PARLIAMENT OF TASMANIA

DEBATES OF THE LEGISLATIVE COUNCIL

DAILY HANSARD

Wednesday 2 September 2026

Preliminary Transcript

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

QUESTION ON NOTICE - ANSWER

No. 62 - Palantir Technologies

Ms O'CONNOR question to LEADER for the GOVERNMENT in the LEGISLATIVE COUNCIL, Ms RATTRAY

(1) During budget Estimates in Government Administration Committee A this year, the minister for Health was asked whether the Tasmanian Health Service has awarded any tenders, or signed any contracts, with any company or subsidiary of the global corporation, Palantir Technologies Inc. The question was taken on notice and the subsequent answer indicated there are no such tenders awarded or contracts with any Palantir Technologies Inc subsidiary company. Was a thorough search of current providers with THS undertaken to ensure an accurate answer is provided to the Council? Is the minister certain the question asked by the member for Hobart was responded to with the necessary due diligence and that the answer provided to GAA is correct?

(2) Across State Service agencies, have any tenders been awarded or contracts signed with subsidiaries of Palantir Technologies Inc? If so, in which Agency or Agencies and for what services; to what financial value; and duration of the contract.

(3) Does Palantir Technologies Inc, or any subsidiary of the corporation, have access to the personal data of Tasmanians that is stored or cached by State Service Agencies?

[11.02 a.m.]

Ms RATTRAY (McIntyre) - I seek leave to table this document and have it incorporated into *Hansard*.

Leave granted; document tabled and incorporated.

See Appendix 1 (page 98).

RECOGNITION OF VISITORS

Mr PRESIDENT - Honourable members, before I move on to Orders of the Day, it gives me great pleasure to welcome years 4, 5 and 6 students from Riana Primary School, which I believe is in the honourable member for Montgomery's electorate. The secret that the school keeps is that the member for Murchison is a former student of that school, I do believe.

Ms Forrest - Hear, hear. The dux of grade 1.

Mr PRESIDENT - The honourable member for Murchison peaked early, obviously.

We're currently going through our business. Every day we open the parliament in that same way before we move on to our Orders of the Day and the legislation we'll be looking at.

You've come a long way to see us, and I know that all members of the Legislative Council and the broader Parliament of Tasmania will make you most welcome and hope that you really gain some knowledge about our democracy on your trip here today.

Members - Hear, hear.

JUSTICE AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL (No. 2) 2025 (No. 39)

Consideration of Bill as Amended in Committee of the Whole Council

[11.04 a.m.]
Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - I move -

That the bill as amended in Committee be now taken into consideration.

Motion agreed to.

Amendments read the first time.

Amendments read the second time.

Amendments agreed to.

JUSTICE AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL (No. 2) 2025 (No. 39)

Third Reading

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

That the bill be read the third time.

Bill read the third time.

JUSTICE AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL 2026 (No. 12)

Consideration of Bill as Amended in Committee of the Whole Council

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

That the bill as amended in Committee now be taken into consideration.

Motion agreed to.

Amendments read first time.

Amendments read second time.

Amendments agreed to.

JUSTICE AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL 2026 (No. 12)

Third Reading

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

That the bill be read the third time.

Bill read the third time.

CONDOLENCE MOTION

The People of Nepal and Nepalese Tasmanians

[11.08 a.m.]
Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

That the Legislative Council:

(1) Notes that hundreds of people have been killed and remain missing and there is extensive destruction following devastating flash floods that struck communities in the border region between Nepal and Tibet.

(2) Expresses profound sadness at the tragic loss of life and suffering experienced in Nepal and extends its deepest condolences to all those affected.

(3) Recognises the ongoing search and rescue efforts to locate those still unaccounted for, including reports that at least 43 Australians are among the missing.

(4) Notes that Tasmania is home to a vibrant and growing Nepalese community, with more than 6000 Tasmanians born in Nepal and more than 7000 speaking Nepali at home.

(5) Acknowledges the significant contribution of Nepalese Tasmanians in all aspects of Tasmanian life including work, sport and community participation.

(6) Recognises that many members of Tasmania's Nepalese community will be grieving for family, friends and loved ones affected by this tragedy and affirms that this is a time to stand with the Nepalese community here in Tasmania and across Australia.

(7) Pays tribute to the emergency services personnel, volunteers and humanitarian organisations providing assistance to those affected and urges Tasmanians to support fundraising efforts if they can.

(8) Offers, on behalf of the Council and people of Tasmania, its heartfelt condolences to the people of Nepal and all Nepalese Tasmanians impacted by this tragedy.

I rise today on behalf of the government of Tasmania to support this condolence motion, and to express our deepest sympathies to the people of Nepal following the catastrophic disaster that has unfolded in the Himalayan region in recent days. This tragedy has claimed hundreds of lives, left thousands missing, destroyed communities, swept away homes, businesses and critical infrastructure, and plunged countless families into grief and uncertainty. Reports indicate the disaster was triggered by a massive glacial collapse and landslide in the Himalayas, unleashing devastating floods and debris flows through valleys and settlements along the Nepal-China border.

At a time such as this, numbers alone cannot convey the scale of human suffering. Behind every loss is a person whose life mattered, a family shattered by grief, and a community forever changed. We mourn with those who have lost loved ones. We think of those still waiting for news of family members and friends. We acknowledge the anguish of those whose homes, livelihoods and futures have been swept away in a matter of moments.

The images emerging from Nepal are truly heartbreaking. Entire settlements have been overwhelmed; roads, bridges, hydropower facilities have been destroyed. Search and rescue workers continue to operate in extraordinarily difficult conditions and circumstances as they seek survivors and recover the missing.

Tasmanians understand the profound impact of natural disasters. We know what it means when communities face devastation, when people lose homes and livelihoods, and when families are forced to confront unimaginable loss. While the circumstances may differ, the experience of grief, resilience and recovery is universal. It is for that reason that the people of Tasmania feel a deep sense of solidarity with the people of Nepal today.

Nepal is a nation renowned for its resilience, its rich cultural heritage, and the warmth and generosity of its people. Despite facing some of the world's most challenging geography and recurring natural hazards, the Nepalese people have repeatedly demonstrated extraordinary courage in adversity. That courage is evident not only in the emergency responders, volunteers and local officials working tirelessly to save lives, but also in ordinary citizens who have shown extraordinary leadership in moments of crisis.

Among the many stories to emerge from this tragedy is that of school principal Rajendra Dawadi, who, faced with warnings of approaching floodwaters, acted without hesitation to move students and teachers to safety. Watching from higher ground as floodwaters engulfed the school, he knew that a few minutes' delay could have cost countless young lives. His actions stand as a powerful reminder that courage is often found not in extraordinary people, but in the ordinary people who undertake extraordinary actions when others depend upon them. Stories such as this speak to the character and resilience of the Nepalese people. They remind us that even amid overwhelming loss and devastation, there are examples of bravery, compassion and leadership that inspire people across the globe.

As we reflect on this tragedy, it is also appropriate to recognise the international dimension of the disaster. Those affected include not only Nepalese citizens, but visitors and workers from many countries. This disaster has touched families across the globe, reminding us that in an interconnected world, human suffering in one place is felt far beyond national borders. Australia and Nepal share long-standing ties built through friendship, education, tourism, development, cooperation and people-to-people connections. Many Nepalese Australians have made significant contributions to communities across our nation and including here, of course, in Tasmania.

Members of the Nepalese community in Tasmania will be carrying an especially heavy burden as they worry about relatives, friends and loved ones affected by this disaster. To those members of the Tasmanian Nepalese community, I want to say this: Your grief is shared by this Chamber and by the people of Tasmania. We stand with you during this extremely difficult time. We recognise your anxiety, your sorrow and your concern for those still unaccounted for. We hope for news of loved ones and we offer our support and friendship.

Disasters of this magnitude also remind us of the increasing vulnerability of mountain communities to extreme natural events. Scientists examining this disaster have pointed to the role of a major glacial collapse and landslide in triggering catastrophic flooding. While investigations will continue and lessons will be learned, the tragedy underscores the importance of disaster preparedness, international cooperation and efforts to build community resilience in the face of growing environmental risks.

Today, however, our primary purpose is not to analyse; it is remembrance. We remember those whose lives have been lost. We honour the courage of rescue workers and emergency personnel risking their own safety in the service of others. We acknowledge the families enduring unbearable uncertainty, and we express our hope that those who remain missing may yet be found and reunited with those who love them.

In moments of profound loss, parliaments such as ours speak not only as institutions but as representatives of our communities. We pause from the usual contest of public life to recognise our common humanity. The people of Nepal are facing one of the darkest chapters in their recent history. Yet, even in times of great tragedy, we see the strength of compassion, the generosity of strangers and the resilience of communities determined to rebuild.

I extend our heartfelt condolences to the government and the people of Nepal, to all families who have lost loved ones, and to all those whose lives have been affected by this horrific disaster. May those who have lost their lives rest in peace, and may the people of Nepal find strength, hope and solidarity in the days, months and years ahead. Forever in our hearts, thank you.

[11.16 a.m.]

Ms FORREST (Murchison) - Mr President, I note the Leader's contribution to this condolence motion, and I rise to support this motion, and do so with a heavy heart.

What happened in the border region between Nepal and Tibet is almost impossible to comprehend from the safety and distance of this Chamber. In the space of a single morning, a wall of water swept through Himalayan communities, hydropower stations and border crossings, taking hundreds of lives, leaving thousands unaccounted for and reducing homes, roads, critical infrastructure, schools and livelihoods in ruin. The scale of the loss is still emerging, and for many families, the agony of not knowing is its own form of grief. We understand this tragic event was triggered by a major glacial collapse with little warning, and thus little time for people in the vicinity to react. Images and video footage has been frightening to watch; it must have been unimaginable to witness and experience. In such a picturesque and beautiful part of our world, it would have been such a shock.

I want to acknowledge in particular the now 39 Australians reported missing, with the news overnight of four being found, thankfully alive, in the wake of this disaster. Behind those 39 Australians are individuals, some pilgrims, trekkers, workers, sons and daughters, siblings, parents, grandparents, friends; and behind each of those individuals are families here in Australia, including here in Tasmania, many waiting for news. I also acknowledge all the Nepalese people, many of whom still have no news. I understand the search and rescue efforts continue, and I join with other members in hoping for a safe recovery of as many of the missing people as possible, whilst also recognising that hope must sit alongside honest acknowledgement of the mounting toll, and every day that passes makes it more unlikely that people will be found alive, sadly.

This tragedy is not a distant one for Tasmania, as many living here know or have connections with members from the Nepalese community. We are home to a vibrant and growing Nepalese community, with more than 6000 Tasmanians born in Nepal and more than 7000 who speak Nepali in their homes. These Nepalese Tasmanians have made their lives here. They work in our hospitals and aged-care facilities, on our farms and in food-processing plants, in our trades and in our small businesses. They play sport among us and they send their children to school in our communities, and they contribute to community life. Many members of our Nepalese community are still grieving and will continue to grieve for many months and years to come. Some will be waiting for news of their parents, siblings, cousins or friends still in Nepal. Others will be actively grieving already. Friends of these Tasmanians will also be sharing in their grief, as we do. That grief does not stay confined to their private homes, it is carried into their workplaces, the clubs they are involved in, their places of worship and community halls right across the state. I hope every Nepalese Tasmanian will note this parliament sees that grief and stands with them. They are a long way, as we are, from the disaster area, and not knowing what is happening on the ground - and in some cases whether loved ones are safe - must be extremely difficult. The not knowing is particularly difficult, and we know that communications are cut in these sorts of disasters and that hope that people cling onto is very real.

I also want to pay tribute to those on the ground doing the work that none of us could easily do: the emergency services personnel; the volunteers; the humanitarian organisations; many operating in extremely difficult and dangerous terrain, searching for survivors and providing aid to those who have lost everything, many of them putting their own personal safety at risk, going into these areas that still remain unstable.

This is an area that will remain unstable, and listening to some of the commentary around this area, it's likely to occur again. Obviously the whole community of Nepal are very aware of that and I know that there's work going on at the moment to try to take preventative actions, but knowing this effectively was the first event that came with very little warning and ongoing risks to their own safety, and continues for those working in that area. Their courage deserves our recognition and acknowledgement.

For Tasmanians who are looking for a way to help here, aside from reaching out to members of the Tasmanian Nepalese community to offer support, including practical support such as providing a meal or other support they may need, I urge them to support established fundraising and relief efforts that are underway. Even modest contributions multiplied across the community can make a genuine difference to families rebuilding from nothing.

Mr President, I offer my heartfelt condolences to the people of Nepal, to the Australians and their families who are missing and those who have died in Nepal as a result of this tragedy, all the families of those who are still missing, and to every Nepalese Tasmanian carrying this loss with them, not only this week but into the future. We stand with you and acknowledge the very real loss and profound grief that you are experiencing.

[11.22 a.m.]

Ms LOVELL (Rumney) - Mr President, I'll speak briefly to add my voice to this important demonstration of support by our parliament. I want to thank the Leader for bringing this motion forward on behalf of the government for us to acknowledge this disaster and the enormous devastation it has brought on the people of Nepal and across the border in Tibet. This disaster has changed tens of thousands of lives in mere minutes, Mr President. The floods have left entire towns and villages completely isolated. Homes, schools, hospitals, roads and bridges have been washed away, leaving families without access to shelter, food, water, health care, education and other essential services.

The numbers are devastating and behind those numbers are people: more than 50,000 people impacted, 4000 still unaccounted for, including 43 Australians, and over 900 people having lost their lives already; all the loved ones of those people, the families in Nepal and surrounding areas and here in Australia and in other parts of the world. The ripple effect extends right across the globe.

Tasmania has a growing community of people from Nepal and I want to recognise them today as well, the families that have made Tasmania their new home. I can't imagine how they are coming to terms with this unfolding tragedy from so far away, with family members, friends and loved ones still in Nepal and dealing with the aftermath of the disaster. It's imperative that we support them now through this devastating event and in the months and years to come.

We will stand with them this evening on the lawns of parliament, but our support must go much further than that.

I also want to pay tribute to those who are on the ground doing everything they can, at great risk to themselves, joining in rescue and recovery efforts; like the member for Murchison said, they are doing the work that most of us would never be able to do.

Mr President, I want to finish with a final brief comment. We know that the science tells us that these floods were triggered by a large mass of ice and rock breaking away from a glacier high in the Himalayas, causing a powerful surge of water and debris to push downstream and leave a trail of destruction. This is the kind of disaster that the world has been warned of for decades now with a warming climate, and it's an absolute tragedy that these warnings have been ignored and this is the result.

The Prime Minister of Nepal has said it's time for Nepal to strongly raise the issue of climate-related disasters with the international community but, Mr President, it can't be the responsibility of Nepal alone. Every country, including Australia, every leader needs to be more active and more accountable in addressing climate change at every level.

My heart is with all of those affected by this heartbreaking, devastating event, and I commend the motion.

[11.25 a.m.]
Ms WEBB (Nelson) - Mr President, I rise to speak on this condolence motion and thank the government for bringing it forward for us to be able to add our words of support and condolence. This is an extremely sad and solemn occasion, and it is with a heavy heart that I stand here to convey my condolences and deepest sympathy to the Nepali community on behalf of myself and the electorate of Nelson.

It's indeed daunting and challenging to attempt to find words adequate in the face of something that's simply so unfathomable. The sense of meaning seems so elusive at times like this, when it's most desperately needed. Maybe all we, here today, can hope for is to convey some small but deeply felt and genuine way of expressing our shared shock, our profound sorrow and, above all, our solidarity and our shared humanity with the people of Nepal, including those in our local community.

The horror of seeing those images of the enormous wall of water and mud that could not be contained as it tore like a tsunami from Tibet through into Nepal, the crushing speed of those floodwaters and mud slides gave the people there little chance as the wall of water devastated the affected districts. If I found it shocking and heartbreaking to view those images of devastation, to hear of entire villages buried, and to absorb the horrifying toll of lives lost and the many thousands still missing, I simply cannot imagine what it has been and continues to be for those who endured it and those directly affected by it all around the world including here, in Tasmania. The sense of overwhelming grief in the face of such immeasurable, incalculable and devastating loss is enormous.

For those in our local Nepali community in Tasmania, it must feel that Tasmania is so incredibly far away from those people in their precious homeland, the relatives and communities and friends directly affected. We recognise that, for you, our Nepali community members, your worlds have changed dramatically and permanently. There cannot be any return to normal, as normal has been redefined for so many.

I wish to acknowledge the selflessness and the bravery of the many first responders and volunteers who continue the desperate rescue effort at this very moment in a quest to save lives on the ground in Nepal.

My heart goes out to the displaced and those enduring the weight, the uncertainty, desperate for news either here or in Nepal.

I wish to also acknowledge the many local Nepali community organisations here in Tasmania: the Nepali Society of Tasmania, the Non-Resident Nepali Association, the Nepali Society of Northern Tasmania, the Nepalese Business Association of Tasmania, the Tasmanian Nepalese Cricket Association and the Nepalese Tasmania Sports Association. These organisations are no doubt overwhelmed as they support our much-valued Nepali community members here in Tasmania. I hope that there are many Tasmanians rallying around and providing support in every way possible.

Of course, I extend my personal sympathies to our colleagues here in this building who may be affected by this tragedy, Anil and Prajita and their families.

On behalf of myself and my family, and also on behalf of the electorate of Nelson, I offer my heartfelt condolences to the people of Nepal and all Nepalese Tasmanians impacted by this tragedy.

