes and helping create new industries for the region while also developing the central city.
- The Launceston Creative Precinct is intended to house the city's new bus interchange, which will increase the liveability and vibrancy of the city facilitating the continued roll-out of further City Heart street revitalisation works.

Regional Economic Development Strategy

- Economic development in the region is a key priority within the LCD. The Tasmanian Government provided funding to the NTDC to assist it to deliver the Regional Economic Development Strategy (REDS) under the Governance, City Planning and Regulation domain of the LCD. The REDS was endorsed by the regions' Councils in January 2020.

Infill Development in CBD

- The LCD includes initiatives to increase in-fill development in the CBD. The City of Launceston released the Investing in the City Guide in December 2019 and is looking to deliver a series of workshops to support potential developers in 2022.

Greater Launceston Transformation Project (Smart Cities)

- The LCD puts Launceston in the driver seat to become one of Australia's leading innovative and smart cities. The OCG has developed the \$10.9 million collaborative Greater Launceston Transformation Project (GLTP) with the City of Launceston, West Tamar Council, Meander Valley Council, George Town Council, UTAS and Telstra.
- The project successfully attracted two rounds of funding from the Australian Government's Smart Cities and Suburbs Program grant and has delivered a suite of smart cities' projects that created a rich digital ecosystem that promotes collaboration and innovation, develops open and real time data platforms, and provides opportunities for clever, meaningful engagement with citizens.

Improving the health of the Tamar Estuary

- The TEMT was established in April 2017 under the LCD to deliver better governance and planning, and reduce pollution to improve the health of the Tamar River. The TEMT completed the River Health Action Plan in January 2018. Former Premier Will Hodgman, and former Prime Minister Malcolm Turnbull announced \$95 million in funding in February 2018 to enable projects within the River Health Action Plan to be implemented.
- The City of Launceston committed a further \$11 million to the River Health Action Plan in April 2020 and TasWater has also committed \$33 million to the project bringing the total of investment for improving the management and health of the Tamar Estuary to \$140.7 million.
- The \$140.7 million River Health Action Plan is working to improve the long-term health of the Tamar Estuary by delivering improved catchment management actions and infrastructure upgrades to Launceston's combined sewerage and stormwater system.
- The \$129.2 million upgrade to Launceston's combined stormwater and sewerage system is designed to improve the health of the Estuary by reducing untreated overflows from the system. As owner of the infrastructure, TasWater is responsible for delivering the infrastructure upgrade works.
- TasWater has completed a program of minor upgrades across the network while they undertake extensive planning, design and investigation work on the major infrastructure upgrades related to the River Health Action Plan.
- TasWater has completed the installation of the new Esplanade Pipeline between St John St and Lower Charles St. Connections at either end of this pipeline have been designed and procured with installation scheduled for mid-2022
- In the 2021 State election, the Tasmanian Government committed \$4 million for targeted dredging of the Tamar to improve the main water channel. Work is progressing to commence the targeted program.
- The \$11.5 million catchment management program, Tamar Action Grants, is focused on delivering improved catchment management actions across grazing, dairy and urban areas in the Estuary's catchment.
- The catchment actions program, being delivered by NRM North, seeks to achieve the following outputs by 2023-24:
 - 724.1 kilometres of stock exclusion on grazing/dairy farms through riparian fencing
 - 31.4 hectares of associated riparian revegetation or area managed for regeneration
 - 4 000 hectares of dairy milking platform with improved effluent management
 - investigating sewage intrusions in Tamar Estuary Zone I and remedial works or mitigation options.
- To date, a cumulative total of 336.9 kilometres of fencing has been completed on grazing and dairy farms to exclude stock from waterways, 1 489 hectares of riparian area has been managed for regeneration outcomes.
- TEMT released its draft vision for the future of the kanamaluka/Tamar Estuary for public consultation in June 2021. When completed, the vision will be the first shared vision between all

levels of government, key stakeholders and the community, which will shape the management and use of this important waterway for generations to come.

- The election commitment on the enduring governance model for the Tamar Estuary is progressing.
- The Minister for Infrastructure and Transport wrote to all TEMT members seeking their views on a future governance model on 18 June 2021. The Department of State Growth is planning to undertake public consultation on the future governance model in the coming months.

Northern Suburbs Revitalisation (My Place My Future)

- The Northern Suburbs Revitalisation project, now called the My Place My Future plan, aims to improve access to education, employment, social services and health services for the northern suburbs of Launceston and was launched on the 26 August 2019. The plan has been developed in conjunction with Tasmanian Government agencies which have also confirmed their commitment to ongoing involvement to the plan's implementation.

Northern Suburbs Community Recreation Hub

- In the 2019 Federal election, the Australian Government committed \$15 million to establish a community recreation hub in Launceston's Northern Suburbs which will house sporting facilities and community spaces.
- The City of Launceston have committed \$1.2 million to the project to now stand at a total of \$16.2 million. The Tasmanian Government is providing project management support for the project through the Department of Communities Tasmania.
- The Crown purchased the site for the Northern Suburbs Community Recreation Hub on Invermay Road, Mowbray in April 2021.
- The site location of the Northern Suburbs Community Recreation Hub was announced in December 2021 with architects now developing the design brief in conjunction with a community-based working group.
- The funding agreement with the Australian Government was finalised on 22 February 2022, the first milestone report is due 1 April 2022.
- Communities Tasmania has been allocated the responsibility for the hub project and a Project Manager commenced in September 2021.
- Design workshops have begun and procurement processes to engage the services of a suitably qualified construction contractor will commence in late 2022.

Redevelopment of Albert Hall

- The City of Launceston began the renewal of Albert Hall in February 2021. The renewal project will be undertaken in three stages, with the first stage including upgrades to heating, lighting, audio and visual capabilities, and Wi-Fi connectivity. Stage 2 works will see major improvements to the Hall's toilet amenities and meeting rooms. There will also be upgrades to the stage access and to the under-stage dressing rooms.
- Stage three designs were publicly released at a media event on 24 March 2022. A development application has been submitted in conjunction with the release of the designs.

- Key milestones planned for next 12 months include:
 - the UTAS River's Edge building will be completed ready for semester one 2023 operations
 - the Aboriginal carpet designs will be installed in the recently opened UTAS Inveresk Library and Student Experience building
 - construction works for the Urban Realm of the Inveresk Precinct will be completed and open for use by the community
 - the detailed development masterplan for the University of Tasmania Newnham campus will be completed and planning approvals will be submitted to enable the implementation
 - community consultation will be completed and planning permits will be in place for the Stage 3 redevelopment and refurbishment works for Albert Hall
 - designs will be completed, planning permits will be in place and the construction tender will be released for the Northern Suburbs Community Recreation Hub
 - construction will commence on the new Australian Defence Force cadet facility at Newnham
 - the future defining community vision for kanamaluka/Tamar Estuary will be endorsed and finalised
 - framework will have been developed for the creation of the Launceston City Central plan
 - the City of Launceston Smart City Strategy will be complete
 - creative Precinct plans released and works commenced for the first stage of work
 - the LCD Implementation Plan for the Deal's extension to 2027 will be finalised.