I recognise, as the member for Rumney has just alluded to, this is not an extreme tragedy that has occurred without warning; it is in the context of a broader climate change discussion that even more urgently now must be driven not just by the people of Nepal, but people all around the globe, including here in Tasmania.

I cannot pretend to have any real sense of what our local Nepali families and people all over the globe from Nepal are facing, what they're thinking about in terms of their families, friends and communities, what they're going through, the challenges that they may face. But I can add my voice to this parliament's expression of condolence, which says that we grieve with you, we hope with you, and we say that you are not alone.

[11.30 a.m.]

Ms ARMITAGE (Launceston) - Mr President, I thank the Leader for bringing forward this motion. What we've seen unfolding in Nepal over the past days has been heart-wrenching and tragic. When we see this sort of devastation to people, infrastructure and the environment, we're reminded of the fragility of human life and how quickly and easily things can change forever. The flash floods destroyed the environment, collapsing infrastructure, roads, buildings and communications equipment. The human toll continues to rise as the number of those who have died and who are being reported missing remain ongoing. At this time, I note that the number of unaccounted Australians has thankfully been revised down to 38, with five people located in recent hours. While we view this as good news, I continue to hold the families, friends and loved ones of the remaining 38 in my mind, as I'm sure does everyone else here in this place. We're told more than 4400 people remain missing, which is absolutely heart-wrenching. I further note the foreign minister, Penny Wong, has acknowledged that Nepal's government had been extremely helpful to all foreign nationals during this extremely distressing time.

I've seen with profound heartbreak how our communities all over Australia are rallying and holding vigils for those who have been lost or remain missing. This includes vigils held in Launceston and Hobart just last evening. This evening, parliament will also pause to acknowledge the tragedy and hold a vigil on Parliament Lawns. I note the significant number of people from Nepal who live in Tasmania, with more than 6000 Tasmanians born in Nepal, and more than 7000 speaking Nepali at home. They're our friends, our colleagues, students in our schools, people we play sport with, and fellow members of our community. They are hurting, and many are personally affected by the shocking events and connections they have to people who have lost or are missing loved ones. While for many, Nepal is home, I think I speak for everyone here when I say there will always be a place for you here, and that we embrace and support you during this time of terrible grief and worry. You will continue to be seen and heard, and we are here for you.

In times of crisis, it's easy to fall into the dark depths of grief. The weight of sadness at the loss of human life is profound, and nothing we say or do minimises that. It's a pain which is real and tangible. To this end, I note and encourage all Tasmanians to understand and appreciate that many members of Tasmania's Nepali community will be grieving for family, friends and loved ones affected by this tragedy. I further affirm that this is a time to stand with the Nepali community here in Tasmania and across Australia.

While those on the ground continue to work through this crisis, it is important to remember the small glimmers of hope that emphasise the uncompromising nature of humanity, cooperation and spirit. I note on August 28, a young girl was pulled out from underneath the rubble of a collapsed building, digging with hands and basic tools. The survival of this 6-year-old girl after 55 hours symbolises the importance of continuing to work hard and hold out for more stories of hope.

I also acknowledge the work of Australians in the effort to render assistance to those in Nepal. While there are many people who are working and helping in the rescue efforts, it was inspiring to hear about the work of engineer Professor Arnold Dix, who's been providing assistance to Nepal from Melbourne. According to ABC News, Professor Dix's role is to help identify where to begin digging at the hydropower stations to try to access the people who are trapped. Using things like satellite imagery, as-built and engineering drawings, and other resources, Professor Dix is helping to find the areas to start digging, locating and trying to rescue any survivors who are in the area. A further harrowing challenge is the absence of communications infrastructure, roads and lack of access to power to operate machinery, meaning that rescuers on site are working with far more rudimentary tools and equipment. This is in addition to the possibility of more floods.

These are truly distressing circumstances, but I want to note that this all emphasises how international collaboration, effort and shared human spirit comes together during a time of crisis. I therefore further note the motion and pay tribute to the emergency services personnel, the volunteers, and humanitarian organisations providing assistance to those affected. I join my fellow colleagues on behalf of myself and the electorate of Launceston in offering my heartfelt condolences to the people of Nepal, all Nepalese Australians and all people and families impacted by this tragedy.

[11.35 a.m.]

Ms O'CONNOR (Hobart) - Mr President, I rise on behalf of the Greens in this place to express my most heartfelt sorrow and condolences to the people of Nepal and to thank the government for bringing on this condolence motion in both houses of the Tasmanian parliament today.

To our beloved Nepali Tasmanian community, I know you will be in shock and in mourning now, and this is our parliament's opportunity to express our love and solidarity with you. We know Nepal is a small country and everyone here will be affected in some way by what happened. I note, and I hope to see all members join the Nepali community of Tasmania tonight at the vigil on the lawns at 6 p.m. Our hearts are with the Nepali community, as they are with the families of travellers from all over the world, including the 38 Australians who are still missing.

Mr President, this is an overwhelming tragedy that we are talking about here today, and because of the kind of world that we live in, it was a tragedy that everyone has been able to see happen through the cameras of the people who experienced that horror. What we know of the event is that, as others have mentioned, it's understood that a glacial lake in the Himalayas collapsed and part of a mountainside came down the Trishuli River between Tibet and Nepal. It caused an earthquake; such was the scale of this geological climate-fuelled event. It caused an earthquake that registered 5.2 in magnitude and sent a tsunami of ice and rocks and mud down the Trishuli River at speeds of more than 100 kilometres an hour. It wiped out the Gyirong border crossing between Tibet and Nepal in one of the most shocking, horrific and tragic pieces of security camera footage you'll ever see. Those poor people had no chance. Small towns along the river, absolutely wiped out. We know that the confirmed deaths so far sit at around 950, but around 4500 people are still missing.

The Nepali people are utterly blameless victims of this tragedy. We're seeing glacial retreat all over the world. The Nepali people are responsible for 0.1 per cent of global emissions. Three out of four cars in Nepal are electric vehicles. They have reversed deforestation and around 40 per cent to 50 per cent of Nepal is forested. It is a sad and unacceptable fact that the poorest people, like the people of Nepal, are paying the highest price for the failure of wealthy nations to rein in fossil fuel mining and burning, to too slowly uptake our renewable energy and their failure to protect our carbon stocks.

This enormous tragedy is a warning. If we don't rein in carbon emissions, melting snow and ice will bring more suffering, and we all have a responsibility to heed the words of the Nepali prime minister to make governments and corporations do better and start doing the right thing.

So, in the immediate sense, of course, I encourage all Tasmanians who will be feeling this pain in solidarity with the people of Nepal and our Nepali Tasmanian community to donate to the relief and recovery effort. A number of organisations have set up relief and recovery appeals, including Red Cross and UNICEF. It is true that every dollar that we donate will be of some help, but the best thing we can do, and we all know this, the best way we can support the people of Nepal and all poorer countries into the future is to rein in our emissions.

I note the condolence motion with a heavy heart and on behalf of the Greens in this place, extend my love and care to the people of Nepal, and to our dear Nepali community of Tasmania. I note the motion with a very heavy heart.

[11.40 a.m.]
Ms THOMAS (Elwick) - Mr President, I, too, rise to convey my heartfelt condolences to all those affected by the tragic devastation and loss of life caused by the terrifying flash flooding and landslides in Nepal. I extend my condolences and thoughts to those who are there on the ground and to all those who are afar worrying about loved ones. We know that prior to the floods and landslides, there were 407 Australians registered with the Australian Embassy in Nepal, alongside 187 permanent residents. Today, as we've heard from other honourable members, 38 Australians remain missing. We also know that, according to the 2021 Census, 2318 Glenorchy residents, my local community, have Nepalese heritage, making up almost 5 per cent of Glenorchy's population. I know there are a significant number of people in my community who are affected by this tragedy and I want them to know that I stand with them, and I have absolutely no doubt that all of the kind, generous and caring people in the electorate of Elwick, in the Glenorchy community, stand with them as well.

I talk about numbers, but these are people. These are real humans who are deeply affected by this tragedy and it extends to the broader community as well. We see on the 24/7 news images of people suffering and of the devastation. I know the vicarious trauma that that watching others suffer can cause. I thank all of those who contributed to organising last night's candlelight vigil at the Montrose Bay Yacht Club. I'm sorry that I couldn't be there due to being here in this place, but my thoughts were certainly with everyone there. I'm really grateful to the people of Glenorchy and the surrounds who attended to stand in solidarity with everyone affected and show their support. I look forward to attending tonight's vigil on Parliament Lawns to show my support. Whilst I am here in parliament, my electorate office is open and Duncan stands ready to listen, and we will do whatever we can to support anyone in my local community who is affected by this, at this time. I thank the Red Cross and other organisations who are providing support and guidance to us as members of parliament as well, on how we can help and how members of our community can help. Not only are organisations like Red Cross there on the ground providing emergency assistance and coordinating fundraising efforts, but they are also providing advice to our local communities, and I'm very grateful for that.

I finish by again extending my heartfelt condolences and extending that offer of support for anyone in my local community who would like to reach out. Please don't hesitate to be in touch, and know that we are here for you.

[11.44 a.m.]
Mr DUIGAN (Windermere) - Mr President, I rise to add my support for this condolence motion and, like others, to express my deepest sympathy for the people of Nepal, and perhaps more pointedly to the Nepalese community who are here in Tasmania, following the devastating floods that we saw in that spectacular Himalayan region recently. Like all of us here I suspect, I watched those pictures and I must admit, I walked past the TV and I assumed it was AI, to see the scope and the scale of what occurred. Sadly, as we know, it wasn't AI, but that doesn't make it any less difficult to comprehend. Obviously, lives have been lost, families torn apart, communities devastated and, as we've heard, many, many people remain missing and unaccounted for in that region. Obviously some of those people are Australian but it is, by far and away, Nepalese people who are most impacted. Of course, everybody in those big numbers have a family, people who care for them and communities who are waiting for answers, and obviously the impact of something like that has reverberations beyond the area where it occurs.

While Nepal is somewhat distant from Tasmania, there is a palpable level of grief here, given our very strong Nepalese community. As the member for Windermere, representing the northern suburbs of Launceston and the East Tamar region, there is of course a very strong Nepalese community in that part of Launceston and northern Tasmania. You have interactions with them. I often interact with the Nepalese Cricket Association and it's just such a joy, every interaction I have, and I'm sure other members are the same. When you get to have an interaction with, often our migrant communities but Nepalese particularly in this circumstance, it is always such a joy. They are so optimistic and see such a bright future here in Tasmania. It's always a great pleasure to be able to help.

I guess one of the challenges with something like this is: what do you do? How do you help? I think it's very much about us joining together and offering our support. On Sunday night we had a candlelight vigil in Launceston at Heritage Forest, up in the Mowbray area there, and, again, community rolled out en masse, everybody was there lighting a candle. It was a pretty simple affair, no grand speech-making, but I think there was that very genuine show of support and also strength and connectedness, in that community, which is really important. It was certainly pretty powerful. I got to speak to a lot of people there - community leaders, some of whom I have met and some who are more emerging - and to hear some of the issues that this is raising. There are issues around visas where people might be on temporary visas which doesn't then subsequently allow them to travel out of the country. There were opportunities for us to help in that way - around support in the workplace if people need a bit of time off to do whatever they need to do.

I note that the University of Tasmania (UTAS) is a very large employer of the Nepalese community. I understand that UTAS has been very good at putting its shoulder to the wheel in terms of supporting their people.

I'm just rising to stand to offer my support and anything that my office may be able to do and I think, genuinely, the whole state is as one on that. There are many things that divide us and it's not always a bad thing to have a tap on the shoulder sometimes about the things that bring us together. As people await for news of their loved ones, I know it's a challenging time, it's a challenging area, because it's pretty remote and it's pretty disconnected at the moment.

I take the opportunity to acknowledge the extraordinary efforts of the emergency service personnel, volunteers and humanitarian organisations working in extremely difficult conditions. It's, again, I think grounding for us here in Tasmania to see those people, those hydro tunnels - and I've spent a little bit of time in hydro tunnels myself and they're okay to transit through, but you don't want to be spending a week in a hydro tunnel with one end blocked off by mud. As the search continues and rescue efforts continue in those dangerous, uncertain environments, our thoughts are with those people.

On behalf of all those I represent and the people of Tasmania, I join with others in supporting the motion.

[11.50 a.m.]

Ms GLADE-WRIGHT (Huon) - Mr President, I, too, rise to support this motion and express my heartfelt condolences to the people of Nepal, the Nepalese community here in Tasmania and anyone else directly affected. The scale of this disaster is difficult to comprehend. I acknowledge the search and rescue efforts continue. Emergency services personnel, volunteers and humanitarian organisations are working under extraordinarily difficult circumstances to locate those still unaccounted for and provide assistance to survivors.

This motion rightly recognises Tasmania's Nepalese community. More than 6000 Tasmanians were born in Nepal and more than 7000 people in our state speak Nepali at home. Nepalese Tasmanians have become an important and valued part of our community. Many Nepalese Tasmanians will be worried about family members, grieving the loss of loved ones or anxiously waiting for news from friends and relatives. That is why I think this motion is so important. It is about recognising our responsibility here at home, standing alongside our Nepalese friends, neighbours and colleagues and letting them know that they are not alone.

When one part of our community is hurting, all of us are called upon to respond with compassion and it has been heartwarming to see evidence of that already. Whether that is through supporting fundraising efforts, reaching out to friends, attending community events or simply checking in on someone who may be struggling, there are many ways that we can show our support.

Tasmania is at its best when we come together in difficult times. Today I stand with the people of Nepal, with the families still waiting for answers, and with the Nepalese community here in Tasmania and across Australia. I offer my sincere condolences to all those affected by this devastating tragedy and thank those who continue to risk their own safety to help others in the aftermath, so I commend the motion. Thank you.

Statement by President

Vigil for Nepal

[11.52 a.m.]
Mr PRESIDENT - Honourable members, before I put the motion I, too, would like to join with all members here sending my thoughts and condolences to the people of Nepal.

This evening at 6 p.m., of course, we have the vigil in the front of parliament on the lawns and I know that all members who can attend will attend because as difficult as it is for the people living in Nepal, the local community here must be feeling it very tough knowing that their people are suffering so far away, so I'd just like to put my thoughts and heartfelt feelings towards all the people of Nepal and I thank honourable members too for their really thoughtful and heartfelt contributions today.

[11.53 a.m.]
Ms RATTRAY (McIntyre - Mr President, I certainly echo your words that you've just shared with the Council today about the contributions that have been made on this motion, and I sincerely thank you all for those heartfelt contributions.

The comment made by the honourable member for Windermere about being tapped on the shoulder and bringing all Tasmanians together was endorsed by the honourable member for Huon.

It certainly is a time for all Tasmanians to come together and continue to hold those who are affected, not only here but from afar, close to our thoughts and close to our hearts at this time as we individually or as a community come together and decide how we can provide some really tangible support to those people. There have been some wonderful initiatives offered by members here today, and I sincerely thank them.

Mr President, my contribution was on behalf of the government, but I sincerely meant all those words on behalf of the people of McIntyre as well, who would also be seeing what we saw on the TV and hearing those tragic stories and listening to any updates on whether there'd been any people found. We have seen some wonderful advice about how some people have been able to reunite with their families, but the longer this goes on, the harder it'll be to hear those stories. So again, on behalf of the government, I sincerely thank everyone for their contributions. Those who haven't, I know you'll have these people in your thoughts as well. I commend the motion to the Council.

Motion agreed to *nemine contradicente*.

MOTION

Nature Conservation Act 2002 Proclamation - Calverts Hill Nature Recreation Area

[11.55 a.m.]

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

> That the Legislative Council approves, for the purposes of section 18(2) of the *Nature Conservation Act 2002*, the draft Proclamation made under section 17(1) of the *Nature Conservation Act 2002*, laid upon the Table of the Council on 20 August 2026, for the alteration of the class of reserved land over an approximately 8.295 ha parcel within the approximately 67.3 ha Calverts Hill Nature Reserve from the class of Nature Reserve to the class of Nature Recreation Area and give the name Calverts Hill Nature Recreation Area to that parcel of land.

The purpose of this motion is to have the Council approve a draft proclamation under the *Nature Conservation Act 2002* for the alteration of the reserve class over a portion of the Calverts Hill Nature Reserve from a nature reserve to that of a nature recreation area. The proclamation alters the class of reserve over an approximate area of 8.295 hectares, within the 67.3 hectares of Calverts Hill Nature Reserve.

This parcel is parallel to the coast. Calverts Hill Nature Reserve is on the south-east coast of Tasmania and is located between Cremorne and Lauderdale within the Clarence local government area near Hobart.

Clarence City Council approached the Tasmanian Parks and Wildlife Service in 2014 with the proposal to develop the Clarence Coastal Trail along the coastal side of Calverts Hill Nature Reserve. The establishment of this shared-use track remains a priority for Clarence City Council under its Tracks and Trails Strategy. The Clarence City Council has been working with the Tasmanian Parks and Wildlife Service to find a solution to formal track construction and dog-walking management on this section of the coastline.

Under Schedule 1 of the *National Parks and Reserves Management Act 2002* (NPRMA), the management objectives differ between the classes of a nature reserve and a nature recreation area. While general public access is an acceptable use within a nature reserve, such a class is primarily preserved in its natural state, which means building infrastructure such as the shared-use trail could not be approved. However, the establishment of the shared-use trail is consistent with the management objectives of a nature recreation area, which includes to encourage tourism, recreational use and enjoyment consistent with the conservation of the nature recreation area's natural and cultural values.