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Department of State Growth

Budget Estimates Briefing
Minister for Small Business
Minister for Science and Technology
Minister for Advanced Manufacturing and Defence Industries



06

Subject: TT-LINE
Date prepared: 30 May 2022
Output Group: 1 Industry and Business Growth
Output: 1.2 Industry and Business Development

Speaking points

- A Memorandum of Understanding was signed 26 May 2021 between the State Government, TT-Line and the Tasmanian Maritime Network in relation to the provision of new ferries and the intent to maximise local content.
- Our intention is to make sure as many local companies as possible have an opportunity to contribute their capability and expertise towards the new vessels.
- The Tasmanian Government will continue to work with the Tasmanian Maritime Network and TT-Line to support opportunities with the shipbuilder, Rauma Marine Constructions (RMC).
- In May 2021, TT-Line undertook an expression of interest process for companies interested in the provision of goods and services which was responded to by 175 businesses.
- A number of areas of activity highlighted in the Memorandum of Understanding have already occurred. These include TT-Line:
 - appointing a Tasmanian based procurement manager to engage with Tasmanian businesses on the build
 - engaging with the shipbuilder RMC to discuss the potential for local supply

- holding state-wide supplier information sessions with RMC and TT-Line.
- When specific opportunities and work packages are identified we are working with TT-Line to identify Tasmanian suppliers with relevant capabilities including some that may not have submitted the EOI.
- We understand that TT Line are actively engaged with a number of Tasmanian and Australian companies with respect to providing content for the new ferries and I look forward to announcements from TT-Line in due course.
- The Australian Maritime College in Beauty Point have undertaken modelling trials for the new ships and this introduction to RMC may result in future opportunities for the AMC.
- Naturally for ships being built in Europe there is a limit to what can be supplied locally and there are times that local suppliers decide not to submit a tender. We are for example aware of one local manufacturer that decided against tendering for a component of the build for commercial reasons but will still be considered in relation to the ongoing sustainment of the ships.
- This is an important point to focus on. In addition to the actual ship builds the longer term ongoing maintenance and supply for the ships will provide significant opportunities for Tasmanian businesses over many, many years.
- The Government and TT-Line will continue to work with the ship builder to give local businesses the opportunity to supply.
- This includes through five advanced manufacturing programs offering various forms of business development support. The Department of State Growth will continue to make potential contractors wanting to gain work with RMC aware of these programs as appropriate.

Key Statistics

Jobs/Investment created:

- TT-Line have appointed a Tasmanian based procurement manager to engage with Tasmanian businesses on the build.

Unit/Program Budget:

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$N/A	\$	\$	\$	\$	\$

Released under RTI

Background

- In April 2021, it was announced that TT-Line had signed a contract with Finnish-based Rauma Marine Constructions (RMC) for the construction of two new roll on / roll off ships to replace the current Spirit of Tasmania vessels and that the contracts provided that the new fit-for-purpose vessels would feature up to \$100 million of local content.
- A Memorandum of Understanding (MOU) between the three parties was signed on 26 May 2021 between the State Government, TT-Line and the Tasmanian Maritime Network.

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- TT-Line's contract with RMC contains penalty provisions in the event local content provisions are not met.
- The MOU also notes a shared intention to leverage the agreement to establish closer relationships between Tasmanian businesses and RMC and their global supply chain to provide for greater participation in global maritime construction by Tasmanian businesses in the longer term.
- *MOU is available at Department of State Growth CM ref MIG21/571/1.*
- The five advanced manufacturing programs that could be used to assist manufacturers to gain contracts with RMC are:
 - the Advanced Manufacturing Accelerating Growth Grant Program which commits \$3 million over two years to assist Tasmanian manufacturers to become more innovative and resilient and to enable scale-up to be more competitive in global markets
 - the Advanced Manufacturing Tender Incentive Grant Program which commits \$600 000 over two years to support Tasmanian businesses looking to submit high value tenders into specialist, competitive markets such as defence industries
 - the Advanced Manufacturing Business Improvement Grant program will provide \$450 000 over three years for our advanced manufacturers to access professional advice and information to help them adapt and meet the future needs of their operating environment
 - the Advanced Manufacturing Skills 2 Manufacturing Grant program, which will provide \$600 000 over the next three years to support the development of our manufacturing workforce
 - The Advanced Manufacturing Quality Assurance Grant program which will provide \$450 000 over the next three years to support the sector to achieve accreditations and certifications that will help advanced manufacturers retain or expand their customers and markets.

Department of State Growth

Budget Estimates Briefing
Minister for Skills, Training and Workforce Growth



26

Subject:	TasTAFE Capital Program Delivery
Date prepared:	20 April 2022
Output Group:	3 Skills, Training and Workforce Growth
Output:	3.1 Skills and Workforce Growth

KEY MESSAGES

- In the 2021-22 Budget, the Government committed \$98.6 million over the forward estimates to ensure TasTAFE has the funding and resources it needs to deliver high quality, industry-responsive training.
- This included \$43 million over four years for TasTAFE facility upgrades in the *Investing Even More in TasTAFE* election commitment.
- Funding will be used to drive capital upgrades across the State through TasTAFE Facility Upgrades and Transition Fund, the Regional TasTAFE Virtual Campus, TasTAFE working with Libraries Tasmania.
- This builds on previous capital investment for establishing the Trades and Water Centre of Excellence at Clarence, the Agricultural Centre of Excellence at Freer Farm, the Drysdale Centre of Excellence at Claremont and IT upgrades at TasTAFE.
- The 2022-23 Budget commits a further \$8.5 million to infrastructure improvements and further business case development.

Speaking points:

Capital Program Delivery - 2021-22 Budget Initiatives

TasTAFE Facility Upgrades and Transition Fund

- \$12 million capital funding in the North-West for:
 - new student accommodation at Burnie to house 25 rural and regional students.

- a new Trade Training Simulation Centre at the Burnie campus, as well as expansion and equipment upgrades to metals, fabrication and electrotechnology areas, with a new dedicated computer lab; and
- upgrades at the Devonport campus including a new Trade Training Simulation Centre, and expansion and equipment upgrades to nursing, plumbing, fabrication and spray-painting areas.
- \$10 million capital funding in the North for:
 - an expansion of the health hub at Alanvale, with a new facility to deliver alcohol and drugs, youth and mental health training, as the foundation of a new Centre of Excellence, and
 - upgrades to the Alanvale campus, including and expansion and new equipment in electrotechnology, metal and fabrication equipment.
- \$7 million capital funding in the South for:
 - new student accommodation for rural and regional apprentices to maximise the benefits of the new TasTAFE Water, Trades and Energy Centre of Excellence.
 - The first southern accommodation units will be delivered in early 2023.
- The timing of other initiatives will be determined following the review of the recently completed asset assessment as recommended by the Premier's Economic and Social Recovery Advisory Committee (PESRAC).

Regional TAFE Virtual Campus

- \$10 million committed to deliver the TasTAFE virtual campus and increase access for rural and regional students (\$2 million in 2021-22 and \$8 million in 2022-23).
- A solution design has been completed outlining a three-year development pathway.

TasTAFE and Libraries Tasmania

- \$4 million committed for TasTAFE to work with Libraries Tasmania to increase access to courses for rural and remote students.
- This initiative will identify suitable Libraries Tasmania sites to house a virtual TasTAFE campus presence, to allow students to access online learning, and participate remotely.
- TasTAFE has developed its Virtual Campus Implementation Plan, with implementation planned over five stages commencing in late 2021, with piloting of the first programs in 2022 and targeting up to 75 products by 2025.

Capital Program Delivery – Previous Budget Initiatives

Agricultural Training Centre of Excellence – Freer Farm

- The Tasmanian Government committed \$5 million in the 2018-19 Budget to upgrade TasTAFE's specialist agriculture training facility, Freer Farm attached to Burnie campus.