Importantly, the clearly marked and fenced trail will, by establishment, protect the surrounding natural values of the area. An assessment of natural and heritage values for the portion of land in question found no recorded Aboriginal heritage sites. There are records of the *Eucalyptus morrisbyi* within 500 metres of the proposed nature recreation area. Protection of the endangered *E. morrisbyi*, listed under both the *Threatened Species Protection Act 1995* and the *Environment Protection and Biodiversity Conservation Act 1999*, was specifically addressed in Clarence City Council's proposal. The proposal noted that the trail development is on improved pasture and will be within a fenced corridor, providing separation between trail users and the *E. morrisbyi* within the nature reserve.

I commend the motion to the House.

[11.59 a.m.]
Ms WEBB (Nelson) - Mr President, I rise to speak on this motion. To be upfront, I'm not overly familiar with the Calverts Hill Nature Reserve near Cremorne. However, when this parliament is asked to alter a nature reserve classification from a nature reserve to that of a nature recreation area, even if it is a partial parcel within a remaining nature reserve, it's incumbent upon all of us to examine very closely the rationale behind such a change in reserve status and the veracity of the reassurances given, particularly in light of the 2024 State of the Environment report which recommended as recommendation 10 that the Tasmanian government expand Tasmania's terrestrial reserve system where it's necessary to provide greater protection for under-represented ecosystems.

So, in a biodiversity crisis and climate crisis, it is a fair expectation that the government should be prioritising extending and enhancing protections in Tasmania's reserves network rather than downgrading existing reserves' status.

Mr President, due to those considerations, the fact that the Calverts Hill Nature Reserve was created for the conservation purpose of the endangered *Eucalyptus morrisbyi*, I sought feedback from key stakeholders, including the Tasmanian Conservation Trust and Environment Tasmania on the need for this proposed alteration of the class of reserved land. Generally speaking, those who know this particular stretch of coastline well value the stretch of walking track extending from Mays Beach near Lauderdale to Cremorne. Those familiar with the Calvert Hill Nature Reserve are very aware it was created as a result of a purchase of private land, mainly with $300,000 of Commonwealth government funding in the 1990s to conserve the endangered *Eucalyptus morrisbyi*.

It's fair to say, Mr President, that where there is some general disquiet over the proposed and perceived downgrading of the reserve status of the identified 8.295-hectare parcel of land within the nature reserve, it's primarily about the precedent such a reclassification may set, rather than the reclassification itself. The information provided by the government states that the purpose of the reclassification of the reserved status of the identified parcel of land is to develop the Clarence Coastal Trail along the coastal side of Calverts Hill Nature Reserve, as requested by Clarence City Council. We've been told it's been identified that a formal track is required rather than the informal one that's there now, I understand, and a track which facilitates recreational activities such as dog-walking management along that section of the coastline, particularly more safely and accessibly.

Those who know the Calverts Hill Nature Reserve well informed me that currently there isn't a formal track and in places the current trail winds quite closely to the steep cliff edges and gullies. In this context, there's a recognition that a formal track with fencing is required for safe access, particularly for activities such as dog walking. However, that does highlight the tension between areas of vulnerable and endangered species being reserved primarily in recognition of those significant biodiversity values and areas primarily reserved as multi-use conservation areas. The motion before us will see both those categories within the one broader Calverts Hill reserved area as per the identified targeted 8.295-hectare parcel of land to be reclassified.

In light of that tension of the primary purpose for reserve status, I'm hoping the government can provide further detail and commitments on the record here today regarding the ongoing protection of the core conservation values for which the reserve was first established. Specifically, and as I sort of had previously flagged in briefings with the government, I am seeking clear undertaking to be placed on the public record from the Leader, hopefully, that the only purpose of the proposed reclassification of the identified parcel of land is the provision of the formal walking track infrastructure, including the proposed fencing.

Additionally, can the Leader clarify specifically how wide a strip of reserve land has been identified as necessary for the new walking track? Will it be 100 metres wide or wider? Has it been identified as the most minimum width that is possible to achieve the track that's required?

Further, can the Leader clarify the purpose of the new walking track infrastructure? It's presumably for use by locals and visitors to enjoy the appropriate recreational pursuits such as dog walking, but I would like to have it confirmed, is it intended to benefit any other purpose, particularly any nearby or future commercial interests that are looking at developments in that area?

Regarding the walking track's siting, can the Leader confirm it will be predominantly positioned along the highest part of the reclassified area, which I understand to be the western side of that reclassified area? Where is the main population of the endangered *Eucalyptus morrisbyi* in relation to the proposed reclassification? I do note, during the briefing we were provided with a map, which is very useful to see that; in fact, it appears that those stands of trees are farther away from the reclassification.

Perhaps the Leader could confirm what measures will be put in place to ensure the continued conservation of the *Eucalyptus morrisbyi* protected by the conservation status of the Calverts Hill Nature Reserve once the reclassification of the coastline parcel has gone through. And can the Leader clarify whether the government is aware of any further plans for any other types of developments which may be permitted or considered following this instance of downgrading a parcel of land within the broader Calverts Hill reserve area?

I appreciate some of those queries we discussed and were raised during the briefings this morning, but I'm interested in, just as a matter of transparency and record, having them put on the record here today as part of this debate.

As I stated at the beginning of my contribution, at a time of recognised biodiversity and climate crisis, it's jarring to find myself having to consider a reclassification of an established nature reserve which downgrades its classification. However, it's clear that the conservation values and purposes of the current nature reserve status is incompatible for the proposed walking trail and fencing works which even those stakeholders who care for the reserve acknowledge could assist in the long-term protection of its core conservation values, so that's positive.

Further, it's my understanding that the reclassified area from nature reserve to nature recreation area status does not contain any specimens of the endangered *Eucalyptus morrisbyi* and the track's fencing may assist in protecting those populations elsewhere in the reserve.

To conclude, given those considerations and pending the requested clarifications being placed clearly on the record today from the Leader, I'm currently inclined to support the motion.

[12.07 p.m.]
Mr EDMUNDS (Pembroke) - Mr President, I also rise to support this motion, 13 years in the making. I thank the advisers for the briefing and the member for Elwick in particular for tracking down some extra information and being prepared to share that with us proactively to help inform our decision today.

In supporting this motion, I laud the hard work of the Tracks and Trails Committee at Clarence City Council. These volunteers have kept this project on the boil for those 13 years and I'm sure when this vote passes they'll take great satisfaction in it. The Tracks and Trails Committee I think is the heart and soul of the eastern shore community and what they deliver through the council. It is a larger group than most other councils' and has a unique collection of expertise and I understand more than 20 projects on the go. You only have to go for a walk around the city of Clarence, whether it's in my neck of the woods, in, say, Bellerive or Howrah, or the member for Rumney's regions, such as what we're discussing today, to see how fantastic the tracks and trails are around Clarence. It's a real credit to the city, and as I wrote here in my notes before I stood up, Clarence's tracks and trails are the envy of the state. I can tell you for a fact, they were a godsend during COVID where people needed some form of passive recreation to participate in.

I was saddened to see when I was watching the Clarence City Council meeting on Monday night to see a deputation from Michael Hawkins and then subsequently becoming aware of the possibility that this group may be disbanded by the council. Goodness, grief, Mr President, talk about wrong priorities, talk about over-regulation, over-bureaucracy, red tape, which unfortunately seems to be the Clarence City Council's calling card at the moment to me, and I'll have to do a bit more investigation on this. It's been a big week already, but to me it looks like the council is not respecting the work that's been done and being done by this group.

Mr President, I support the motion and I reserve the right to follow up on that other issue further.

[12.09 p.m.]

Ms O'CONNOR (Hobart) - Unusually, for a Green in this circumstance -

Ms Forrest - What's coming next?

Ms O'CONNOR - The downgrading of a nature reserve to a nature recreation area - usually, the Greens would view such a proposal, Mr President, with great scepticism, but we do support this motion and we recognise it's the result of years of advocacy on the part of the Tracks and Trails Committee of Clarence City Council and of Clarence City Council itself.

Many, many years ago, in about 1991 or '92, as a journalist working at WIN Television at the time, I did a story on the *Eucalyptus morrisbyi*, is its name -

Ms Rattray - Is that how you pronounce it?

Ms O'CONNOR - Yeah. At that time, and I haven't been back to check in recent years, there was a small, highly vulnerable stand of *Eucalyptus morrisbyi* along the road into Cremorne and the task then of government was to try to protect those trees that were vulnerable by the nature of their location. But also, obviously it was a focus of government then, an understanding that you needed to set aside some land in the habitat to protect a tree which is found nowhere else in the whole world than in this little patch in Cremorne.

The tree itself is not like our big blue gums or *viminalis*; they're quite a nuggety little eucalypt, and they have a slight cider gum look around them. They're a beautiful, delicate little eucalypt and they deserve respect and protection. I believe that, in this reclassification, government, Parks and Wildlife Service, is very mindful of the need to maintain that protection for this globally unique eucalypt.

I'm also informed by my colleague in the other place, the member for Lyons, Tabatha Badger, who's also our spokesperson for parks and Crown lands, at the southern end of the parcel of land that we're talking about today and as a part of the current nature reserve, which will become a nature recreation area, there's a local Tasmanian wedge-tailed eagle, *Aquila audax*, and at the other end there's a white-bellied sea eagle. There's something poetic and quite beautiful about the fact that two of our most iconic raptor bird of prey species top and tail this little parcel of land at Cremorne.

In acknowledging the work of the Tracks and Trails Committee at Clarence towards this objective that we're talking about here today, I want to acknowledge the work of former councillor on Clarence Council and former member of the Save Ralphs Bay group, the remarkable Kay McFarlane, who passed away a few years ago but was a staunch and tenacious advocate for tracks and trails in the Clarence municipality and worked very closely with the community to make sure that there were more outdoor recreational opportunities in that very, very beautiful part of southern Tasmania.

I also want to - what's that?

Mr Edmunds - It was a big loss, having someone who advocates so strongly like that.

Ms O'CONNOR - Yeah, mighty woman. Mighty Kay.

Mr Edmunds - I think they suffer from her not being there in more ways than one.

Ms O'CONNOR - She was a force of nature. I also want to acknowledge the work of another one of the former members of Save Ralphs Bay, June Graham, who was a very active participant in the local Coastcare group, which would have worked in and around this nature reserve. June was in her 80s and she would always turn up to our Save Ralphs Bay Inc weekly meetings, and she was also down there every weekend working with Coastcare to protect and restore that beautiful part of Tasmania.

Other members have asked the government to clarify that this reclassification under the *Nature Conservation Act* is solely for the purposes of the walking track and some associated low-impact infrastructure primarily for safety, I would gather. So, perhaps the government could come back to the Council with that answer.

But I'm glad about this reclassification because I believe, for the people of Clarence and people who visit that area, this will increase the opportunities for public use and enjoyment of the natural values of the South Arm Peninsula, which is one of the most beautiful parts of Tasmania. This reserve sits on Frederick Henry Bay, which sits just across The Neck at Dunalley from Ralphs Bay. With those few words, on behalf of the Greens, I can indicate, as we did in the other place, that we support this motion.

[12.15 p.m.]
Ms THOMAS (Elwick) - Mr President, I, too, rise to indicate my broad support for this motion. That support comes from a place of supporting track and trail development, and supporting opportunities for all Tasmanians to be physically active - we know the health benefits that brings - and to enjoy our beautiful coastlines, but, of course, making sure that that's done in a sustainable and environmentally friendly way. We need to make sure that Benny the Biker can have somewhere to ride and Wendy the Walker has places to walk, and I think, from what we heard this morning, the Tangara Trail is already established along that path. This change will enable Clarence City Council to further implement their tracks and trails plan and strategy, which will provide more opportunities for physical activity not just for people in that municipal area, but all people who will also travel to use that facility.

I support it broadly, but I had some questions that I put to the government, as the member for Pembroke alluded to, and I'm grateful for the answers provided late yesterday. I thought it might be helpful to have them on the record. So, I will ask them now and hope the Leader will be able to respond.

My first question was: was there any community consultation undertaken on this change by either the government or Clarence City Council, and when was this undertaken? If not, why not?

I also wonder if the Leader can advise - well, we asked this morning - could we possibly see the proposal that was put to the government's Parks and Wildlife Service by the council in 2014? It's helpful for members when making decisions such as this to have that transparency around how this proposal came about. That question was asked again in the briefing this morning and I hope the Leader will be able to provide some more information about what the proposal actually looked like, what form it was in, because it hasn't yet been shared with members.

Another question I had was whether there'd been any further proposal put since 2014, or at least what engagement there's been between Clarence City Council and the Parks and Wildlife Service on this proposal since that time.

Finally, as the member for Pembroke alluded to, this has taken a significant amount of time, it appears, to get to this step, where we're making this decision today. So, my final question was: why has it taken 12 years to progress to this step? But, broadly, I support the motion.

[12.18 p.m.]

Ms LOVELL (Rumney) - Mr President, I want to put a couple of brief comments on record as the local member for this area, but I also acknowledge the comments that have been put on record by other members, particularly the member for Pembroke. I know with his history with Clarence Council, he has a very in-depth understanding of this issue as well.

I support the motion. As other members have noted, this is a fairly sensible change, it's pretty conservative. I know this is an area that has been utilised by many people in the local community, but there has been some confusion over what the appropriate use of that land is. Those walking tracks are really important to members of that community. There's lots of people in that area who lead very active lifestyles and people will walk up the entire coast right through to Seven Mile Beach and down towards the South Arm Peninsula, which I was really pleased to hear the member for Hobart acknowledge as one of the most beautiful parts of Tasmania because it certainly is. It's a stunning place and I feel very fortunate to have it as part of my electorate. I just wanted to acknowledge the work of those local walking groups and the advocacy that they've undertaken over many years to have this piece of land reclassified so it can be enjoyed responsibly by the community. I support the motion.

[12.19 p.m.]

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I'll just gather up the advice that I've been receiving during the course of the debate.

It looks like the summing-up will take longer than the contribution to the motion on my behalf, but I will endeavour to work my way through it. Before I start, I will seek members' indication of whether they would like the original request from the Clarence City Council in regard to what we're dealing with today read into *Hansard* or just tabled. I'm happy to do either, it's in the hands of the Council.

Mr PRESIDENT - Move the motion and you will find out.

Ms RATTRAY - Mr President, I've got a number of documents to table, I will table them all together if that works for you. Thank you.

Mr PRESIDENT - Will you seek leave to table the document and have it incorporated into *Hansard*?

Ms RATTRAY - Mr President, I will do exactly that. I seek leave to table the following documents.

The first one is the request from the Clarence City Council to Parks and Wildlife Service, dated 19 April 2013. There is also a map that responds to the honourable member for Nelson's question about where the stands of *Eucalyptus morrisbyi* are; and a picture showing how the land looks today.

Leave granted; documents tabled.

Ms RATTRAY - I will work my way through what I have here. On the ongoing protection of fencing, existing measures are in place to protect the natural values of the *Eucalyptus morrisbyi* and will remain in place including existing fences and biosecurity measures. The question was posed, what is the minimum width that can be utilised as siting of the walking track. The proposed area is approximately 980 metres long, up to 80 metres wide at its widest point and approximately 55 metres at its narrowest. The informal trail is located on the coastal side of the strip through, and it's expected that this will be minimised wherever possible.

On the question around any other purpose or commercial interest, no commercial interest or development has been flagged other than trail and fencing. Any future trail proposed by council would go through a reserve activity assessment process, which would be subject to community consultation and would have to identify any further controls needed to protect values.

There was a question as to where the main location of the *Eucalyptus morrisbyi* is. It's 500 metres from the proposed track and, as I indicated, I've tabled the map marking the area where this stand is located.

Also, another response, importantly, the parcel of land being reclassed does not possess the values associated within its current classification. Its characteristics and use are more consistent with the classification now proposed and it recognises long-existing use.

On the question about the protection of native species, I've tabled the map and a picture, but prior to purchase by the Crown and proclamation as a nature reserve, the land was privately owned and was grazed and there is an existing informal trail that passes along the coast. Assessments of flora, fauna, Aboriginal heritage and geoconservation values have been completed. No impediments to proceeding with the change to reserve classification were identified.

The threatened native vegetation community, the *Eucalyptus morrisbyi*, exists within the neighbouring reserve and the stand of trees is not within or near the coastal strip or trail area that is subject to the proposed alteration. Any future trail proposals by council would go through, as I said, the reserve activity assessment process, which would identify any further roles needed to protect the values.

I've tabled the letter from Clarence City Council, but just to provide a brief overview, the council first wrote to the Parks and Wildlife Service in 2013 indicating it would like to develop a formal track along the coastal strip section of the Calverts Hill Nature Reserve, as identified in the Clarence Tracks and Trails Action Plan of 2007, so they also took a while between that and then the request. Things take a while, I think that's the main message here. That was part of the coastal trail between Mays Beach and Cremorne. In its letter, council requested that Parks and Wildlife Service consider reclassification of the coastal section of the nature reserve to an appropriate reserve class that will still protect the values of the area while allowing for the proposed recreational facility, namely the coastal trail. Progressing the formalisation of the walking track has been subject to ongoing engagement and discussions between council and Parks and Wildlife Service since this time. The original proposal included formalising the existing informal track class 3/T1 standard and the installation of a stock-proof fence parallel to the western side of the track.