- This project allows for a new building for face-to-face and online learning with upgrades to irrigation, stockyards, effluent treatment, farm biosecurity and farm machinery and equipment.
- Contract awarded with construction to commence in May 2022. The Centre is expected to be completed and ready to offer training in the first half of 2023.

Water and Trades Centre of Excellence - Clarence

- \$21 million has been committed to the Water and Energy Trades Centre of Excellence at Clarence. The Centre is jointly funded by the Tasmanian Government (\$14 million) and the Australian Government (\$7 million), with support from industry.
- The Centre will house TasTAFE's southern-based plumbing, gas, refrigeration, air conditioning and electrotechnology training in a fit-for-purpose building. It will allow TasTAFE to double capacity to meet industry demand.
- Development of the Centre is underway, with a contract awarded to Tasmanian construction company Hansen Yuncken. The Centre is expected to be ready to offer training in the first half of 2023.
- Key industry partners including Master Plumbers Association, TasWater, Keystone Tasmania, National Electrical and Communications Association and Air Conditioning and Mechanical Contractors' Association of Australia are involved in the project.
- The 2022-23 Budget included additional funding of \$5 million in 2022-23 to complete the Water and Energy Trades Centre of Excellence.

Drysdale Centre of Excellence: Northern Suburbs Hub - Claremont

- TasTAFE's Drysdale training facility at Claremont College opened in May 2021, providing new training opportunities in the tourism and hospitality sectors.
- This project was supported by a \$2 million commitment in the 2018-19 Budget.
- The Centre has supported 61 enrolments since opening, with 21 current enrolments.
- In addition to TasTAFE enrolments, the Centre allows for hospitality training to be offered as part of the Year 11/12 curriculum at Claremont College.

Providore Place - Devonport

- Providore Place opened in September 2019 as TasTAFE's training hub for hospitality and apprenticeships in the North-West.
- The project was supported by a \$1.5 million commitment in the 2018-19 Budget.
- Since training commenced, it is estimated 390-400 enrolments have undertaken training at Providore Place, with 65 enrolments in 2021-22 to date.

Key Statistics:

- N/A

Jobs/investment created:

- N/A

Unit/Program Budget:

	2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
COVID-19 Infrastructure Improvements	-	-	\$3 000	-	-	-
Virtual Campus / Student Management System Business Case	-	-	\$500	-	-	-
Water and Energy Trades Centre of Excellence [^]	\$2 000	\$2 000	\$5 000	-	-	-
TasTAFE Facility Upgrades and Transition Fund*	\$11 050	\$11 050	\$11 450	\$11 250	\$11 250	-
Regional TAFE Virtual Campus	\$2 000	\$2 000	\$8 000	-	-	-
TasTAFE and Libraries Tasmania	\$2 000	\$2 000	\$2 000	-	-	-

[^]This includes total funding to this project including previous budget allocations and 2022-23 initiative.

* This initiative will deliver improvements to TasTAFE including new student accommodation in Burnie and Clarence, major upgrades to campuses at Alanvale, Burnie and Devonport, and equipment upgrades. This initiative includes the Regional TAFE Facilities Development and Transition Fund to the new model.

Background:*TasTAFE capital investment funding*

- TasTAFE is best placed to provide advice on the status of each of the various capital workstreams. The Brief canvasses the various funding commitments made by the Government.
- In addition to the Investing Even More in TasTAFE election commitment:
 - the 2017-18 Budget included \$3.2 million for the Drysdale Centre of Excellence.
 - the 2018-19 Budget included:
 - an additional investment of \$3.5 million for the further development of Drysdale at new locations in Devonport and Claremont
 - \$7 million for the Trades and Centre of Excellence; and
 - \$5 million of an Agricultural Centre of Excellence at Freer Farm in Burnie.
 - the 2019-20 Budget included an additional \$7 million for the Trades and Water Centre of Excellence and 4 million over two years to assist TasTAFE to upgrade its IT infrastructure.
 - The 2022-23 Budget included \$8.5 million in 2022-23:

- Additional funding of \$5 million to complete the Water and Energy Trades Centre of Excellence, this is in addition to the \$14 million already committed by the Tasmanian Government and \$7 million by the Australian Government.
- \$3 million for COVID-19 infrastructure improvements to enable TasTAFE to undertake improvements to ventilation and air quality across its facilities in response to COVID-19.
- \$500,000 for TasTAFE to develop a robust business case for further investment in the Virtual Campus initiative and TasTAFE's Student Management System.

TasTAFE Infrastructure Review

- PESRAC recommended that the Government commission an independent review of the fitness-for-purpose of TasTAFE infrastructure and ensure sufficient capital is provided as part of re-establishing it as a more autonomous entity.
- A first-year action of the TasTAFE transition for a better training future is a review of TasTAFE's physical and digital infrastructure, focusing on improving access to training and recommendations to guide investment (including the \$98.6 million that the Government has committed to TasTAFE).
- This review will inform a 10-year Strategic Physical and Digital Asset Management Plan.

Release

Department of State Growth

Budget Estimates Briefing
Minister for Skills, Training and Workforce Growth


27

Subject:	TasTAFE Fee Free Training and Student Fees
Date prepared:	14 April 2022
Output Group:	3 Skills, Training and Workforce Growth
Output:	3.1 Skills and Workforce Growth

KEY MESSAGES

- **The Government is committed to ensuring that TasTAFE has the funding and resources it needs to deliver high quality, industry-responsive training to Tasmanians.**
- **The Government has guaranteed that 80 per cent of its recurrent skills funding will continue to be invested in TasTAFE.**
- **The Government also funds TasTAFE to provide free training courses through programs such as Skill Up and the Job Trainer Fund to enable Tasmanians to upskill, reskill or gain new skills.**

Speaking points:

- The Government is committed to ensuring that Tasmania has a robust and effective public training provider that meets the needs of both industry and learners.
- Since 2015, the Government has increased recurrent funding to TasTAFE from \$73.5 million to \$84.9 million in the 2022-23 financial year.

Student fees and concessions

- Students at TasTAFE are expected to meet some of the costs of their training.
- Currently, under the *Training and Workforce Development Act 2013*, TasTAFE may impose any fees, levies and charges it deems appropriate, and may offer concessions.
- TasTAFE retains similar powers under the *TasTAFE (Skills and Training Business Act 2021)* that will commence on 1 July 2022.

- TasTAFE offers significant fee concessions for students in receipt of a Commonwealth allowance or hold a health care card. TasTAFE advises that 20 per cent of its students receive concessions, paying on average no more than \$370 in fees.
- TasTAFE has committed not to increase fees above CPI for TasTAFE courses in 2022.
- TasTAFE is a VET Student Loans Approved Course Provider, which means that some learners can access Australian Government VET Student Loans to assist with costs.

Fee Free Training

- TasTAFE has supported fee-free training through funding provided under the Skills Up and JobTrainer Fund contestable training programs.