The question was asked, why has it taken so long? We talked about the discussions between council and Parks and Wildlife Service and then Parks and Wildlife Service conducted an initial reserve activity assessment of council's proposal to formalise a section of the Clarence Coastal Trail. The assessment confirmed that an alteration of the reserve status from nature reserve would be required to allow any new visitor infrastructure, such as a formalised track, and there was a need to clarify the legal status of a small strip of coastal land - the 3.4 hectares within the parcel to be altered - and whether this might affect the validity of the proclamation of the Calverts Hill Nature Reserve in 2007 for that parcel of land. This uncertainty was resolved as part of the preliminary work for approval of the alteration process. There's also the requirement for additional land surveys to be undertaken to confirm reserve boundaries, as well as amendments to the sealed plan. In addition, appropriate due diligence has been undertaken in relation to natural values, cultural heritage, land tenure and regulatory requirements to inform the reservation change.

There was a question about whether there was any community consultation undertaken by council or government on this proposed change. The response I've received: the alteration of reserve class is a statutory land management process that establishes the tenure and management framework of the land. It responds to a request from the City of Clarence, who have undertaken consultation associated with the development of the Tracks and Trails Strategy, associated coastal trail planning and the Coastal Access Strategy. In addition, any change in reserve class does not replace the requirement for future trail proposals to undergo the relevant planning approval and environmental assessment processes, which I've already indicated, and these processes would include appropriate stakeholder and community consultation.

If not, why not? As above, the consultation has been undertaken by the City of Clarence council.

Tracks on both sides of the proposed area - it was a question around what existing trails and tracks are on either side. Council has upgraded tracks on either side of the proposed reclassification from a nature reserve to a nature recreation area. Again, I seek leave to table the actual map that members received at the briefing, which will sit alongside the other documents that I've requested and have been approved to table, which is the Calverts Hill map showing the proposed coastal strip for reserve status alteration and the distance of the parcel from the inland vegetation community of the *Eucalyptus morrisbyi*. It's a coloured map, so I'm not sure that that goes into *Hansard* in colour but, anyway, we'll see. I seek leave to table this document and have it incorporated into *Hansard*.

Mr PRESIDENT - The honourable Leader seeks leave to table a document and have it incorporated into - that's what she's asked? She asked to have it incorporated.

Ms Thomas - Just needs to be tabled, doesn't it? It doesn't need to be incorporated.

Ms Webb - Just table it without *Hansard.*

Ms RATTRAY - Well, just tabled then. Perhaps my words will be in the *Hansard* and the map will just be enclosed.

Leave granted; document tabled.

Ms RATTRAY - It does have some words on the top of it, so that might be useful.

In closing, before I commend the motion to the House, it'll be useful for Wendy the Walker and Benny the Biker and whatever dogs they choose to take with them and any visitors to apparently that most beautiful area - that's what I've heard from contributions today. Mr President, I commend the motion to the House.

Motion agreed to.

TAXATION AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL 2026 (No. 21)

Second Reading

[12.34 p.m.]

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, today the government is introducing a bill to amend the *Duties Act 2001*, the *First Home Owner Grant Act 2000*, the *Land Tax Act 2000* and the *Taxation Administration Act 1997*.

Through this bill, the government is seeking to improve Tasmania's state revenue system and to promote a taxation framework that enables efficient and equitable collection of revenue, while ensuring taxation laws operate as intended. I note these changes are not expected to have a significant impact on revenue and are broadly focused on better aligning the detail of legislation with either the intent of parliament at the time of legislating or to update legislation to address issues with the legislation that have emerged over time.

By introducing this bill, the government is delivering on its 2025 election commitment to provide taxpayers with more flexibility in paying land tax, make bill payments easier and cut unnecessary red tape, which I will touch on further in my contribution.

I note that most of the amendments in this bill commence on royal assent, with land tax and foreign investor duty surcharge provisions applying retrospectively from 1 July 2026, to ensure they operate from the beginning of this financial year.

The bill makes several amendments to the *Duties Act* to improve Tasmania's duty arrangements.

The bill updates and clarifies several definitions. These include updating references to Commonwealth citizenship legislation and replacing references to the Australian Stock Exchange with the Australian Securities Exchange.

It also aligns citizenship-related definitions with the *First Home Owner Grant Act* for consistency

The bill extends the definition of a complying superannuation fund to include self-managed superannuation funds and updates the definition of a recognised stock exchange.

The bill also addresses minor drafting inconsistencies and improves technical provisions.

The bill amends the foreign investor duty surcharge assessment provisions for Tasmania-based foreign developers. Currently a developer must build at least 50 residential dwellings in a financial year to qualify for duty relief. The bill lowers the threshold from 50 to 10 dwellings in a financial year that must be developed to qualify for this provision. This change is designed to make this duty relief easier to access and better reflect Tasmanian market conditions and size. It is consistent with reduced thresholds adopted in most other jurisdictions over recent years. The lower threshold will apply from 1 July this year, incentivising Tasmania-based foreign developers to develop right now, rather than delay through to next financial year.

The bill also amends duty exemption provisions relating to family law matters. These amendments extend exemptions to include transfers made in accordance with unregistered awards arising from family law arbitration in the same manner as transfers arising from other recognised family law dispute resolution pathways and registered awards.

The bill also improves concessional duty treatment for deceased estates by extending concessional treatment to transfers arising on intestacy, ensuring equitable treatment with transfers made under a will and removing red tape.

In addition, the bill refines the partial exemption for transfers of land to councils for use as public roads. The amendments ensure the exemption can apply where land is transferred for future use as a public road, including associated infrastructure such as paths and safety areas. They also provide for reassessment where the land is not used for use as a public road within an appropriate timeframe.

The bill strengthens the intergenerational rural transfer duty exemption. It fixes unintended eligibility problems by allowing beneficiaries to be removed from trusts without affecting eligibility. It also provides time for trust deeds to be corrected where technical drafting issues would otherwise stop genuine transfers from qualifying.

The bill also improves the corporate reconstruction and consolidation duty exemption provisions. These changes reduce red tape, and most critically from the perspective of providing a competitive business environment, align Tasmania's framework with other jurisdictions and ensure the provisions reflect modern corporate practices. These amendments extend the exemption eligibility to companies limited by guarantee, which is a structure used by not-for-profit organisations, removes pre- and post-association tests that have restricted access to exemptions, and allow certain necessary steps in consolidation transactions such as temporary ownership interests arising in a corporate consolidation transaction.

The bill also makes minor amendments to the *First Home Owner Grant Act* by updating references to current Commonwealth citizenship legislation and removes a redundant definition.

The bill amends the *Land Tax Act* to provide greater flexibility and improve access to land tax relief, consistent with the government's commitment as mentioned. The changes made through the bill will provide the Commissioner with discretion to allow land tax to be paid in more than three instalments, providing for more flexible payment options for taxpayers.

Consistent with the duty surcharge changes, the bill reduces the foreign investor land tax surcharge threshold from 50 to 10 relevant dwellings in a financial year. Likewise, transitional provisions ensure the change applies from 1 July this year.

The bill also expands access to the principal residence land tax rebate for jointly owned land. This allows the rebate to apply where at least one owner holding a 50 per cent or greater interest uses the land as their principal residence instead of requiring all owners to use the land as their principal residence, as is currently the case and can create scope for inequitable outcomes between taxpayers.

Finally, the bill amends the *Taxation Administration Act* to improve the administration of state taxation across multiple tax lines. These amendments improve reassessment and refund provisions, extend from three years to five years the period within which the Commissioner may withdraw an assessment, and remove unnecessary procedural barriers to taxpayers obtaining refunds of overpaid tax.

Through the amendments contained in this bill, the government is seeking to improve the operation, administration and clarity of the current taxation laws. Such efforts are critical to ensuring a competitive business environment that supports businesses to grow, invest and employ more Tasmanians, while ensuring that systems supporting the collection of own-source revenue are maintained.

In conclusion, through this bill, the government is seeking to deliver a practical suite of amendments that improve the clarity, fairness and administration of Tasmania's taxation and first home owner grant legislation.

I commend the bill to the Council.

[12.43 p.m.]
Ms FORREST - Mr President, I rise to speak on the Taxation and Related Legislation (Miscellaneous Amendments) Bill 2026 or the Tax-Misc bill, as we seem to like to call it.

Before going to the provisions in the bill itself, I want to note that I appreciate the briefings that have been provided. These sorts of miscellaneous amendments bills contain, some more than others, a lot of changes that may be difficult to put together in one go, so I do appreciate the briefings. I must say I particularly appreciate the briefing we had this morning from the commissioner himself, who was willing to further expand on his role, how he manages that, and also things like how he uses his discretion, which is not something he wants to use particularly often - but yes, how his role is undertaken.

I do note, because I did ask him whether he was consulted on this bill, and is he generally consulted on that? The answer was yes.

Also, we read in some of the information provided with the bill that the Law Society often provides information to Treasury in relation to applying some of these duties and taxes -

particularly, I think, around matters relating to family law, duties, taxes and that sort of thing, which can be quite complex and challenging at times - and where they find things aren't working quite right or as intended. Then, when you get to the matter of trusts and things like that - I know I've had many discussions with members of the Law Society on trusts at times, being quite complex and sometimes a difficult law that sits around the management of trusts and how sometimes people might use certain mechanisms to try to avoid paying tax if they can. Not that I'm suggesting anyone necessarily does that, but I'm pretty sure most people would like to pay less tax given the opportunity.

Mr President, I do note that the commissioner informed us, too, that he has a number of requests still in his drawer that didn't see light of day in this taxation-related miscellaneous amendment bill. Maybe we'll see another one before too long. This is very much a bill in the tradition of the periodic taxation tidy-up bills that we see from time to time, but I know it has been some time since we've had one and it does amend four pieces of related legislation: the *Duties Act 2001*, the *First Home Owner Grant Act 2000*, the *Land Tax Act 2000* and the *Tax Administration Act 1997*.

On the whole, as far as I can see, this bill is a sensible, largely technical piece of legislation but when we say 'largely technical', it's not the same as being beyond scrutiny. Tax law is complex. There are intersections with federal tax law. The tax laws themselves are massive, complex pieces of legislation and, of course, we do our best in this place when we deal with even a miscellaneous amendments bill like this, and we assume that it will work as intended. Sometimes, that's not always the case and we're back here. We do our best, Mr President, in quite a complex area of law. When you're doing a miscellaneous amendments, you're pulling up the principal acts from a number of bills and trying to see how it all fits in, so I think it's important to look at each one on its merits and test the claims, perhaps, for the reasons for it and get the advice we might need to assist us.

I do have a few questions on this I'll put to the Leader. I do know that the Leader said this is not intended to raise any particular additional revenue. It's not that, it's really dealing with procedural and operational matters. A good deal of the bill is uncontroversial and frankly overdue. I support extending concessional duty treatment for deceased estates to transfers arising on intestacy. This is important so the families, where a loved one has died without a will, are not disadvantaged relative to those who die with a will. Sadly, people sometimes don't get round to doing a will or they find it all too hard, and that can leave some people, particularly those left behind, at a distinct disadvantage. I think it's important that we do encourage people who we do come across in this situation to have a current will that's updated regularly because that is really important for so many reasons.

The other one is extending duty exemption for family law property transfers to unregistered awards arising from family law arbitration, bringing that in line with other recognised family law dispute resolution mechanisms. I think as federal law sometimes changes and family law often does change, it's important that we ensure that our law keeps up with that.

Extending the complying superannuation fund duty concession to self-managed super funds makes sense to me.

Refining the public road transfer exemption was an interesting one, Mr President.

Ms Rattray - I thought that myself, Mr President.

Ms FORREST - Yes, the land intended for future uses of roads, including footpaths, cycleways and safety infrastructure is not disqualified simply because it isn't built yet. It's a bit like the chicken and the egg, isn't? If it's not zoned for that use, you can't use it for that use but you can't build the road until it is, or the infrastructure that supports it. It seems odd that it's got to that point. I don't know how long this has been identified as a problem, but it just seems odd. It is a bit of a chicken and egg thing.

I do think it's probably relevant and important to have that 24-month use or lose it treatment in it too, because if it's changed for that purpose and that purpose is not enacted then that could be a concession that could be exploited about that. I think that's sensible.

Fixing the unintended eligibility traps in the intergenerational rural transfer duty exemption, particularly around beneficiaries being removed from trusts and the time allowed to correct trust deeds. Anyone who's dealt with family succession planning on a farm knows how easily a technical drafting slip in a trust deed can defeat the intent of a genuine transfer. As I said, trustees and arrangements, particularly in family farm arrangements, but other family deeds and that sort of thing are complex, and where it has obviously been identified that this could be a problem, I think it's appropriate to fix it.

Aligning Tasmania's corporate reconstruction and consolidation duty exemption with other jurisdictions including it to companies limited by guarantee, which, as members will know, is the typical structure used for not-for-profit organisations; most of them are structured that way.

On the administrative side, Mr President, I do welcome the removal of the statutory cap of three land tax instalments, giving the commissioner the discretion to offer a more flexible payment arrangement. Land tax bills are pretty big at times and we now know that most of our utilities you can pay much more frequently - I know this is not a utility - but it is a pretty significant cost to individuals and to be able to have more flexible payment arrangements, I think will make it easier for people to manage and not fall foul of our tax law or the commissioner's wrath for not paying the land tax when it's due. I think that would be helpful.

The removal of the formal objection required for taxpayers seeking a refund of overpaid tax and the clarification of the commissioner's powers to reassess and reduce the liability - these are all things that probably aren't used all that often, I imagine, but when they need it it's important that that's clear and there's no question about how that can be done.

These are the kind of practical taxpayer-facing improvements, in my view, that reduce friction without weakening the integrity of the system. That was the easy part, from my perspective. I now want to turn to a handful of measures in the bill. I want to ask the government to be able to show a little bit more of the revenue or positive and negative impacts of these changes.

First, the foreign investor threshold change. The bill halves the qualifying threshold for both the foreign investor duty surcharge relief and the foreign investor land tax surcharge relief from 50 to new residential dwellings down to 10 a year, and that's quite a change. In my view, it's a material change in a tax policy. This is a policy decision, not a 'fixing up around the edges'. In some respects - and it was interesting to hear today that normally we don't put much of a policy change matter in a bill such as this - they're more standalone bills with some fancy title, but here we are.

It is a material change, in my view, in tax policy, extending a valuable concession to a much larger pool of Tasmania-based foreign developers. This is how I understand it, I'm happy to be corrected if I'm wrong. I'm not suggesting we should not be seeking to attract foreign developers or investment; however, many of these entities have very deep pockets and we should be maximising our revenue sources as much as possible when the tax burden falls to non-Tasmanians.

The second reading speech tells us that this will better reflect Tasmanian market conditions and support housing supply. Well, we hear that all the time about a whole range of measures. While I don't doubt that may be the intent, the intent is not necessarily evident.

These are the questions I have for the Leader.

What analysis or modelling was undertaken to arrive specifically at a threshold of 10 dwellings rather than 15, 20, 25?

Was any modelling done at all? Is this just a judgement call, a policy decision? You know, 'Okay, 50 - no, I will make it 10'. How was that arrived at?

How many Tasmania-based foreign developers currently build between 20 and 50 dwellings a year and therefore stand to newly qualify for this relief?

What is the expected fiscal cost, the forgone surcharge revenue of this change in a full financial year, what's it expected to be? Revenue forgone is always a concern for me, particularly if it's coming not out of Tasmanians' pockets.

What housing supply outcome is the government expecting as a result? Additional dwellings, sooner delivery or faster delivery or simply a windfall to developers who would have built anyway? I think that's the thing, sometimes we see we're going to do it anyway, so here's a nice little bit of relief that they possibly don't need, some of them who have very deep pockets. Was that distinction tested and how will the outcomes be measured and reported about the outcome of this change? Is there a measure that we can look to in 12 months' time?

Second, the matter of retrospectivity is always one that we should always be very cautious about and consider fully. The land tax and foreign investor surcharge provisions apply from 1 July 2026 notwithstanding the royal assent will occur some months later - at least after now, which is well past 1 July. I understand the logic of this; aligning changes with the start of a financial year is sensible administrative practice, and I'm not raising this as a fundamental objection; I'm just saying that we need to be very cautious and make sure we're doing the right thing. Because retrospective application, even a benign application, deserves the question: has the State Revenue Office communicated these threshold and administrative changes to affected developers, foreign investors and their advisers in the period since the bill was introduced so that no-one can be caught unaware by the change that technically wasn't law, if it goes through this House? There's a period here where there may have been an expectation of what's been done in that space. What, if any, transitional guidance has been published?

Third, the no significant impact on revenue assertion, as the Leader said in her second reading speech, where the Leader said these are not expected to have a significant impact on revenue. We do need to test that kind of assertion against our Fiscal Sustainability Report and the budget. Individually, several of these measures may well be immaterial but, collectively, the surcharge threshold cut, the extended assessment withdrawal window, removal of the refund objection requirement and intergenerational transfer fixes, there is a reasonable question to ask as to whether Treasury has actually costed this package and whether or not it is expected to have a significant impact and it is just something that we don't actually know what it means in reality. Rather than just not expect it to have much of an impact, do we have any idea of what the impact is? How much revenue forgone will there be? I would ask the Leader to advise whether a formal costing exists and, if so, to provide that in her reply.

To be clear and to wrap up, none of these questions are raised in opposition to the bill. They're legitimate questions that I believe are important to have answered. This is, on balance, a constructive piece of legislation that improves fairness for Tasmanians dealing with deceased estates, family breakdown and intergenerational farm succession, and modernises provisions that, in some cases, have been sitting unchanged for years. I do intend to support the bill; but supporting the bill and scrutinising it are not mutually exclusive. When we're informed that a package of tax change will have no significant impact on government revenue, we should be expected to have a response to how much that is.

I do look forward to the Leader's response to the questions that I've raised, and I will support the bill into the Committee stage.

[12.59 p.m.]
Mr EDMUNDS (Pembroke) - Mr President, I also rise in support of the bill and do have a question that I'll ask, which, if the bell beats me, I might just ask over the lunch break rather than hold onto it until after Question Time.

Obviously, as it's been covered, there's a range of amendments to the following acts: the *Duties Act 2001*, *First Home Owner Grant Act 2000*, the *Land Tax Act 2000* and the *Taxation Administration Act 1997*. Overall, the amendments are to update terminology and references to other legislation and make each act easier to interpret and apply. As we've heard from previous speakers, the government's expectation is that the -

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

QUESTIONS

TasBuild - Representation of Women on Board

Ms WEBB question to MINISTER for WOMEN and the PREVENTION of FAMILY and SEXUAL VIOLENCE, Ms PALMER

My question goes to the equitable treatment of Tasmanian women working in the construction industry and specifically their representation on the board of TasBuild, which was created to manage the Portable Long Service Fund for eligible Tasmanian construction workers in accordance with the *Construction Industry Long Service Act 1997*.

Minister, in light of the government's stated commitment to 50 per cent representation of women on government boards and committees, can you -

(1) Confirm that all of the seven TasBuild directors are men, as is the current acting CEO?

(2) Confirm whether TasBuild is required to comply with the gender equity provisions of section 8.3 of the Cabinet Handbook regarding board appointment processes, including the requirement to provide a completed Tasmanian Women's Register Appointment Certification form?

(3) Minister, if you're unable to provide the full answers now, will you undertake to investigate and report back on TasBuild's obligations to comply with the Government's 50 per cent Representation of Women on Boards policy, its record of compliance and any steps you can take to ensure there is future equitable representation of women construction workers on the board which controls their long service funds?

ANSWER

Thank you very much, Mr President, and I thank the member for the question. There is a number of layers to your question which I will need to take on notice to get that information for you, and I will do that as quickly as I can.

Ms Webb - I appreciate that, minister.

TT-Line - Decision to Remove Fuel Levy

Ms FORREST question to MINISTER for INFRASTRUCTURE and TRANSPORT, Mr VINCENT

[2.32 p.m.]
Thank you, Mr President. My question is to the Minister for Infrastructure regarding the decision of TT-Line to remove the fuel levy on passengers and vehicles. Minister, are you aware of how this decision was reached? Is it part of an overall fare and revenue management strategy that recovers additional fuel costs another way? For example, is there a reduction in low fare availability to recover fuel costs that are still remaining high, or does this come with a passenger fare and vehicle fare increase?

ANSWER

Mr President, sorry for the short delay. I was listening to the question intently and forgot to look at my page that might help me answer that. I will just read this because this does cover a lot of what you said and then I can answer anything else that might be a query.

TT-Line's temporary fuel charge was removed from all bookings by 1 September onwards. The 15 per cent surcharge was introduced 31 March in response to the Middle East crisis. The original aim was to fully recover the additional fuel costs associated with passenger and vehicle. Freight was already part of a surcharge. During the five months the surcharge was in place, it recovered a portion of the TT-Line's additional fuel cost, with the unrecovered shortfall sitting at around $2.5 million.

The company is confident any future volatility in the fuel price can be managed. What they've done is just to recover the extra amount going through, but there was still, as of when they took it off, $2.5 million approximately shortfall in covering that. I believe with the new ships coming on board that any upsurge, and it's a tidy time to do it, but there is no intent to price that into any changes in the fuel price at this point in time as far as I'm aware, and I don't think that is an issue.

Ms Forrest - For the fares?

Mr VINCENT - The fare increase, no. The fare increase is there. It is market driven and they've been pretty upfront about that from day one that the fares are the fares and the fuel surcharge was purely there to cover that difference in the lead-up. Does that cover your question, member for Murchison?

TT-Line - Decision to Remove Fuel Levy

Ms FORREST question to MINISTER for INFRASTRUCTURE and TRANSPORT, Mr VINCENT

[2.35 p.m.]
I have a couple of other questions but I'll follow up on that one first. Minister, in your response about the decision of TT-Line to remove the fuel levy on passengers and vehicles, noting that the freight one remains, you stated that the intention was to be fully cost recovered for the additional cost of fuel, and you say it only covered a portion of that cost and there's still a significant shortfall. Based on that, are you aware how this decision will impact cashflow and the profitability of the business?

ANSWER

I'm advised that the board is very comfortable that the shortfall is absorbable in amongst their normal trading and that's the position they have taken at this stage after careful consideration of the pricing structure they had for that. Thank you.

AI Data Centres - Planning Approval Process

Ms O'CONNOR question to MINISTER for HOUSING and PLANNING, Mr VINCENT

[2.37 p.m.]
Minister, the Monday night before last, George Town Council approved the second Firmus AI data centre despite strong community opposition and unanswered questions over energy and water source and consumption - questions, by the way, your ministerial colleagues couldn't answer in the other place this morning.

Minister, if the people of George Town were angry before, they're furious now because they feel, and quite reasonably so, that they were ignored. Councillors who approved the project said they had no choice. Only one voted against the Bell Bay data centre. They clearly felt they did have a choice. Minister, do you agree there is something wrong with the planning rules when councils become a rubber stamp for data centres despite the overwhelming opposition of the local community, or are you satisfied with the way the planning system is working in relation to these developments?

ANSWER

I thank the member for her question. It's obviously a topical subject at the moment. The planning scheme is quite strong around everything that needs to happen and there is a clear path for a developer to put in an application to a council and have it processed. For councillors to say that they had no choice is not correct; they operate as two different spheres. One is on behalf of the community as a councillor, but they also wear a totally separate hat as a planning scheme administrator to run that system, and that is part of their role. To say there is no communication, that is wrong. All the way through the planning scheme, people who object or have different thoughts or passions about a project or, in many cases, people who wish to support a project, all have ample opportunity to do so. That has been applied through the council and always has been. We've been part of that process many times ourselves and sometimes councillors don't feel comfortable making those decisions, but the proponent put up an application to the council and it was assessed and, yes, there are people who have different thoughts on it, but it went through the process. If councillors wish to make comment on that, that is their prerogative, but there is a very good system and a very strong system for all applications that need to go through council and that process.

Yes, I do believe the planning scheme is strong enough and that there are levels of communication that everybody can feel confident about happening. Thank you, Mr President.

Ms O'CONNOR - Thank you, minister, for your answer. I challenge you on your statement that everyone should feel confident about the operation of the planning system in relation to AI data centre approvals. It is unarguable that there are communities, particularly across the north and north-west of Tasmania, whose confidence in the planning system to protect their interests, to protect our energy and water supplies, is diminishing as a result of your government's wholesale adoption of the AI data centre agenda. Can you explain, minister, to your mind, how much weight does the community's voice have in relation to these developments? Because of course there's a third DA that's about to go in for Wesley Vale. So, will the Wesley Vale community now be completely ignored under the planning system rules?

ANSWER

Thank you, Mr President. I reject the bit that we're ignoring anybody in the system or the planning system is ignoring anybody. It is there; it is a solid system for everybody to use as they see fit. Just because there is some opposition to this -

Ms O'Connor - Very strong opposition.

Mr VINCENT - as there sometimes is, that is just part of the process that a planning system has been involved. I'd rather see that strength going through council and that community having conversations about that than seeing things just automatically come into a political situation - that does not make good planning at all either. We do understand, though, that there are many changing facets that are happening all the time with the types of projects we need to look at now. That is why we're trying to look at the planning system to see what needs to be changed. That's a constant evolution.

We're just going through the process at the moment with the land use strategies and urban growth boundaries, and then there's residential standards associated with that and all other ways of doing amendments that'll be coming before this House at some stage. But we're constantly looking at ways of doing things differently. That's why I welcome the federal government's guidelines that they're working through and looking at now, and why I also welcome input from the lower House into looking at data factories.

It is something that there is obviously a lot of passion around. That does not mean that people are upset with the process, that the system is wrong. It is regarded as a very strong planning system. Yes, there are interpretations of it that sometimes lead us all into levels of frustration, but it's too easy to blame the planning system instead of looking at it holistically that there is a very good system there for people to use.

Ms O'Connor - Who should they blame?

Family Violence Act 2004 Reforms - Definition of Family Violence

Ms WEBB question to LEADER for the GOVERNMENT in the LEGISLATIVE COUNCIL, Ms RATTRAY

[2.43 p.m.]
I believe the response to a question I previously put to the minister for Women is now coming back via a more appropriate minister. I note the government has announced its intention to pursue reforms to the state *Family Violence Act 2004* in the wake of public consultation on the discussion paper released earlier this year. While it appears positive that further reforms are in the pipeline, I note that the joint statement released by the Minister for Women and the Prevention of Family and Sexual Violence and the Attorney-General were silent on addressing long-standing concerns over the definition of 'family violence' in our laws.

(1) Can you confirm that currently Tasmania is the only Australian state to limit the definition of 'family violence' to 'intimate partners and significant relationships', unlike other jurisdictions which recognise other forms of family violence?

(2) Can you clarify whether the proposed reforms to the *Family Violence Act 2004* will include revising the current definition and scope of the 'family violence' definition as called for by stakeholders, including the Tasmanian Family and Sexual Violence Alliance, the peak body?

ANSWER

Thank you, Mr President. To respond to the honourable member's question: the *Family Violence Act 2009* (the act) allows a spouse or person in a significant relationship, including an ex-partner, to obtain a Police Family Violence Order or apply for a Family Violence Order to protect them and any affected children from family violence. An affected child is a child under 18 years of age whose safety, psychological wellbeing or interest are affected or likely to be affected by family violence.

The act is part of an integrated response to family violence under the Safe at Home framework established in 2004, to assist with the implementation of the act. Safe at Home includes a range of service systems, processes and networks to provide a coordinated response to incidents of family violence in Tasmania. The service provided under this framework is aligned with the relationship definition provided by the act. It is acknowledged that violence and abuse can occur across all families and between all family members. Violence can make a significant impact on a person's life and it is completely unacceptable.

The government is now undertaking a significant program of family violence reform in response to feedback received on the Strengthening our Responses to Family Violence in Tasmania: *Family Violence Act 2004* and Related Legislation discussion paper. The discussion paper's release was an important part of the government's commitment to continuously evaluate and improve responses to family violence. It started a community-wide conversation about where further action should be taken, and the government will consider expanding the scope of the act to cover other types of violence occurring within family environments as part of this work.

Question on Notice No. 60 - Request for Answer

Mr GAFFNEY question to LEADER for the GOVERNMENT in the LEGISLATIVE COUNCIL, Ms RATTRAY

[2.46 p.m.]
Honourable Leader, on 11 August, I asked, through a notice of question referring to AI data centres, Firmus, ACN, IPOs, et cetera. As this is such an important challenge and issue in the Tasmanian community and as Wesley Vale is in Latrobe, which is in my electorate, I ask if I can expect an answer to those questions tomorrow.

ANSWER

That question, and the answer to that question, has been followed up within the last hour, before we came to Question Time. I'll certainly endeavour to have that provided to the honourable member tomorrow.

AI Use - Department for Education, Children and Young People

Ms O'CONNOR question to MINISTER for EDUCATION, Ms PALMER

[2.47 p.m.]
Minister, I want to ask you, on behalf of students in the north-west, about the use of generative AI in classrooms. We've received some correspondence from a student of Hellyer College, which I'll summarise for you, so I don't run over:

> I'm part of a group of students in north-west Tasmania aiming to keep generative AI out of schools, following DECYP trialling AI bots inside of 14 Tasmanian classrooms. Our main concerns are the environmental and social impacts of AI usage, the effect AI has on the human brain, and what

this means for students and educators moving forward. The group has so far launched a petition to keep generative AI out of Hellyer College.

She feels fortunate to say the story has been picked up by local and national media. This student is emailing to inform us of the work that they've been doing, as she is aware that not all of the state's news is able to cross your desk. They are concerned that DECYP's implementation of generative AI has happened quietly. She claims that students in the group feel scared for the future and mentally drained from the societal expectations of AI usage.

Minister, what is your government's response to these concerns of students at Hellyer College? Is there any plan to consult with students in our education system about how much they would like to see AI bots used in classrooms, and what is the ultimate goal of your government in terms of the use of generative AI in the public education system in Tasmania?

ANSWER

Artificial intelligence, which I'll refer to as AI from this point on, is certainly becoming increasingly common in education, tertiary study, workplaces and, indeed, in everyday life. There is no escaping the fact that the workforce of the future will need to be AI proficient. As with other emerging technologies, schools have an important role in helping students develop the knowledge and skills needed to be able to use these tools safely, responsibly and ethically.

The Department for Education, Children and Young People (DECYP) has policies, procedures and support resources for principals and teachers related to generative AI in schools, including an academic integrity guide. The government's approach to AI aligns with the Australian Framework for Generative Artificial Intelligence in Schools, which guides responsible and ethical use.

Over terms three and four of this year, the department is commencing a range of proof-of-concept pilots, exploring the use of AI tools for teachers and students in personalised learning, curriculum design, workforce support and efficiency. They are tightly controlled trials with AI tools being used to support and enhance teaching and learning, not replace human thinking or indeed decision-making. AI apps and websites are currently blocked for all other students on DECYP devices and networks.

Now, you did talk specifically with regard to students at Hellyer College, and I'm certainly aware of the petition concerning the use of generative AI at Hellyer College and the concerns that have been raised about learning quality and academic integrity. I'm advised that the college's leadership has offered to listen and to engage with student's views. I have been advised that there have been a number of Hellyer students who have chosen to not be involved with that, but I certainly encourage them to do so.

AFL High-Performance Centre - Contract

Ms ARMITAGE question to MINISTER for SPORT, Mr DUIGAN

[2.51 p.m.]
Minister, while it is noted that Fairbrother has been awarded the contract to build the high-performance centre at Kingston for $105 million, is this a fixed-price contract or is it cost-plus given the rapidly escalating building costs?

ANSWER

Thank you, Mr President, and thank the member for Launceston for the question. It was great to be at Kingston on Monday. There were a cast of thousands there and it is really exciting to see the Devils coming to life, to fruition, to reality and the high-performance centre of course will be a very central piece of infrastructure in that build to give you some flavour. It's actually a $115 million build funded by the state with $105 million and the AFL with $10 million. The AFL high-performance centre is being delivered by the club. It is a contract between the club and Fairbrother. Again, it is great to see Fairbrother, a Tasmanian company, delivering that piece of infrastructure. I would also acknowledge the fact that they delivered the JackJumpers high-performance centre up the hill, in the last few weeks. Again, that one was ahead of schedule and indeed under budget. That gives us a great deal of confidence.

Ms Armitage - Could you answer my question?

Mr DUIGAN - I will get to that. I think it is something we should all be so proud of, that the JackJumpers high-performance Centre and indeed the AFL high-performance centre will both be split 50/50 along gender lines. They are the first, as I'm informed, of their kind to be absolutely shared and equitable facilities. Our opportunity in AFL for our club to come out of the ground with a men's and women's team, not one predating the other, not one more senior or subservient to the other, I think is such a great opportunity for us and as we go forward, for that to be built together as one. It's exciting. Of course, everybody should be at North Hobart Oval this Saturday at 11.05 a.m. to see the Tasmania Football Club represent our state in the VFL finals against Essendon.

Ms Armitage - Through you, Mr President. If the minister could answer the question, which was: is it a fixed contract or a cost plus?

Mr DUIGAN - Yes, the minister's getting to it. It is such an important thing that we are building here.

Ms Armitage - I accept that, but how much?

Mr DUIGAN - We have provided $105 million.

Ms Armitage - Is that fixed?

Mr DUIGAN - We have provided $105 million.

Ms O'Connor - There's your answer.

Ms Palmer - Let him speak.

Ms Webb - He's filibustered quite a lot, so you could get to the answer.

Mr PRESIDENT - Order.

Mr DUIGAN - We have provided $105 million. Fairbrother, who I say have built the high-performance centre up the hill, are confident that the project will be delivered within the budget envelope and it is my expectation that the parties work together to manage the project within the funding commitments. I think it's important to recognise that this is a contract that the club is managing and any value management is within the realm of the club to manage, so government maintains an oversight position on the steering committee, but we have all passed up $105 million -

Ms O'Connor - You have to fund it if it blows out. You should be straight up.

AFL High-Performance Centre - Contract

Ms ARMITAGE question to MINISTER for SPORT, Mr DUIGAN

[2.55 p.m.]
While I appreciate the preamble, and I do understand that the $105 million is being managed by the club, but the question I want answered is: is it a fixed contract? Because regardless of who's managing it, it is public money. I would like it if the minister could say, and I accept that we'd like it to come in on budget, but is it a fixed contract or is it expenses plus? Can it run over? It is a simple question.

Mr DUIGAN - That is a question you probably need to put to the club, given it is a contract between the club and Fairbrother.

Ms Armitage - But it's government money.