Skill Up

- As part of the COVID-19 recovery, the Government launched the TasTAFE 'Skill Up' program on 11 May 2020 which enabled Tasmanians to quickly upskill, reskill or gain new skills, ready to enter into employment or change careers.
- These no-fee courses have been delivered by TasTAFE and provided work-ready skills for growth industries including health, tourism and hospitality. The Skill Up program has resulted in 961 enrolments for courses in these growth areas.
- As of 18 February 2022, TasTAFE has had 265 enrolments in Skill Up for 2022 with hospitality and medical terminology as the most popular courses. A further 356 places were launched on 9 May 2022.
- Skill Up 2022 will offer places in areas of high demand including civil construction, digital skills, land management and food. Bar and restaurant skills are included to support the tourism and hospitality sector. The agriculture sector and wine industry are supported with the inclusion of vineyard skill sets.
- Digital and workplace computing skills will be offered through TasTAFE in partnership with Libraries Tasmania

Job Trainer Fund

- TasTAFE has been a key provider of training under the JobTrainer Fund.
- The Job Trainer Fund is a joint initiative of the Australian and Tasmanian Governments to provide free training to job seekers and young people (including school leavers) in areas of strategic importance and with strong job prospects, and people enrolling in aged, disability, and child care, and digital skills qualifications.
- TasTAFE received funding for 1 058 Job Trainer Fund places over 2020 and 2021.
- Job Trainer has been extended into 2022-23 with a focus on aged care and digital skills. Under the extension, TasTAFE has been funded to deliver 1 124 training places at a total value of \$8 386 443 (refer to BEB 15 – *JobTrainer program*).

Key Statistics

- As of 18 February 2022, TasTAFE has had 265 enrolments in Skill Up for 2022 with hospitality and medical terminology as the most popular courses.
- Under the initial round, TasTAFE received funding for 1 058 Job Trainer Fund places. Under the extension, TasTAFE has been funded to deliver 1 124 training places.
- As of 10 April 2022, TasTAFE has had 600 enrolments under the JobTrainer extension, with individual support (aged care), education support, early childhood education and care, and information technology being the most popular courses.
- TasTAFE advises that 20 per cent of its students receive concessions, paying on average no more than \$370 in fees.

Jobs/Investment created:

- As above.

Unit/Program Budget:

TasTAFE for free training

Program allocation	2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
Skill Up	\$500 000	\$500 000	\$500 000	\$500 000	\$500 000	\$ N/A
JobTrainer Fund	\$500 000	\$248 830*	\$3 888 000	\$2 250 000	\$900 000	\$ N/A

*This figure is in addition to \$4.6m upfront payment in 2020-21, with TasTAFE now to be paid based on activity.

Background:

- Funding for TasTAFE is currently managed through a Deed of Purchasing Arrangement (the Deed) with the Department of State Growth (Skills Tasmania) (refer to *BEB – TasTAFE Deed*).
- TasTAFE receives around 80 per cent of the state training budget, where ‘training budget’ refers to a subsection of the Skills Development output group. It excludes funding that is not directly related to training subsidies such as, but not limited to, workforce development plans, projects and budget initiatives, and grants to small businesses.
- Government funding to TasTAFE means that most Tasmanian students have their training subsidised by the Tasmanian Government. For certificate III students, including apprentices, there is a 95 per cent subsidy rate.



Released under

Department of State Growth

Budget Estimates Briefing
Minister for Skills, Training and Workforce Growth

28

Subject:	TasTAFE Transition
Date prepared:	2 June 2022
Output Group:	3 Skills, Training and Workforce Growth
Output:	3.1 Skills and Workforce Growth

KEY MESSAGES

- **The Government has re-established TasTAFE to commence as a publicly owned, not-for-profit government business from 1 July 2022.**
- **TasTAFE has been guaranteed an allocation of 80 per cent of recurrent skills funding.**
- **Through the 2021-22 Budget the Government allocated an additional \$98.6 million over four years, into TasTAFE including –**
 - **100 extra TasTAFE teachers to train more young Tasmanians**
 - **\$45 million for critical facility and equipment upgrades, new buildings and new student accommodation**
 - **\$16 million to increase access for rural and regional students**
- **The 2022-23 Budget commits a further \$7 million funding to provide additional student support and additional TasTAFE teachers.**
- **The Government is working with TasTAFE to deliver on all of the commitments made in relation to the TasTAFE Transition.**
- **The TasTAFE Transition will take time, but I am confident that the work is well underway.**
- **Conversations with partners in the Training and Workforce Development system the industry compacts process will help us to better understand the role that each partner in the training system can play and will ensure long term success for TasTAFE.**

Speaking points:

TasTAFE Transition - Implementation

The *TasTAFE (Skills and Training Business) Act 2021* received Royal Assent on 16 December 2021 and commences on 1 July 2022.

- The legislation establishes a business model for TasTAFE that has been designed from the ground up to best suit the role and functions of TasTAFE and give effect to the recommendations from the Premier's Economic and Social Recovery Advisory Council.
- The new model for TasTAFE, effective 1 July 2022, includes the following elements:
 - TasTAFE's functions have been streamlined to better reflect its key roles within the community.
 - TasTAFE's powers have been extended to include borrowing capacity from the Tasmanian Public Finance Corporation, giving TasTAFE greater autonomy and flexibility in managing its infrastructure to meet training requirements.
 - Ministerial oversight has been improved through the issuing of a Statement of Expectations that is required to be tabled in Parliament improving transparency.
 - TasTAFE will continue to be scrutinised by both Houses of Parliament each year during Budget Estimates.
 - TasTAFE Board arrangements have been modernised and flexibility increased to allow for changing environments.
 - TasTAFE has its own employment powers to provide it with the autonomy and flexibility required to address training needs.
 - Overlapping regulatory and constraining requirements have been removed with appropriate safeguards.
- TasTAFE and the Department of State Growth are supporting work to transition TasTAFE to the new model by 1 July 2022.
- A TasTAFE Transition Oversight Committee has been established to oversee the transition. The Committee has focused on implementation of the Government's commitments including ensuring that existing TasTAFE employees are no worse off. This work will also inform development of a new Industry Engagement Framework for the broader VET system.

Election Commitments including Implementation Plan

- Through the *Investing Even More in TasTAFE* election commitment, the Government committed to keep TasTAFE in full public ownership.

- In accordance with the First 100 Days commitment, the Government released a stakeholder informed Implementation Plan – *TasTAFE transition for a better training future*, on 24 August 2021.
- The Plan provides the context for the transition of TasTAFE to a more future-focused and market-aligned training provider and outlines the steps to get there.
- I am working with the TasTAFE Board on a new Statement of Expectations which will guide the Board around the Government’s priority for TasTAFE to become a to be a future-focused and market-aligned training provider.
- Skills Tasmania is also working with TasTAFE to identify performance measures that will improve transparency and accountability for Government’s investment in TasTAFE.
- TasTAFE has commenced the recruitment of 100 additional teachers and a review of infrastructure needs for TasTAFE over the long term is underway. This review will inform TasTAFE’s 10-year Digital and Asset Management Plan by the end of 2022.
- TasTAFE’s 10-year Strategic Plan will be complete and publicly released in the latter part of this year.
- TasTAFE is consulting with employers and working to identify the future scope of training required to meet the skills needs of the Tasmanian economy, including emerging industries – this is anticipated to be complete later this year.
- TasTAFE is also working with industry and employers to identify preferred timetabling requirements for the delivery of training – this will inform a forward plan for progressively revising training delivery in early 2023.
- The Government has begun discussions with industry to establish industry compacts.
- As part of its election commitments, the Government committed to keep TasTAFE in full public ownership, together with an additional \$98.5 million over four years.
- The 2021-22 Budget allocated \$98.6 additional funding into TasTAFE for the above.
- This included \$37.6 million over four years for 100 additional TasTAFE teachers.
- The 2022-23 Budget commits a further \$7 million funding support for students and the 100 additional teachers committed in the 2021-22 Budget.

Transferring TasTAFE Employees (if required)

- On 1 July 2022 TasTAFE employees will become employees of TasTAFE under the *Fair Work Act 2009* framework.
- TasTAFE employees will transition with the same terms and conditions as set out in industrial awards and agreements as ‘copied state instruments’ under the *Fair Work Act 2009* framework.

- The *Fair Work Act 2009* provides for continuity of service for a transferring employee.
- There will be no changes to TasTAFE employee superannuation or long service leave arrangements and entitlements.
- State service policies and procedures, such as Employment Directions made under the *State Service Act 2000*, relate to the administration of the State Service and do not transfer as 'copied state instruments'.
- TasTAFE will prepare its own policies and procedures for the administration of its workforce. The *Fair Work Act 2009* also includes National Employment Standards which are the legislated minimum standards for employment.

TasTAFE Teachers Industrial Agreement (if required)

- The Government is in discussions with the Australian Education Union (Tasmanian Branch) on a replacement to the recently expired *TasTAFE Teaching Staff Industrial Agreement*.
- The State Service Management Office is leading negotiations on a new agreement, supported by TasTAFE.

Key Statistics:

- N/A

Jobs/investment created:

- N/A

2021-22 Unit/Program Budget:

	2021-22 Budget '000	2021-22 Actual '000	2022-23 '000	2023-24 '000	2024-25 '000	2025-26 '000
Support for students and additional TasTAFE teachers	-	-	\$2 043	\$2 600	\$1 200	\$1 200
100 Extra TasTAFE Teachers	\$3 800	\$ 3 800	\$7 500	\$11 300	\$15 000	N/A
TasTAFE Facility Upgrades and Transition fund	\$10 250	\$10 250	\$11 250	\$11 250	\$11 250	N/A
Skills Tas TasTAFE Transition Project Team	\$800	\$800	\$200	N/A	N/A	N/A

Background:

- The Premier’s Economic and Social Recovery Advisory Council (PESRAC) recommended that “The State Government should re-establish TasTAFE as a government business under the control and accountability of its Board of Directors, with authority and power to employ its workforce under the *Fair Work Act 2009*”.
- PESRAC also recommended that TasTAFE:
 - operate on a full cost recovery, competitively neutral but not-for-profit basis.
 - be funded through activity and community service obligation payments.
- The Government accepted the PESRAC recommendations and in the State of the State address on 16 March 2021 the Premier stated that “TasTAFE must have the autonomy and the workforce flexibility it needs to continuously align its training offering with evolving workforce needs”.
- The Invest Even More in TasTAFE election commitment policy named up \$98.5 million, but the 2021-22 Budget allocated \$98.6 million due to identified increased cost. The 2022-23 Budget allocates a further \$7 million funding for this commitment. This funding is on top of recurrent training funding provided through the Deed and funding provided for capital projects.
- The additional capital funding will predominantly fund TasTAFE Facility Upgrades (refer 26 – *TasTAFE – Capital program delivery*) and will also support the transition to the new TasTAFE model.

Subject:	TasTAFE Deed
Date prepared:	2 June 2022
Output Group:	3 Skills, Training and Workforce Growth
Output:	3.1 Skills and Workforce Growth

KEY MESSAGES

- **A strong TasTAFE is vitally important to support Tasmanians get the training, apprenticeships and jobs for their future, here in Tasmania.**
- **The Government has guaranteed that 80 per cent of recurrent skills training funding will continue to be invested into TasTAFE.**
- **Ongoing funding to TasTAFE is formalised through an annual Deed.**
- **Skills Tasmania is currently working with TasTAFE to develop a new Deed of Purchasing Arrangement that reflects the Government's vision for TasTAFE to be a to be a future-focused and market-aligned training provider.**

Speaking points:

- A strong TasTAFE is vitally important to support Tasmanians to get the training, apprenticeships and jobs for their future, here in Tasmania.
- The Government is committed to ensuring TasTAFE has the funding and resources it needs to deliver high quality, industry-responsive training.
- Funding is provided through a Deed of Purchasing Agreement (the Deed) between the Department of State Growth (Skills Tasmania) and TasTAFE under the *Training and Workforce Development Act 2013*.

- The Deed sets out the framework with which Skills Tasmania and TasTAFE work together to deliver a skilled and productive workforce that contributes to economic and social progress in Tasmania.
- The Deed sets out the amount payable to TasTAFE and details regular instalment payments. It is a finance-focused document, with performance and outcome requirements captured in Ministerial Policy Expectations.
- Since 2015, the Government has increased recurrent funding to TasTAFE from \$73.5 million to \$82.5 million in 2021-22, which represents approximately 80 per cent of the State's recurrent training funds.
- On top of the Deed, the Government has committed additional funding to TasTAFE up to \$114 million since the 2021 election (refer to 28 – *TasTAFE – Transition*). TasTAFE receives funding through its Deed to deliver foundation skills (including language, literacy and numeracy skills) and training services, as well as covering additional costs associated with being the public VET provider, including delivering training in rural and remote locations where there are few, if any, private training providers.
- TasTAFE received additional funding for other initiatives including election commitments, capital projects and where it was successful in contestable funding rounds (i.e. JobTrainer Fund).
- Fixed term commitments for TasTAFE over and above the Deed, such as budget initiatives, are administered through individual agreements outside the Deed.

Key Statistics:

- In 2021, TasTAFE delivered 55.7 per cent of total government subsidised training.
- Total training activity at TasTAFE increased in 2021 compared to 2020. The number of students was up by 9.7 per cent on 2020 (to 14,008), while enrolments were up 11.1 per cent (to 16,049) and nominal training hours increased by 16.3 per cent (3.7 million hours).
- Apprentice and trainee commencements at TasTAFE were up by 34.3 per cent compared to 2020 (to 2,785), driven largely by activity in automotive and engineering trades and construction trades.

Jobs/investment created:

- TasTAFE had strong results in the NCVER Student Outcomes Survey for government subsidised graduates, particularly:
 - 86.6 per cent of TasTAFE graduates achieved the main reason for their training, compared with 83.7 per cent of TAFE graduates across Australia
 - 68.2 per cent of graduates had improved employment status, compared with 59.3 per cent of TAFE graduates nationally, and
 - 47.5 per cent of TasTAFE graduates who were not in employment prior to training achieved employment outcomes, compared with 41.5 per cent of TAFE graduates nationally.

Unit/Program Recurrent / Deed Budget:

2021-22 Budget '000	2021-22 Actual '000	2022-23 '000	2023-24 '000	2024-25 '000	2025-26 '000
\$82 507	\$82 507	\$84 934	\$87 725	\$88 035	\$TBC

Background:

- TasTAFE receives around 80 per cent of the State's recurrent training funds, where 'training funds' refers to a subsection of the Skills and Workforce Development output group. It excludes budget initiatives and funding that is not directly related to training subsidies, such as workforce development plans, projects and initiatives, and grants to small business.
- The 2021-22 Deed represents approximately 82 per cent of the recurrent training budget.
- The Deed has been simplified in recent years and contains only one funding component, with funds paid to TasTAFE in monthly instalments. Fixed term commitments are funded through additional agreements.
- The simplified Deed is teamed with expanded Ministerial Policy Expectations for TasTAFE, which are developed in close consultation with TasTAFE. Skills Tasmania and TasTAFE meet regularly to discuss performance against the expectations.
- In addition to the Deed, TasTAFE has received funding to deliver election commitments (refer to 28 – TasTAFE Transition_ and capital funding programs (refer to 26 TasTAFE – capital delivery program).