Short-Stay Regulations - Assistance for Local Government

Ms WEBB question to MINISTER for HOUSING and PLANNING, Mr VINCENT

Minister, my question is in the context of the recent vote by the Hobart City Council to endorse a draft planning change to stop new whole-home short-stay rentals in the city's residential areas, Amendment PSA-25-3, which has now been submitted to the Tasmanian Planning Commission for the next stage of assessment.

Minister, the Hobart City Council's move reflects ongoing frustration within the local government sector about council's struggles to manage the local impacts of short-stay accommodation across their respective municipalities, so my questions are these:

(1) Minister, is it not a fact that the Local Government Association Tasmania (LGAT) have consistently been calling since at least 2023 for state government assistance to build capacity within local councils so they can develop tailored regulatory

responses that reflect their communities' unique economic, social and housing conditions; and

(2) Given regional councils currently may not all have the in-house skills or ability necessary to take steps similar to that of the Hobart City Council, do you intend to ensure other councils have the capacity to develop local planning provisions to manage short-stays tailored to their specific local circumstances, and if so, how?

ANSWER

Thank you very much for the question on short-stay accommodation. I do believe that councils have the capacity because if they don't have it in-house, they certainly use contract planners or anybody else to assess their own needs. I have had several conversations with the Local Government Association, plus with some individual councils, and they all have different sorts of feelings towards short-stay accommodation; obviously, Hobart, and maybe some of the metros have concerns, but a lot of other smaller councils welcome the input of tourism into the town, very much so.

I do not want to get into a situation where we're telling people how to spend their money or what to do with their homes, but that is the government policy that I agree with. It is up to the individuals what they wish to do but as far as the councils concerned, I feel confident that there are mechanisms within the planning system and the local government system for them to make decisions if they so wish to do so.

I'm not aware of any other council raising it with me and my office outside of Hobart though.

Ms Webb - And the Local Government Association of Tasmania? It was about the capacity of councillors to have the option to do what Hobart City Council had done or other appropriate solutions for their communities.

Mr VINCENT - I meet with LGAT at least every few weeks and we've discussed it in general terms about short-stay accommodation. That capacity has not been raised, but I am happy to ask the question and I will do so next time I sit down with LGAT.

AFL High-Performance Centre - Responsibility for Potential Cost Overruns

Ms THOMAS question to MINISTER for SPORT, Mr DUIGAN

[2.59 p.m.]

I want to follow up with the Minister for Sport on the question asked by the member for Launceston so that I am abundantly clear on their response to the answer or part of the answer, which is: Is it right to say that the construction contract to build the AFL high-performance training centre at Kingston is between the Tasmania Football Club and Fairbrother rather than the government and Fairbrother? Is that correct? Therefore, will any cost overruns be a matter for the Tasmania Football Club to negotiate or manage with Fairbrother?

ANSWER

That is correct. The primary construction contract is between the Devils and Fairbrother and is commercial-in-confidence, as I mentioned.

Fairbrother are confident they'll deliver it within the project envelope, but obviously as a condition of the club funding deed arrangement, the state government has a responsibility to deliver a high-performance centre as part of the suite of infrastructure that supports the club.

AFL High-Performance Centre - Responsibility for Potential Cost Overruns

Ms WEBB question to MINISTER for SPORT, Mr DUIGAN

I have to follow up on that, surely, don't we? So, ultimately the contract is between the Devils Football Club and Fairbrother, with money provided by the Tasmanian taxpayer. Any cost overruns though must be paid for by the Tasmanian taxpayer because -

Ms Thomas - Not necessarily.

Ms WEBB - That's what our agreement says. Surely, we must have an understanding, you would think; the government must have an understanding of the nature of the contract between the club and Fairbrother, whether it is, as the member for Launceston said, a fixed-price or cost-plus arrangement. Surely, as a matter of absolute accountability for the taxpayers and probity, the Tasmanian government understands the nature of that contract, and without asking for the full details of the contract, it should be absolutely available to you to confirm here and now what the nature of that contract is. It's just as a matter of probity and accountability to the parliament, and the Tasmanian people via this parliament. Would you confirm what the nature of that contract is, given it's the Tasmanian taxpayers who are paying for it, one way or the other, whether it's the amount already fronted up, or additional costs? What's the nature of the contract? Confirm it for us now, please.

ANSWER

I'm not sure how one confirms the nature of a contract necessarily. As I say -

Ms Webb - Two options, one or the other.

Mr DUIGAN - The contract, the construction contract, the primary contract, is between Fairbrother and the Tasmania Devils. The Tasmanian government, as part of the club funding deed of arrangement, needs to deliver a high-performance centre. It is important to recognise, as I'm advised, that the contract, the build contract, contains substantial contingencies in it, and I'm advised, as has been the case with other builds in the Kingston sporting precinct, which I suspect is probably in your electorate -

Ms Webb - It certainly is.

Mr DUIGAN - and a very substantial investment into that part of the world, will be delivered on time and in line with the budget envelope.

TAXATION AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL 2026 (No. 21)

Second Reading

Resumed from above (page 30).

[3.03 p.m.]
Mr EDMUNDS (Pembroke) - Mr President, I've said everything I've wanted to say. The government's expectation that the amendments as a whole will have a minimal impact on revenue, yes, I think seem reasonable. The question that I wanted to ask, and during the lunch break I did flag this, was from the second reading speech. I'd just like to understand, so I'll quote the second reading speech:

> The bill also expands access to the principal residence land tax rebate for jointly owned land. This allows the rebate to apply where at least one owner holding a 50 per cent or greater interest uses the land as their principal residence instead of requiring all owners to use the land as their principal residence …

This would, I believe, provide a mechanism for couples that co-own two properties or more, to reduce their land tax bill, if they can show each lives in one of the properties at least half the time. My question is, is this the case and what modelling has been done in line with the questions from the member for Murchison, in terms of the impact on revenue? With that, Mr President, I'll resume my seat.

[3.05 p.m.]
Ms GLADE-WRIGHT (Huon) - Mr President, the Taxation and Related Legislation (Miscellaneous Amendments) Bill 2026 is an omnibus bill that makes a range of small changes to Tasmania's tax laws. We heard in the briefing that the changes fix up identified anomalies and simplify administration.

The most significant policy change, which is capturing the most scrutiny, is lowering the threshold for foreign developers to access foreign investors' surcharge relief. The proposed change reduces the number of dwellings from 50 to 10, which the government says will encourage housing development. The case against this bill is that parliament has not yet seen convincing evidence that lowering the threshold to 10 dwellings will produce enough additional housing to justify the loss of revenue and the more favourable treatment of foreign-owned developers. From my perspective, I'm cognisant of the housing crisis, and that Tasmania desperately needs more housing. I also agree that a 50-dwelling threshold is unrealistically high in a small market such as we have here.

While the foreign investor surcharge changes deserve careful scrutiny, the overall bill contains a range of other sensible administrative improvements that are likely to benefit Tasmanians without fundamentally changing the state's tax system. These provisions, in my view, are practical, commonsense reforms that fix unintended outcomes and make Tasmania's tax laws fairer and easier to administer. The changes will help people dealing with deceased estates, family law settlements, farming-family transfers, self-managed superannuation funds and land tax payments. There's clearly been a lot of work done by the department in getting this bill ready, so I thank them for their work. I commend the bill to the House.

[3.07 p.m.]

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - I have a number of answers to the questions that have been raised through the course of the second reading debate contributions and I thank those honourable members for their contributions.

First question, and answer to the question: how is the government planning to progress subsequent amendments to taxation legislation? The government will work with the Commissioner for State Revenue and the Department of Treasury and Finance to progress further tranches of amendments to taxation legislation, and further amendments will be subject to resourcing in the State Revenue Office and the Department of Treasury and Finance. As part of this process, the SRO has regular discussions with the Law Society of Tasmania who provide input to Treasury to assist in informing the government priorities.

I'll now respond to the questions that were put in regard to the FIDS and the FILTS. These questions were posed through the debate relating to the government's amendments to the foreign investor land tax and duty surcharge relief provisions that have the effect of reducing the requirement for Tasmania-based foreign developers to build at least 50 residential dwellings in a financial year to qualify for duty or land tax relief, from 50 to 10 residential dwellings. While the foreign investor duty surcharge was introduced in 2018, and the foreign investor land tax surcharge was introduced in 2022, the provision defining a Tasmania-based foreign developer and providing surcharge relief was introduced in 2022 and applied to both surcharges. The purpose of the surcharge relief was outlined in the second reading speech for the Land Tax Amendment (Foreign Investors) Bill 2022 by the Treasurer of the day, and as follows:

> To support the supply of affordable housing in Tasmania, foreign-owned Tasmania-based property developers that add significantly to housing stock in the state will be able to apply for a reassessment of any surcharge paid. This relief for foreign-owned Tasmania-based developers will help promote the timely development of residential housing in Tasmania.

Mr President, the intentions of the 2022 amendments are effectively the reason behind the reduction in the relevant threshold and is the reason for the reduction in the threshold proposed by the bill before the Council today.

To date, no developer has yet been granted the surcharge relief. Consequently, the government has reviewed this threshold and considers that reducing it to 10 relevant dwellings is required to better reflect Tasmanian market conditions and ensure the relief is more accessible to developers who operate in Tasmania and positively contribute to the local housing market. The government considers this threshold is sensible when compared to similar thresholds in other jurisdictions which, at this time, are: 50 dwellings in Victoria; 20 dwellings in Queensland, which was reduced from 50 dwellings in December 2025 and applies to liabilities for land tax arising on or after 30 June 2026; 20 dwellings per development in South Australia; 10 dwellings per development in Western Australia; and there is no specific threshold in New South Wales.

It's important to recognise that this surcharge relief is not a general concession for foreign purchasers or landowners and is only available to Tasmania-based foreign developers that meet specific eligibility criteria including a minimum number of prescribed new residential dwellings in Tasmania and a requirement that a certificate of occupancy is issued within three years of acquisition to encourage the timely development of the land to new residential dwellings. Specifically, the requirement to qualify as a Tasmania-based foreign developer is strict and is defined in both the *Land Tax Act 2000* and the *Duties Act 2001* as:

> … a foreign person who operates a business -
>
> (a) that acquires land within Tasmania with the aim of developing the land; and
>
> (b) of which at least 80% of the wages of management and administration staff of the business are taxable wages, within the meaning of the Payroll Tax Act 2008, in that year; and
>
> (c) that operates in Tasmania for the majority of its business hours in that year.

The current foreign investor surcharge rates are a material consideration for Tasmania-based foreign developers and, in practice, at least in part, are costs which are likely to be passed on by developers, increasing the cost of new housing for Tasmanian home buyers. Surcharges or access to surcharge relief are likely to be one of the many considerations supporting a decision to develop property in the state.

The current rates which apply to the proportion of property acquired or owned by a foreign person are:

- for the foreign investor duty surcharge: 8 per cent of the dutiable value of residential property and 1.5 per cent of the primary production property; and
- for the foreign investor land tax surcharge: 2 per cent of the assessed land value of residential land.

In practice, the vast majority of these surcharges are paid by those who are ineligible for surcharge relief as they are non-developers or developers not based in Tasmania.

I'm advised that Treasury's advice to government is to protect taxpayer information in line with the *Taxation Administration Act 1997*. The estimated financial impact of this change in surcharges cannot be provided. For this same reason, the number of Tasmania-based foreign developers who currently build between 10 and 50 relevant dwellings and would be granted this exemption cannot be provided. However, the impact is expected to be minimal, with any revenue impact outweighed by supporting housing development. However, for the benefit of the Council, the government notes that in 2025-26, $1.1 million and $0.6 million were raised from the foreign investor duty surcharge and land tax surcharge respectively, in total, with the impact of this threshold change expected to modestly reduce this revenue subject to the strict eligibility criteria that apply to the surcharge relief. This is longer than my second reading contribution, Mr President, but very good questions, important.

I will take the opportunity to also provide background on why the threshold amendments are backdated to 1 July 2026, which is not only for administrative efficiency. While recognising no developer has ever benefited from the surcharge relief from duty and for land tax, to claim the rebate, a Tasmania-based developer is required after the end of each financial year to apply to the Commissioner of State Revenue for a reassessment and provide information satisfying the relevant legislative criteria. Following reassessment, the commissioner may refund the surcharge paid by the developer. In practice, this is the key reason why the amendment is backdated to 1 July 2026. The commencement date provides a stronger incentive for foreign developers to undertake development activity in this financial year, noting any application for reassessment in practice is at least 10 months away at this time, if not longer.

The honourable member for Murchison asked a question regarding awareness or otherwise of Tasmania-based developers of the government's change in the threshold. The change was a 2025 election policy, and the government can confirm that relevant peak bodies are aware of the government's intention to change the relevant threshold. As the bill is not law, the State Revenue Office has not undertaken any activities to draw the attention of any potentially interested parties. The Department of Treasury and Finance consistently monitors the take up of a wide range of concessions and exemptions and will monitor the take up of the surcharge relief. Treasury published information regarding significant concessions and exemptions as part of the tax expenditure statement published in the state Budget. However, due to the estimated financial impact of this exemption being quite small, it is expected that these changes will form part of the 'Other' heading in the tax expenditure statement.

The government considers these amendments to be measured and practical changes that better reflect the scale of residential development in Tasmania, and I think that was acknowledged by the member for Huon in her contribution. They preserve the strict safeguards surrounding surcharge relief, while improving the accessibility of a rebate intended to support affordable housing construction and economic activity in the state.

A further question, what, if any, transitional guidelines has the State Revenue Office published in regard to these amendments relating to the foreign investor surcharge relief changes? Upon royal assent, the SRO will publish relevant guidance material which will be made available to taxpayers and stakeholders.

A further question, has the Department of Treasury formally estimated the financial impact of these amendments? I think I've already touched on some of this. The bill is not expected to have significant revenue impact and for this reason no modelling was undertaken in relation to it. Treasury cannot predict the take-up for exemptions and concessions that previously did not exist and is, therefore, unable to accurately estimate the financial impact of the improved accessibility to taxation relief. It is important to note, that there is nothing in this bill that collects revenue, but revenue collected against the intention of parliament will be no longer collected.

My final response is to the honourable member for Pembroke. How will the land tax rebate operate where co-owners own two properties acting as their principal places of residence? In practice, the rebate provides a land tax rebate where an owner of land constructs a dwelling on the land and the owner, or related person, occupies that dwelling as their principal residence during the financial year. The amendment will expand access to the land tax rebate for jointly owned land by providing the rebate in respect of properties wherein at least one owner holding a 50 per cent or greater interest in the land uses the land as their principal residence. This avoids the current issues where relief may be unavailable if not all owners occupy the property as their principal residence and better aligns with the requirements for a principal residence land classification under section 6 of the *Land Tax Act*. Where two co-owners have two properties jointly owned, with one owner living in each property, land tax is not currently payable as both residences are acting as principal places of residence for co-owners of at least 50 per cent of that property. The co-owners legitimately residing in each property separately would be subject to the State Revenue Office's compliance regime.

I trust that they were fulsome answers and commend the bill to the Council, Mr President.

Bill read the second time.

TAXATION AND RELATED LEGISLATION (MISCELLANEOUS AMENDMENTS) Bill 2026 (No. 21)

In Committee

Clauses 1 to 3 agreed to.

Clauses 4 to 6 agreed to.

Clauses 7 to 9 agreed to.

Clauses 10 to 12 agreed to.

Clauses 13 to 15 agreed to.

Clauses 16 to 18 agreed to.

Clauses 19 to 21 agreed to.

Clauses 22 to 25 agreed to.

Clauses 26 to 28 agreed to.

Clauses 29 to 31 agreed to.

Clause 32 to 34 agreed to.

Clauses 35 to 37 agreed to.

Title agreed to.

Bill reported without amendment.

[3.25 p.m.]
Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

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

Motion agreed to.

SHORT STAY LEVY BILL 2026 (No. 13)

Second Reading

[3.27 p.m.]

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, through this bill the government is delivering on its 2024 election commitment to introduce a 5 per cent levy on short-stay rental accommodation in Tasmania. In the lead-up to the 2024 election, Tasmanians told the Tasmanian Liberal Party clearly that first-home ownership was becoming out of reach. Supporting Tasmanians to buy their first home remains a core priority of the government, with a commitment that all proceeds of the levy would go to assisting Tasmanians buying their first home.

The objective of supporting first home buyers through revenue generated by the short-stay levy is balanced with the government's broader short-stay accommodation policy, which supports a strong visitor economy, respects the rights of Tasmanians to derive income from their properties and opposes arbitrary caps on short-stay accommodation.

The bill introduces a 5 per cent levy on the total booking fee for short-stay accommodation in Tasmania booked through a booking platform provider, where the stay is less than 28 consecutive days, exclusive of the day that the person vacates the property.

A draft of the bill was released for public consultation from 17 December 2025 to 25 February 2026, with the bill before the Council finalised by the government following consideration of that feedback.

In recognition of feedback received through consultation, the government subsequently included a person's principal residence as premises that are excluded from the levy, as is the case in Victoria and the Australia Capital Territory, which have similar levies already in place. In effect, this means that if a homeowner rents out a spare room in their principal residence for short stays, that booking will not be subject to the levy.

The bill also empowers the Treasurer to declare additional classes of accommodation exempt where appropriate, which will allow flexibility to maintain the list of excluded accommodation. The bill was amended in the other place to include a requirement for the Treasurer to table an explanatory statement in both Houses of parliament that specifies the scope and rationale for any additional exemption.