Development of 2022-23 Deed

- The 2022-23 Deed is being developed, estimated to be 81.4 per cent share of the recurrent budget.

Department of State Growth

Budget Estimates Briefing
Minister for Skills, Training and Workforce Growth

35

Subject:	TASTAFE INDUSTRIAL RELATIONS
Date prepared:	13 May 2022
Output Group:	3 Skills, Training and Workforce Growth
Output:	3.1 Skills and Workforce Growth

KEY MESSAGES

- On 1 July 2022 TasTAFE employees will become employees of TasTAFE under the *Fair Work Act 2009* framework.
- The Tasmanian Government has committed no existing TasTAFE employee will be worse off and there will be no forced redundancies.
- TasTAFE employees will transition with the same terms and conditions set out in industrial awards and agreements as 'copied state instruments' under the *Fair Work Act 2009*.
- There will be no changes to TasTAFE employee superannuation or long service leave arrangements and entitlements and continuity of service will be recognised.

Speaking points:*Transferring TasTAFE Employees*

- On 1 July 2022 TasTAFE employees will become employees of TasTAFE under the *Fair Work Act 2009* framework.
- TasTAFE employees will transition with the same terms and conditions as set out in industrial awards and agreements as 'copied state instruments' under the *Fair Work Act 2009* framework.
- The *Fair Work Act 2009* provides for continuity of service for a transferring employee.

- There will be no changes to TasTAFE employee superannuation or long service leave arrangements and entitlements.
- In addition, the *TasTAFE (Skills and Training Business) Act 2021* provides an additional assurance for transferring TasTAFE employees that, where they are recruited to a role in the State Service, with a period of five years of the commencement of the Act, there will be deemed to be no break in their State Service employment.
- State service policies and procedures, such as Employment Directions made under the *State Service Act 2000*, relate to the administration of the State Service and do not transfer as 'copied state instruments'.
- TasTAFE will prepare its own policies and procedures for the administration of its workforce. The *Fair Work Act 2009* also includes National Employment Standards which are the legislated minimum standards for employment.

TasTAFE Teachers Industrial Agreement (if required)

- The Government is in discussions with the Australian Education Union (Tasmanian Branch) on a replacement to the recently expired TasTAFE Teaching Staff Industrial Agreement.
- The State Service Management Office is leading negotiations on a new agreement, supported by TasTAFE.

Key Statistics:

- N/A

Jobs/Investment created:

- N/A

Unit/Program Budget:

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A

Background:

- The Premier's Economic and Social Recovery Advisory Council (PESRAC) recommended that "The State Government should re-establish TasTAFE as a government business under the control and accountability of its Board of Directors, with authority and power to employ its workforce under the *Fair Work Act 2009*".
- The *TasTAFE (Skills and Training Business) Act 2021* will commence on 1 July 2022, at which time TasTAFE will cease to be an Agency under the *State Service Act 2000* and will become an employer under the *Fair Work Act 2009 (Cth)*.

Released under

Department of State Growth

Budget Estimates Briefing
Minister for Skills, Training and Workforce Growth



37

Subject:	TasTAFE Board Remuneration
Date prepared:	18 May 2022
Output Group:	3 Skills and Workforce Growth
Output:	3.1 Skills and Workforce Growth

KEY MESSAGES

- **The TasTAFE Board remuneration is set within the *Tasmanian Government Board Fee Policy*.**
- **This policy articulates the process for classifying boards and incorporates a scale of maximum fees for board members.**
- **I have approved a remuneration increase for the TasTAFE Board effective 1 July 2022.**
- **This reflects the changed agenda for TasTAFE as set out in the *TasTAFE Transition for a better training future* implementation plan.**

Speaking points:

- TasTAFE Board remuneration has not increased since 1 July 2019, irrespective of the updated maximum board fees in the current *Tasmanian Government Board Fee Policy*.
- It is timely to revisit the remuneration payable to the TasTAFE Board to be commensurate with the members responsibilities.
- A sizing statement for each board is prepared by the Department of Premier and Cabinet that sets out the entity category and recommended maximum fees.
- This will increase the rate payable to the Chairperson from \$47 631 to \$54 090 per annum and for Board directors from \$27 218 to \$30 649 per annum.
- The approved increase for board members remains lower than the maximum rate for the TasTAFE entity classification.

Key statistics:

- N/A

Jobs/Investment created:

- N/A

Unit/Program Budget:

2021-22 Budget	2021-22 Actual	2022-23	2023-24	2024-25	2025-26
\$N/A	\$N/A	\$N/A	\$N/A	\$N/A	\$N/A

Background:

- Under the *Tasmanian Government Board Fee Policy*, boards are classified into two groups: Commercial / Trading or Non-Commercial / Non-Trading boards. TasTAFE is deemed a Non-Commercial board.
- TasTAFE Board is appointed by the Minister for Skills, Training and Workforce Development, who determines remuneration within the sizing statement set by the Department of Premier and Cabinet.
- In March 2021, the Department of Premier and Cabinet reviewed the TasTAFE sizing statement to reflect the *TasTAFE (Skills and Training Business) Act 2021*. The sizing statement has been assessed at the sizing of DI – Governing – Critical, governed by its own Act and its impact critical to government.
- In 2015, the Tasmanian Government agreed to align future increases to the maximum recommended remuneration of sitting fees and annual fees for Government boards with increases approved by the Tasmanian State Service Award.
- The last increase was communicated by the Department of Treasury and Finance on 20 August 2021, with a revised *Tasmanian Government Board Fees Policy* with updated maximum board fees that may be applied from 1 December 2020. This increase was 4.6 per cent.
- The maximum board fees that may be applied to that board category is \$60,749 for the Chair and \$34,080 for other directors. The planned increase to TasTAFE Board sits below the maximum rate.
- The last TasTAFE Board remuneration increase was effective 1 July 2019.
- Current members of the TasTAFE Board are Tim Gardner (Chair), Yvonne Rundle, Lee Astheimer, Naomi Walsh, John Maddock, Kym Goodes and Anna Reid.

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	NORTH EAST STRATEGIC CORRIDORS				
Date prepared:	17 April 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	2.1 Infrastructure Tasmania				
Election commitment/ policy, stimulus package, funding program etc.					
Funding:	22-23	23-24	24-25	25-26	Total
State	-	-	-	-	-
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

KEY MESSAGES

- **The Tasmanian Government is supporting two projects to proceed on the North East Line with:**
 - **Dorset Council to use the section between Lilydale Falls and Scottsdale to establish a walking and cycling pathway.**
 - **Launceston and North East Railway to use the section between Turners Marsh and Lilydale for heritage and tourist rail.**
- **The Tasmanian Government is working with both Dorset Council and Launceston and North East Railway to implement their projects.**

Speaking points:

- Sections of the North East rail line are under development for new purposes:
 - Dorset Council is developing the section between Lilydale Falls and Scottsdale to establish a walking and cycle pathway and
 - the Launceston and North East Railway want to use the section between Turners Marsh and Lilydale for heritage and tourist rail.
- The Tasmanian Government has supported the progress of both of these developments, by making sections the North East rail line available through the *Strategic Infrastructure Corridors (Strategic and Recreational use) Act 2016*.
- The Dorset Council and Launceston and North East Railway have been appointed corridor managers for their respective sections of line, and are responsible for its safe management and use.
- Developments within the rail corridor also remain subject to the ordinary land use planning approval process.
- The Tasmanian Government has been pleased to support the Launceston and North East Railway, together with other heritage rail operators, to offset the cost of public liability insurance necessary to undertake rail operations on the line.
- The provision of public liability insurance has enabled the Launceston and North East Railway to begin remedial works on its section of line. I have also been pleased to be able to approve their requests for the addition of new infrastructure to accommodate their equipment.
- Dorset Council is progressing its plans for development of the pathway. The Council has advised me of its desire to remove rail infrastructure from the corridor. This is a significant matter under the Strategic Corridors legislation and one that requires careful consideration by all parties, supported by the Department of State Growth.
- The Tasmanian Government looks forward to both projects proceeding to completion.

Key Statistics:

- The North East Line runs from Coldwater Creek (14 km north of Launceston) to Tonganah, 73 km in length. Freight services ceased in 2006 and heritage rail tours ceased in 2004.
- The Dorset Council secured \$1.49 million from the Australian Government funding to deliver the pathway.

Jobs/Investment created:

- N/A

Background:

- The Tasmanian Government has undertaken considerable work to assess both the Dorset Council's Rail Trail project and the Launceston and North East Railway (LNER) heritage tourist project.
- Initially, Dorset Council developed a project for a Rail Trail between Coldwater Creek and Scottsdale and received funding from the Australian Government under its National Stronger Regions Fund.
- Subsequently, the LNER developed a proposal for heritage rail between Launceston and Scottsdale.
- The Tasmanian Government requested Infrastructure Tasmania to undertake a review of LNER's proposal. Infrastructure Tasmania sought independent advice from two consultants – as assessment of the viability of LNER to bring the track to a necessary standard to run a heritage tourist railway (RayLink Consulting) and an assessment of the capability and capacity of LNER to upgrade the North-East Line and run a sustainable service (Linqage International).
- Infrastructure Tasmania's review recommended that the Department of Treasury and Finance be requested to commission an economic analysis of the benefits and risks of both project to the Tasmanian Community to inform the Government's position on the future use of the North-East Line.
- The Department of Treasury and Finance undertook an assessment of both projects to evaluate the costs, benefits and risks of each proposal.
- The Department of Treasury and Finance undertook further analysis on both proposals and provided a report to the Tasmanian Government.
- Following receipt of this analysis, the Tasmanian Government determined that both parties would be given the opportunity to develop sections of the line to maximise the chances of both projects becoming viable tourist attractions.
- The Legislative Council undertook an Inquiry into Tasmania's North East Railway Corridor, tasked with looking at the feasibility the proposals put forward by the Launceston and North East Railway and Dorset Council.
- Following the completion of its inquiry, the Legislative Council Government Administration Committee released its final report on 7 August 2019.
- The inquiry supports the Tasmanian Government's compromise decision to support access to the North East Rail Line to both the rail trail proposal as well as the tourist and heritage railway.

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	HERITAGE AND TOURISM RAIL				
Date prepared:	1 May 2022				
Output Group:	2 Infrastructure and Transport Services				
Output:	2.1 Infrastructure Tasmania				
Election commitment/ policy, stimulus package, funding program etc.	Supporting Tourism and Heritage Rail Election Policy				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$129 369	\$97 020	\$81 497	\$64 179	\$372 065
Federal	\$-	\$-	\$-	\$-	\$-
Other	\$-	\$-	\$-	\$-	\$-
Total	\$129 369	\$97 020	\$81 497	\$64 179	\$372 065-

KEY MESSAGES

- The Tasmanian Government supports the operations of tourist and heritage rail services on the Tasmanian Railway Network.
- The Tasmanian Government has ensured heritage rail organisations have access to both operational and non-operational sections of the Tasmanian Rail Network.
- The Tasmanian Government is offsetting the cost of public liability insurance for heritage rail organisations, consistent with the proposal put forward by rail groups.

Speaking points:

- Tourist and heritage rail organisations have maintained strong interest in opportunities to access the rail lines on the Tasmanian Rail Network.

Rail insurance

- Tourist and heritage organisations have identified the high cost of premiums for public liability insurance as a barrier to commencing rail operations.
- The Tasmanian Government has an obligation to ensure that potential risks from a private activity on publicly-owned land and assets are adequately covered. Otherwise, the cost of any incident would likely need to be met from public funds.
- Public liability insurance of \$200 million is prudently required to be held by groups seeking access to non-operational rail lines.
- The level of insurance required is consistent with other jurisdictions and reflects assessed risks associated with operation of heritage trains. In saying this, it is noted that arrangements vary between jurisdictions, but in each case, the public liability risk must be managed.
- The Tasmanian Association of Tourist Railways put forward a proposal to the Tasmanian Government to offset the costs of insurance premiums based on a sliding-scale over seven years. The Tasmanian Government was pleased to support this proposal and is providing \$600 000 over seven years to the Association for this purpose.
- This funding commitment further extends the support that the Tasmanian Government has provided to enable organisations to re-commence passenger rail services.

Don River Railway

- The Tasmanian Government has provided funding support of almost \$200 000 to assist the Don River Railway to complete a comprehensive business plan for its future operations.
- The Tasmanian Government has committed a further \$2 million to support Don River Railway to progress the expansion and enhancement of its rail precinct and rail experience product.
- The Don River Railway has completed the Business Case and has also publicly advised it is seeking a further \$17 million to support the full package of projects identified in its Business Case, including rail operations to Penguin and Devonport.
- As a first step, the Tasmanian Government is working with Don River Railway to finalise priority projects for utilisation of the Government's \$2 million commitment.

Tasmanian Transport Museum Society

- A strategic corridor for part of the South Line between Glenorchy and Berriedale came into effect on 5 February 2021, for the operation of a tourist and heritage railway service run by the Tasmanian Transport Museum Society.
- This has addressed an issue concerning Tasmanian Transport Museum Society's legal capacity to operate passenger services on the siding connecting to its site, which is located within the non-operational rail corridor.
- The decision to lease the section of corridor to the Tasmanian Transport Museum Society does not affect the current work on activation of the Northern Suburbs Transit Corridor, under the Hobart City Deal, noting that any arrangements entered into under the Strategic Corridors Legislation, are subject to any future use of the corridor by the Tasmanian Government.
- Following payment of the necessary public liability insurance, with support from the Tasmanian Government, the Tasmanian Transport Museum Society re-commenced rail operations on 1 August 2021.

Derwent Valley Railway

- The Derwent Valley Railway has been given access to a section of rail line between Third Avenue and Back River Road on the Derwent Valley Line.
- This section of line has been leased to the Derwent Valley Railway to support development of a tourist and heritage railway service.

Launceston and North East Railway

- The Tasmanian Government has provided a lease to the Launceston and North East Railway for the section of the North East line between Turners Marsh and Lilydale for the purpose of operating heritage rail services.

Strategic Infrastructure Corridors – recreational purposes

- In addition to the establishment of strategic corridors for heritage and tourist rail operations, the Tasmanian Government has provided access to:
 - the Western Line between Burnie Port and Wynyard for the purposes of Burnie City Council’s Coastal Pathway project (refer North West Coastal Pathway ECB)
 - the North East Line between Lilydale Falls and Tonganah for the purposes of Dorset Council’s Rail Trail project.