Following feedback, the government also determined that the levy will only apply to bookings made through a booking platform provider. That is, direct bookings will not be subject to the levy. Liability to pay the levy will therefore rest entirely with booking platform providers that take bookings for short-stay accommodation in Tasmania, which is consistent with the similar provision of the Australian Capital Territory (ACT) levy.

Mr President, the government submits that the short stay-levy model adopted in this bill and as passed in the other place is well tested in practice. The bill leverages similar levy arrangements operating in Victoria and the Australian Capital Territory, including exemptions for principal residences, which are exempt in both jurisdictions, and direct bookings, which are exempt in the Australian Capital Territory, as well as other aspects of their compliance frameworks. Broadly consistent laws across jurisdictions will make it easier for individuals and businesses operating across multiple jurisdictions and is administratively efficient.

Mr President, consistent with principles of certainty and fairness for consumers and operators, the levy will apply only to bookings made on or after the commencement of the act on a day to be proclaimed. Bookings made before that date will not attract the levy, even where the stay occurs after commencement. This approach aligns with the introduction of the Victorian and Australian Capital Territory levies and provides clarity for consumers, accommodation providers and booking platforms during the transition period.

The commencement date is not specified in the bill to allow flexibility should unforeseen circumstances require implementation to be deferred. However, it is the government's firm intention that the levy commence on 1 July 2027. The proposed commencement of 1 July 2027 is expected to provide booking platforms and the State Revenue Office with sufficient time to implement the necessary system and operational changes, while allowing accommodation providers and consumers adequate time to prepare for the introduction of the levy. The intended commencement of 1 July 2027 will also ensure bookings for the upcoming summer will not attract the levy. This provides certainty for consumers, booking platforms and accommodation providers and reduces the administrative and operational complexity that could arise from introducing the levy immediately before or during a peak period for Tasmania's tourism industry.

The government aims to strike an appropriate balance in defining the accommodation types that are and are not subject to the levy. Excluded accommodation includes hotels, motels, inns and similar commercial premises subject to the Commissioner of State Revenue's assessment of particular circumstances. This may include boutique hotels, tourist lodges, resort complexes, lodge style hotels and other accommodation operating in a manner comparable to a hotel, motel or inn. Other exempt accommodation includes caravan parks, hostels and specialist accommodations such as hospitals, aged care, student housing, emergency accommodation and employee accommodation. The bill was also amended in the other place to exempt farmstay accommodation.

As noted, the levy payable is 5 per cent of the total booking fee for each completed short stay. The total booking fee is the total amount payable for the booking and includes accommodation charges, GST and any additional fees such as cleaning or booking fees, but it excludes payment method charges, refunded or waived amounts, the levy itself and GST payable in respect of the levy amount.

Importantly, the policy intent is that the levy is ultimately paid by the guest, as was a key feature of the policy taken to the 2024 election. Accommodation providers determine whether to pass on the cost of the levy to the customer. The booking platform simply facilitates that decision, either by collecting the levy from the customer or from the accommodation provider if the provider decides not to pass on the cost to the customer.

Practical consideration has also been given to the collection of the levy, with the liability arising only on completion of the stay. If a booking is cancelled and fully refunded, no levy is payable. Booking platform providers will be required to register with the State Revenue Office and lodge returns on either an annual or quarterly basis, depending on their total booking fees in the preceding year. Smaller booking platform providers with booking fees under $75,000 will benefit from a reduced administrative burden through annual reporting.

The bill includes standard registration, reporting, record keeping and compliance provisions. aligned with Tasmania's existing taxation framework and similar levies in Victoria and the Australian Capital Territory.

Importantly, unless commencement is delayed beyond 1 July 2027, all levy payers will lodge an annual return for the 2027-28 period, allowing time to familiarise themselves with the new arrangements. From 2028-29 onwards, the frequency of returns will be based on the total booking fees in the preceding year.

If short-stay accommodation is provided and the accommodation provider believes that the accommodation is excluded, or later becomes excluded from the levy, they are required to provide a declaration of this to the booking platform provider. If this declaration is later found to be incorrect, both the accommodation provider and the booking platform will be jointly and severally liable for any shortfall in levy payments. The booking platform will have the right to recover any levy amounts paid by them from the accommodation provider.

The bill was amended in the other place to require annual publication of summary information from each local government area on short-stay levy registrations, booking activity and levy receipts.

The bill amends the *Taxation Administration Act 1997* to make the Short Stay Levy Act a taxation law under the *Taxation Administration Act*. This means the Commissioner of State Revenue and the State Revenue Office will be able to collect the levy, issue assessments and refunds, and enforce compliance using well-established processes. Those assessed for the levy will have the same rights as other taxpayers, including the ability to object and seek review or appeal.

In conclusion, as was stated by the Treasurer in the other place, the primary purpose of the short-stay levy is to raise revenue to support first-home buyers. However, the levy may also result in making more housing available for long-term rental. The short-stay levy presents a measured, fair and transparent reform that ensures the benefits of short-stay accommodation are shared more broadly across the community.

Mr President, I commend the bill to the Council.

[3.39 p.m.]
Ms ARMITAGE (Launceston) - Mr President, I don't question the seriousness of Tasmania's housing crisis, nor do I question the sincerity of those who want to see more Tasmanians able to buy or rent a home. Those are worthy goals and, more often than not, urgent ones. But good intentions don't make bad legislation good.

This bill asked the parliament to endorse a new tax without proving that it will solve the problem it claims to solve. It's presented as a housing measure. It's defended as a modest visitor levy. It's marketed as support for first-home buyers. The government says the bill fulfils an election promise to impose a 5 per cent levy on short-stay accommodation, that the levy will be paid by visitors and that the revenue will support first-home buyers. The second reading speech says the primary purpose of the levy is to raise revenue for first-home buyers, while also suggesting it may make more housing available for long-term rental. That word matters, 'may'. 'May' is not a housing strategy, is not evidence and is not enough when parliament is being asked to create a new tax. If this is truly a housing policy then the first question must be simple: will it materially return homes to the long-term rental market? On that question, the evidence is unconvincing.

The housing crisis is real, the pressure on renters is real. The difficulty of entering the housing market is real. There's no doubt about that. In some parts of Tasmania, whole-home short-stay accommodation has placed additional pressure on the rental market. Recent comments from the Greens reflect this concern. They've pointed to rising rents, low vacancy rates, the public housing wait list of more than 5000 people and CBOS data showing an increase in homes registered as short-term stays in Hobart. They've also referred to analysis suggesting some whole-home short-stay approvals were former rentals. Those concerns deserve to be taken seriously but acknowledging the problem does not mean accepting this bill is the solution.

That's the distinction this Council must make. If the problem is whole homes being converted from long-term rentals into short-stay accommodation, then the response should be targeted at that problem. It should distinguish between an urban investment property that was formerly a rental and a regional holiday shack used occasionally by its owners. It should distinguish between a Hobart whole-home listing and a farmstay, an eco cabin, worker accommodation or visitor accommodation in a place where there's no practical long-term rental alternative.

This bill does not make those distinctions adequately. It imposes a 5 per cent levy on the total booking fee for short-stay accommodation booked through a booking platform provider. It excludes a range of accommodation classes including hotels, motels, inns, hostels, bed and breakfasts, caravan parks and certain specialist accommodation. It also excludes direct bookings and accommodation in a dwelling usually occupied by the owner. Those changes are welcome as far as they go. They show that some concerns raised during consultation were heard.

I also acknowledge that commencement is now expected to be no earlier than 1 January 2027, which provides more time for adjustment than the original timetable, but those improvements do not resolve the central policy problem. This remains a selective tax on one part of the visitor accommodation market, with an uncertain relationship to the housing outcome it claims to support.

The government received 220 submissions during consultation. That shows how significant this proposal is across housing, tourism, local government, small business and regional communities. Some community organisations support the levy in principle. Shelter Tasmania, the Tenants' Union and others have long argued that short-stay accommodation can affect housing availability, and they've called for stronger action but even among those who support action on short-stay accommodation, there remains a serious question about where the revenue should go.

If the justification is housing need, why is the revenue directed exclusively to first-home buyer assistance rather than social and affordable housing, crisis accommodation, rental support or measures that directly increase supply?

The Housing Industry Association (HIA) makes a similar point from a different perspective. HIA warns that if levy revenue is used to reinforce stamp duty concessions for established homes, the policy may stimulate demand in the existing housing market rather than increase supply. HIA's point is straightforward: only new dwelling construction adds to the housing stock. If the problem is supply, policy should add supply. If the problem is visitor contribution, policy should be developed transparently and consistently across the visitor economy. This bill does not do any of those things clearly enough.

Mr President, the tourism consequences also require careful consideration. Tourism is not a side issue in Tasmania. It's not a luxury, it's one of the core pillars of our economy and one of the great employers in our regions. The Tourism Industry Council Tasmania submission states that tourism contributes around $4.55 billion or 10.8 per cent to Tasmania's gross state product; it directly contributes about $2.27 billion; and directly and indirectly supports around 50,800 filled jobs. That's about one in six jobs in this state.

In some highly tourism-dependent regions, such as the east coast, more than half of all the jobs rely on visitor spending. Any legislation that increases the cost of visiting Tasmania dampens regional dispersal or undermines confidence in regional accommodation providers is not a minor inconvenience, it's a matter of statewide economic significance. Yet the Tourism Industry Council has stated that no proper impact assessment was undertaken on the effect of this levy on visitation, particularly to regional Tasmania.

The proposal was also developed outside the collaborative framework of the 2030 Visitor Economy Strategy, which is meant to guide sustainable growth, regional dispersal, destination management and visitor contribution in a considered evidence-based way. That matters. Government should not ask parliament to endorse a visitor-facing tax without demonstrating how it aligns with the strategy it's publicly committed to.

The lack of modelling is particularly concerning in northern Tasmania. I've received representations from Tracey Mallett of Visit Northern Tasmania, the regional tourism organisation. Her concerns are practical, regional and serious. She's advised that visitation to northern Tasmania has been increasing quarter on quarter since 2024. That's good news. It's exactly the momentum we should be protecting. But there's a significant lack of hotel accommodation in Launceston. That means short-stay accommodation is not merely an optional extra in the north, it's critical visitor infrastructure. It helps Launceston accommodate visitors when hotel supply is insufficient. It supports events, family travel, longer stays, workers' groups and regional dispersal.

Tracey Mallett's concern is that this levy could affect accommodation choices. If short-stay prices rise to incorporate the levy and there are not enough hotel rooms to absorb demand, businesses may simply bypass Launceston as a destination. The same issue applies to places such as Derby and Flinders Island, where in many cases there's no realistic alternative to short-stay accommodation. In those communities, this levy will not move visitors neatly into hotels, it will simply increase accommodation costs. On Flinders Island, the situation is even more delicate. Travel to the island is already becoming more expensive, with rising airfares and limited aviation support. If the cost of getting to the island rises and the cost of staying on the island also rises, visitors are squeezed from both directions. For an island community where the visitor economy is critical to economic viability, that risk should not be dismissed.

This is precisely why economic modelling matters. The impact of this levy will not be uniform across Tasmania. It will not be the same in Hobart as in Derby. It will not be the same in Launceston as on Flinders Island. It will not be the same for a high-yield urban investment property as for a farmstay, a shack, a family holiday home or a small regional operator.

Visit Northern Tasmania has also raised concerns about councils individually considering different approaches to short-stay accommodation. Without coordinated consultation with local government and regional tourism bodies, the cumulative impact of state levies, council rates, local policy settings and market pressures remain unclear. Uncertainty affects business confidence. It affects investment. It affects whether an operator expands, renovates, hires or holds back. Regional Tasmania can at least afford that uncertainty.

Mr President, I also note that local councils are already pursuing more targeted measures. Hobart City Council, for example, has moved to increase the application fee for converting a home into short-stay accommodation from $435 to $5000. That is directed at the point of conversion. It deals with the act of taking a property from one use into another. That approach may raise its own questions, but it's more directly connected to the issue of homes moving out of the long-term rental market.

The government says the levy is modest. It says it's only 5 per cent, but it's 5 per cent on the total booking fee. That includes accommodation charges, GST and additional fees such as cleaning and booking fees. It's not simply a charge on the nightly tariff.

For families, longer stays and regional properties with cleaning, linen, servicing and booking costs, that broader tax base matters. Cleaning and servicing costs are not profit; they are real operating costs. One short-stay operator, Moxxi Property, has had a clear voice. They argue that the government's assumption that guests will simply absorb the tax does not reflect the reality of the accommodation market. If operators could simply charge another 5 per cent without consequence, they would already be doing so. Moxxi's submission argues that platform commissions and other charges can compound the real impact of the levy. Whether one accepts every part of that calculation or not, the broader point is sound. The cost will be borne somewhere. It may be borne by visitors through higher prices, by owners through lower returns, by local contractors through reduced hours, by regional economies through fewer nights stayed and less discretionary spending. As my husband always used to say when he owned his hotel, someone always has to pay. The government cannot simply declare that it will be paid by the visitor and assume no-one else is affected.

Moxxi manages more than 180 properties across Tasmania, and has pointed to the local jobs and services supported by the sector: cleaners, linen providers, maintenance trades, gardeners, photographers, guest services staff and other small contractors. Those people are part of the visitor economy too.

We also need to reject the caricature that every short-stay property is a speculative windfall asset displacing a family from housing. That's not the whole story. Many short-stay properties in Tasmania are holiday homes or shacks used intermittently by their owners and let out for short periods to help cover rates, insurance, power, maintenance and upkeep. Many are in locations where long-term rental demand is limited or where the dwelling is unsuitable for permanent tenancy. Moxxi's submission categorises many of the properties it manages as seasonal lifestyle assets, mixed personal-use holiday homes, low-yield regional dwellings, or properties unsuitable for long-term tenancy. Airbnb's submission says that in a survey of Tasmanian hosts, 44 per cent said Airbnb income helps them stay in their home. Whatever one thinks of Airbnb as a platform, the broader point remains: the sector is diverse and parliament should not legislate as though every property caught by this bill is the same.

That diversity is especially important in relation to agritourism and farmstays. Agritourism operators described a sector made up of self-contained farm cottages, heritage buildings, glamping structures, tiny homes, shearers' quarters, campsites and hosted or semi-hosted stays integrated with farming businesses. These are not interchangeable with CBD apartments. They're not the same as speculative urban investor stock. They're part of farm diversification, regional resilience, intergenerational succession and the very brand of Tasmania that government promotes to the world. Agritourism Tasmania warned that the levy would create compliance burdens, classification uncertainty, competitive disadvantages in regional tourism markets, and heavier impacts on farm businesses operating with seasonal income, volatility and higher servicing costs.

Tim Parsons explained that many bona fide farmstays do not fit neatly within conventional definitions such as hotel, motel or in-house bed and breakfast, despite being legitimate visitor accommodation businesses. His submission argued that rural and regional agritourism businesses are not responsible for the urban housing crisis and should not be taxed as if they are. Jodie McQueen of Paradise Road Farm has raised similar concerns about small farmstays, eco-cabins and on-farm visitor accommodation being caught up in a policy aimed at a very different behaviour. I acknowledge that the House of Assembly amended the bill, and that reports indicate agritourism was carved out, and that's welcome. But it also raises a question: if the bill needed an amendment to avoid capturing accommodation that plainly should not have been captured, does that not show the original design was too broad?

There's another question this Chamber should not let pass: administration. The government says 100 per cent of the levy will go to assisting first-home buyers. That sounds simple, but legislation does not administer itself. The levy will be administered through the State Revenue Office, and we heard this morning from the State Revenue Office that while they can add levies and grants pretty easily, there is a lot of work to do, and they would have struggled if the start date was 1 November. Booking platform providers must register; returns must be lodged; compliance must be monitored; assessments, refund and enforcement must be managed; declarations must be provided and retained; joint liability may arise if declarations are incorrect. All of that has a cost. So, the question is, who bears the cost? I know the answer from the Leader is going to be: off the side of a desk. Well, I would dismiss that and I don't believe it can be done.

Ms Rattray - Through you, Mr President, I haven't received that response as yet.

Ms ARMITAGE - But I have heard that in briefings, off the side of the desk. So, I will wait to hear it, but I don't believe that off the side of the desk, and I'm saying it now so that we don't get that answer, because I don't believe that is possibly correct. If administration is funded from consolidated revenue, Tasmanians pay indirectly. If it's absorbed within existing agency resources, other work may be displaced. If it reduces the net value of the revenue raised, then the claim that 100 per cent goes to first-home buyers becomes, at the very least, incomplete. This matters because the revenue estimate itself has already moved. The public was originally told the levy would raise around $11 million.

The lower House debate then referred to estimates between $8 million and $10 million, with some briefings suggesting the figure could be close to $7.8 million. That is a modest and uncertain revenue stream when weighed against the scale of Tasmania's housing challenge.

It's more modest again once administrative costs, compliance costs and economic impacts are considered.

Mr President, some may say that we must do something, and I agree. We must do something, but doing something is not the same as doing the right thing.

If whole homes are being taken out of the rental market in Hobart and other pressure areas, then let us address that directly. The member for McIntyre will recall, because she was part of the committee on Airbnb I'm sure, that I chaired, that many owners at that time told us that they changed from rental to Airbnb-type homes often because of damage to their homes and because it was all to do with how difficult it was to actually be a landlord as opposed to having on Airbnb when people stayed for one or two weeks.

If former rentals are being converted into short stays, let us examine planning controls, registration rules, local caps, vacancy impacts and targeted interventions. If housing supply is inadequate, let us support new builds, modular construction, land release, planning reform, social housing, and affordable housing.