Key Statistics:

The notable non-operational rail lines in the State are:

- Derwent Valley Line: The section running from Boyer to Florentine, 71 km in length. Freight services ceased in 1995 and heritage rail tours ceased in 2005.
- North East Line: From Coldwater Creek (14 km north of Launceston) to Tonganah, 73 km in length. Freight services ceased in 2006 and heritage rail tours ceased in 2004.
- Wiltshire Line: The section running from Burnie to Wiltshire, 78 km. Freight services ceased in 1997, heritage tours stopped running in 2003.
- Risdon Line: From Derwent Park to the former siding at Risdon Smelter (Nyrstar), approximately three km in length. Train services ceased in the 1990’s.
- South Line: The section running from central Hobart to Bridgewater, 21 km in length. Freight services ceased in mid-2014.

Jobs/Investment created:

- N/A

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$0	\$2 250 600	\$129 369	\$97 020	\$81 497	\$64 179

The table shows the first five years of payments from the Tasmanian Governments \$600 000 commitment to offset insurance costs from 2021-22 plus:

- \$2 million committed in the 2021-22 budget for the Don River Railway to enhance its rail precinct and rail experience
- In 2021-22, \$92 200 was paid to Don River Railway to finalise its Business Case. This Business Case had been the subject of an earlier \$50 000 and was the subject of a further \$46 000 commitment made during the 2021 election (which is administered outside the Infrastructure Portfolio).

Released under RTI

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	DON RIVER RAILWAY				
Date prepared:	22 April 2022				
Output Group:	Administered Expenses (Grants and Subsidies)				
Output:	Administered Expenses (Grants and Subsidies)				
Election commitment/ policy, stimulus package, funding program etc.	Election commitment of \$2 million.				
Funding:	22-23	23-24	24-25	25-26	Total
State	-	-	-	-	-
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	.-

KEY MESSAGES

- The Tasmanian Government committed \$2 million to the Don River Railway in 2021-22 to progress the expansion and enhancement of its rail precinct and rail experience product.

Speaking points:

- The Tasmanian Government committed \$2 million in 2021-22 to the Don River Railway to progress the expansion and enhancement of its rail precinct and rail experience product.
- The Tasmanian Government has subsequently entered into a grant deed with Don River Railway to fulfill this commitment.

- The Tasmanian Government commends the Don River Railway for its vision to expand its operations. However, it is important this is done sustainably, and is led by the Don River Railway itself.
- Accordingly, The Don River Railway has separately been financially assisted by the Tasmanian Government to develop a business case. The business plan will be used to develop the Don River Railway's business and tourism offerings.
- The Don River Railway has completed the Business Case and has also publicly advised it is seeking a further \$17 million to support the full package of projects identified in its Business Case, including rail operations to Penguin and Devonport.
- As a first step, the Tasmanian Government is working with Don River Railway to finalise priority projects for utilisation of the Government's \$2 million commitment.

Key Statistics:

- Don River Railway attracts approximately 23 000 visitors a year.
- Local visitors comprise approximately 40 per cent of the railway's total visitor numbers.

Jobs/Investment created:

- n/a

Unit/Program Budget:

2021-22 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$-	\$2 000	\$2 000	\$-	\$-	\$-

Background:

- On 28 January 2021, the former Premier, the Hon Peter Gutwein MP, announced a commitment of \$92 500 to the Don River Railway to complete a new business case covering its site expansion and rail experiences. A further \$45 000 was provided to this project during the election.
- During the 2021 election, the Tasmanian Government committed \$2 million over two years for Don River Railway to progress the expansion and enhancement of its rail precinct and rail experience product. The detail of this commitment identified that the first step would be to install necessary line infrastructure (specifically, a rail intersection, or “points”) to enable access to the TasRail mainline.



Released

Department of State Growth

Budget Estimates Briefing
Minister for Infrastructure and Transport

Subject:	WEST COAST WILDERNESS RAILWAY				
Date prepared:	1 May 2022				
Output Group:	Administered Expenses (Grants and Subsidies)				
Output:	Administered Expenses (Grants and Subsidies)				
Election commitment/ policy, stimulus package, funding program etc.	N/A				
Funding:	22-23	23-24	24-25	25-26	Total
State	\$4 million	-	-	-	-
Federal	-	-	-	-	-
Other	-	-	-	-	-
Total	\$4 million	-	-	-	-

KEY MESSAGES

- The **West Coast Wilderness Railway** provides an iconic historical tourism experience showcasing the **West Coast of Tasmania**.
- The **Tasmanian Government** has invested **\$38.5 million** in the railway since **2014-15**.
- The **Tasmanian Government** is continuing to work to maintain and enhance railway operations and the visitor experience.

Speaking points:

- The West Coast Wilderness Railway is operated by the Abt Railway Ministerial Corporation. The Minister's delegate for the Railway is the Deputy Secretary, Transport and Infrastructure Services in the Department of State Growth.
- The Railway has experienced a number of operational challenges in recent times that have related to or been exacerbated by COVID and affected its ability to maintain a full schedule of rail services. This has included a shortage of trained drivers and lower than expected locomotive availability.
- The reductions made to carriage capacity as part of the Railway's COVID-19 risk management planning have reduced revenue by over 40 per cent.
- The Tasmanian Government and the Railway management take safe operation of the railway extremely seriously and continue to invest in opportunities to improve the rail operation and experience.
- With the \$16 million assistance provided by the Tasmanian Government over four years to 2022-23, the Railway is investing in additional rolling stock, including the restoration of Abt locomotive No. 2, in addition to maintaining existing rolling stock.
- The additional steam locomotive will bring the total number of steam locomotives to four. This will provide an important buffer, allowing for periodic and deep maintenance to be undertaken without interrupting steam schedules.
- In early 2021, the Department of State Growth became aware of certain allegations relating to a procurement for supply of construction materials for the railway. Consequentially, the Department of State Growth engaged accounting firm WLF to undertake a financial audit.
- The audit has been concluded and the advice provided to the Department. The findings of the audit are material to a commercial dispute with a supplier to the railway that is ongoing, and as such, it is not proposed to release further detail at the current time.
- The procurement has also been the subject of investigation by Office of the National Rail Safety Regulator, which separately conducts safety audits on a periodic, and/or event-based basis. The Office of the National Rail Safety Regulator has determined that no further action was to be taken.
- The railway works closely with the regulator and will continue to do so to ensure that the railway's safety management system reflects contemporary best practice.
- A shortage of experienced qualified steam locomotive resulted in services being reduced to five a week over Christmas/New Year. This has now been restored to 10 services a week and will see a minimum of 12 services a week next peak season.

- In part, the service disruption arose from an employment matter, which has now been resolved. It is not appropriate that I provide any further comment in relation to this matter, which is private employment matter between the WCWR and the individual.
- Two additional employees have now achieved certification as drivers. A further two fulltime drivers, and a casual driver, have been recruited, as well as junior locomotive crew members.

Key Statistics:

- In 2018-19, the last year unaffected by COVID-19, the Railway carried 35 545 passengers.
- In 2020-21, passenger numbers were reduced to 20 262.
- In 2021-22, passenger numbers have increased to approximately 25 000.

Jobs/Investment created:

- The Railway has almost 100 employees, of whom approximately 40 are full-time. Employment numbers fluctuate over the year, with a higher proportion of casuals employed during the peak season.
- The West Coast Wilderness Railway is a key tourism attractor for the West Coast region. It generates considerable direct and indirect downstream economic benefits for the West Coast community through employment and visitor spending in the region.

Unit/Program Budget:

2020-21 Actual	2021-22 Budget	2022-23	2023-24	2024-25	2025-26
\$8 million	\$4 million	\$4 million	-	-	-

Released under RTI