The Premier has spoken about modular housing and the need to increase supply more quickly and efficiently. That's the right direction of travel. Supply matters. Removing barriers to supply matters, but this bill does not sufficiently connect the tax being imposed with the supply outcome being promised.

A better approach would distinguish between whole homes in high-pressure urban rental markets, the reason former long-term rentals are converted to short stay, principal residences and hosted accommodation, farmstays and agritourism, regional accommodation where no hotel alternative exists, island communities such as Flinders Island and purpose-built visitor accommodation that's never been part of the residential rental market. That is the kind of careful policy Tasmania needs.

Mr President, I accept that the government is seeking to respond to a genuine issue. I accept that short-stay accommodation can in some markets reduce rental availability, I accept some homes are being removed from the long-term rental market, but I do not accept that this bill in its current form is the right response. It is not sufficiently modelled, aligned with housing supply and sensitive to regional Tasmania, and it is not sufficiently transparent about administration and net benefit.

If the government is serious about housing, then bring us legislation that increases supply, supports new builds and strengthens social and affordable housing.

If the government is serious about visitor contributions, then bring us a properly modelled, transparent and equitable approach developed with industry and aligned to the 2030 Visitor Economy Strategy.

The housing crisis is too serious for a measure that may not materially improve supply. The visitor economy is too important for a levy whose impacts have not been properly modelled. Northern Tasmania is too important for guesswork. Regional Tasmania is too important for a one-size-fits-all policy.

This Council's duty, to my mind, is to ensure that legislation is not merely well intentioned but sound.

For those reasons, Mr President, I oppose the bill.

[3.58 p.m.]
Mr GAFFNEY (Mersey) - This is possibly a good time for me to ask this question. I have been in this place of years for 17 years. I've probably had four or five speeches that have gone over an hour. With the new rules and constraints we have in this place now, there's a good chance that my speech may go for longer than an hour. I'm not sure of the process now, so I'm requesting that my speech be allowed to go over the one-hour time limit.

Mr PRESIDENT - Honourable member, I'm going to seek a little bit more leave - as this is a first-time event - during the break but there are a couple of ways you can do it. You can seek leave at the start of your speech or when you get to the hour you can seek leave to continue, so they would be the two options available for you.

Mr GAFFNEY - Thank you. I think that's a bit of a nonsense, with all due respect, not to you, but -

Sitting suspended from 4 p.m. to 4.30 p.m.

SUSPENSION OF SESSIONAL ORDER

Second Reading Speech Time Limit

Mr GAFFNEY (Mersey)(by leave) - Mr President, I move -

> That so much of Sessional Orders in respect to time limits on second reading speeches be suspended to allow my second reading contribution to extend beyond 60 minutes.

Just for benefits of members, I was absolutely surprised at how many people from my municipality contacted me about this bill. They're very concerned. They want me to speak to it. As I've said before in this place, I've only done this four times in 17 years, over an hour. So, this is quite unusual for me to ask for an extension. I do think it's an important issue. I pick up on many of the concerns raised by the member for Launceston. I also realise there've been amendments raised in the lower House, in the other place, but the people in my community expect me to represent them and I couldn't do that within the 60-minute timeframe. I do tend to speak quickly as it is, and I do tend to speak at 150 words a minute and I don't want to put that pressure on myself so that my position is not clear.

Motion agreed to.

SHORT STAY LEVY BILL 2026 (No. 13)

Second Reading

Resumed from above (page 54).

[4.32 p.m.]

Mr GAFFNEY (Mersey) - Mr President, I appreciate the support from some of the members in this place.

First, I want to read into *Hansard* a letter we all received from the Expedia Group. I need to read this in because that group provided a very good case and it was one that I couldn't answer them. I sent that immediately to the government so that the government would have a chance to put the explanation of that letter and that request into *Hansard*.

I'm assuming that all members from this place received the same letter, but for those listening online, Expedia Group is an American online travel agency (OTA) and is one of the world's largest travel platforms. Its headquarters are located in Seattle, Washington, and the company has approximately 16,500 employees. The Expedia Group leverages their platform and technology capabilities across an extensive portfolio of businesses and brands they own and operate such as Expedia, Hotels.com, Travelocity, Hotwire.com, Orbitz, Ebookers, CheapTickets, CarRentals.com, Expedia Cruises, Wotif, and Trivago. Fundamentally, Expedia acts as a digital middleman enabling users to search, compare and book flights, hotels, car rentals, cruises and vacation packages in one place by connecting directly to global travel databases and airline or hotel reservation systems.

When we received correspondence from their headquarters in Melbourne, my first thought was this group play in this space, they understand. Then when I read the correspondence, I was then interested to see what the government's response would be to their questions basically saying we believe the government is missing out on funding.

> Dear Mr Gaffney
>
> I write regarding the Short Stay Levy Bill of 2026 that is currently at the first reading stage in the Legislative Council -

- well, second reading stage.

> It is important to bring to your attention that in its current form, the Bill proposes arrangements that limit the collection base for the levy, and thus results in a much lower revenue collection than is possible. We believe that this has occurred because there is a lack of understanding about how the booking and payment system for short stay accommodation works.
>
> Expedia has encouraged and supported the development and implementation of a levy for many years. We recognise that accommodating visitors has an impact on the Tasmanian community and we are happy to contribute to mechanisms that mitigate this impact. While we believe the levy should have applied across the entirety of the visitor accommodation sector, we have continued to support the introduction of a levy that applies only to short stays.

> In saying this, we did expect that the levy would be applied to the broadest possible base in order to ensure it makes the most meaningful contribution to Tasmania. Unfortunately, this is not the outcome that will be delivered if the minor amendment I outline below is not made before the Bill passes parliament.
>
> When people talk about short-stay accommodation, Stayz and Airbnb are the names that come to mind, but it is important to understand that there is another large group of visitor-facing businesses in the sector that takes bookings and collects money directly from those who book short stay accommodation. If these businesses are excluded from the levy, as we understand they currently are, the Tasmanian people are missing out on a meaningful amount of revenue. We cannot see why the Government would intentionally compromise the revenue it can legitimately collect, so we are seeking your views and advice on correcting this oversight.

They continue:

> We believe the minor change to the Bill will ensure that the levy captures the majority of the short stay accommodation sector. I refer here to Clause 4(3) of the Bill and suggest that something along the lines of the following would support efforts to collect the levy more broadly. Minor tweaking to clarify the clause, such as 'Where a party makes a booking for accommodation, it is the party hosting the consumer facing platform that is liable for collecting and remitting the levy' would ensure that the levy is collected where payment is made and importantly. provide a larger revenue stream to the Government.
>
> Here is an example to try and illustrate the problem if a change is not made. In many instances, a visitor makes a booking with a local online agent that operates independently of large online booking facilities like Stayz and Airbnb except for the fact that they source their inventory/offering from these larger platforms. When a booking is made, payment is taken directly by the local agent and it is only later that they pay their commission to the larger platform. If a distinction is not made that the levy should be applied to the collector of the payment at the time of the booking, a whole segment of operators will be overlooked and the revenue collected will be significantly diminished.
>
> We'd be pleased to engage with you in more detail and to work with you in putting in place the most appropriate arrangements for the short stay levy that meet the expectations of the Tasmanian parliament, community, home-owners and business and provides the maximum benefit to Tasmania.

As soon as I received that correspondence, I realised that was out of my knowledge base or comfort zone. So, I contacted the government. I said, 'Have you received this letter? I'm going to read this into parliament so that you can respond at the level that people out in the wider community will need to hear why and how Expedia Group should be answered'. I decided to read it in instead of tabling it because I think it's important that people understand. And, as the government says, they're trying to collect funds for housing or for first-home owners, yet this group is saying we're not collecting the amount of money that we should be collecting and they operate in that space. So, I would understand and appreciate a response to that concern.

Now for my speech proper. This legislation has been a difficult one to consider because, while the housing crisis is undeniable, Tasmanians deserve to see an approach that addresses the issue, is balanced and minimises negative impacts.

This legislation feels to me like it is too little in the right direction, too far in the wrong direction. The policy direction the government is taking appears a risky, poorly thought-out attempt to score popular political points.

The key concerns are with its operation, its intention and the potentially detrimental fallout that it could have for the tourism industry. Of course, I can appreciate what the government and those in favour of the legislation are trying to do, Mr President. However, I find myself tentatively opposed to it, given my serious concerns with its operation, likelihood of success and its associated risks.

The bill represents a hesitant attempt to correct a course on the housing crisis. To my mind, there are other, more appropriate measures that the government should consider ensuring adequate housing supply.

Looking to the experience of other jurisdictions also highlights the risks which come with such levies and considering the proposed substantial changes to the local government authority fees in this space, I do not feel that the state government is acting in unison with other regulators. Indeed, there is a large amount of 'double dipping' in the policy space, from federal legislators changing investment tax laws, to state changes to building policy and levies, and local changes. Cohesive policy-making to optimise outcomes and reduce industry risk is a requirement for successful policy, Mr President.

I will address these concerns in more detail later. However, I suggest that there is substantial risk with this legislation, and the bill does not appear thoroughly considered. Instead, it appears to me that it was put forward by the government so that it can say, 'look at what we are doing' and to divert any blame from prior inaction and current housing construction timeline issues.

As we're all aware, the housing crisis in Tasmania and Australia more broadly is a challenge. Tasmanians are currently facing higher costs of rent, difficulty in affording and purchasing homes due to their prohibitive cost, and higher cost of living. Each of these issues is either caused or exacerbated by the housing supply issue.

People have suggested that it's a case of simple economics: not enough houses are available to service a growing demand for them. As such, prices rise, which flow on by increasing repayment cost and borrowing requirements of new mortgages. This then increases pressure on the rental market, with real estate owners increasing rental properties to squeeze both residential tenants and businesses. In terms of businesses, this then flows on to increased business overheads, which inevitably is passed to the consumer as cost-of-living increases. Many people would agree that this is a problem, Mr President.

Of course, there are several factors which influence this supply and demand equation. A few of these issues are as follows:

- houses not being built quickly enough
- local and state planning policies
- state and federal incentivisation of investment and property hoarding over new property owners
- lack of trade workers to meet the demand.

To my mind, there is a cohesive policy failure across a local, state and government level which is resulting in cost-of-living, cost-of-housing and cost-of-real-estate pressures. This is a very real and very painful issue for many Tasmanians, especially those on the lower end of the economic and financial spectrum, and it's important to recognise that it does not stem from one single problem.

I'm of the view that such a cohesive policy failure needs an equally coherent plan of action, across all levels of government. If the different layers of government do not work in unison, they will inevitably work against one another, overcorrecting or undertaking counteractive policy measures.

Mr President, I should take note and make clear my appreciation of efforts by the Tasmanian government to address the housing issue. It is not an easy matter to approach. Rather, its rectification will take time, investment and commitment to a course of action that may not pay off immediately. This means not always making the politically attractive decision, staying on your path despite other, equally attractive priorities. However, the government has been at the helm of this ship for quite a while. Housing is not a new issue.

A few policies that spring to mind as notable examples of politically expedient policies are commitments to and investments in new builds, as well as changes to incentives for builders. These approach the housing crisis from the supply side, encouraging jobs, economic growth and expenditure on local Tasmanians. There is a minor risk beyond opportunity cost, and the benefit of more housing far outweighs any such cost.

It should be acknowledged that the government has stepped up its efforts in approaching the housing crisis in the last two years, even efforts to improve the rights of tenants and address cost-of-living support in bandaging the outcomes of the housing crisis. All of this, and undoubtedly more, will be necessary to catch up to the efforts of other states, but nonetheless it is recognised.

Mr President, there are several serious risks to this proposal that I would like to expand. I'm happy to hear from the Leader to address these risks. It is, of course, a politically attractive idea, unfortunately almost populous in nature: the easy pitch for this legislation is that we should tax those greedy business owners who are constricting the long-term rental market for the short-term gain of a short-stay property.

However, Mr President, the reality is quite different to such a short-sighted analysis, especially in Tasmania. In Tasmania, the make-up of short-stay accommodation providers is different to metropolises such as Melbourne, Sydney and Brisbane. We should be careful not to degrade our debate in this place by dragging in concepts, stereotypes and concerns that are prominent in the mainland narrative, but not so much here in Tasmania.

Mr President, many of the Tasmanian short-term property owners are sole trader businesses, 'mum and dad' property investors if you will. These are not wealthy land barons, nor are they corporate landlords. This is particularly apparent in regional Tasmania - as I can vouch for in my own constituency of Mersey - some are, with blood, sweat and tears, trying to plan a future.

It is worth noting that those concerned about the legislation have written to me with reasonable and middle-ground approaches to implementing this legislation more effectively. They have not overlooked the problems it is trying to address; they are actively attempting to support the bill in approaching the housing crisis. There is a disappointing irony to the fact that the people who stand to lose the most from such a tax are trying to help the government implement it properly, because the way they are proposing is so poorly thought out that it will hurt them even more than it should. For example, a concerned farmstay operator from Cradle Mountain wrote to me:

> What I am asking of you as my local Independent Legislative Council representative is as follows:
>
> - Ask questions now of the Government as to what the policy intent is and once this is clarified, seek a more appropriate mechanism for achieving this particular outcome.
>
> - In the case that policy outcome is to increase housing supply - ensure that Tasmania's small accommodation businesses - particularly those in the agritourism and eco-tourism sectors are clearly exempted from a levy that seeks to contribute to solving an issue that is not of their making or anything these businesses can influence in much the same way as a large-scale multinational hotel that is currently exempt.

It should also be noted that for these operators, it is not an incredible wealth of profit they are making, but it is a figure that means a lot to an individual income. Take Hobart average Airbnb revenues, for example. Online information on average revenues ranged from $20,000 to $40,000 annually per property. Most owners had only one property. Taking a 50 per cent profit margin, which is incredibly high when considering many properties will be subject to mortgages and significant expenses, the profit is $10,000 to $20,000 annually.

This is a great boost to an average Tasmanian's income, but it does not represent multi-million extraction of wealth like some seem to believe.

The picture that is being painted by these statistics is that Tasmanian short-stay operators are primarily small-scale operators who reside in Tasmania. They do not make an obscene profit, and a significant reduction in demand for their product would inevitably put a good few of them out of business. The people whose incomes we are threatening are not corporate property merchants or land barons. Rather, they gain modest revenues from tourism and visitation in Tasmania while providing a unique service and encouraging a tourism ecosystem.

Indeed, short-stay accommodation in Tasmania reinforces the uniqueness of our small island state. There is a quirkiness to many of the short-stay accommodation offerings in Tasmania.

As an aside, because it's getting a bit dull, Mr President, for my wife's 50th birthday we travelled to King Island as Mel had never been there, and we stayed in a lovely quirky accommodation place that I picked out called 'Sea Witch'. In my defence, Mr President, it was the only place left - a happy birthday keepsake for Mel and a humorous memory for me.

I would estimate that a strong majority of those who reached out to me with concerns regarding the levy in its current form were operators of farmstays and similar accommodation. They were not in staunch opposition to solving the housing crisis, as some would have you believe, but rather they were concerned about the unintended consequences of this and the impact it would have on their viability and their livelihoods. For example, as mentioned by the honourable member for Launceston, the owner of Curringa Farm wrote:

> Expecting rural properties to solve Tasmania's housing crisis is totally unreasonable. Accommodation on farms takes place in purpose-built cabins, heritage cottages, or modern glamping infrastructure - most of which cannot realistically house a renting family long-term. Those that could are located far from service centres and public transport, making them entirely unsuitable for low-income tenants. Taxing or releasing agritourism accommodation will do nothing to alleviate the urban housing crisis.
>
> What it will do is place financial and operation duress on family businesses that are already diversifying their farms to sustain income, support future generations, care for ecosystems and reduce pressure on natural resources - all while actively supporting the tourism industry's goal of dispersing visitors into regional areas. This flies directly in the face of the T21-T30 Visitor Economy Strategies, which the Government itself prepared and in which no mention whatsoever is made of a Short Stay Levy. The 2030 Visitor Economy Strategy was built on expanding accommodation supply, growing regional dispersal and supporting agritourism and farm-gate experiences as core brand pillars. The SSL was designed with none of that in mind - it emerged from a housing policy conversation, not a tourism one, and was never road-tested against the strategic framework that both government and industry jointly committed to. The flow-on consequences extend further.
>
> By taxing rural accommodation toward closure, the levy will reduce the availability of worker and contractor accommodation critical to rural renewable energy projects, seasonal harvesting, and backpacker accommodation for tourism employees working in the very hotels and motels that are exempt from the levy. Urban businesses and corporates will then purchase available rural homes for longer-term staff accommodation, removing those properties from the local rental pool for rural families and employees - and potentially transferring ownership interstate or offshore, further eroding rural communities.

They went on to say the debate around using second homes for short-stay accommodation in cities has been ongoing, and they understand the government's desire to address it.

> However, due to an ill-informed definition, farm stay and agritourism accommodation - by default - is not considered a hotel, motel, bed and breakfast or caravan park, and therefore falls inside the levy. That is a critical design flaw. It also requires clarity around what 'Airbnb' actually means in this context - is it a generic term for all short-stay accommodation, or correctly understood as a single OTA platform for individuals to let out properties, regardless of whether those properties are also listed on other OTAs, engage in trade relationships, or take direct bookings? I suggest this proposal be suspended until there is genuine clarity on whether this is a housing measure or a tourism policy - because right now is functioning as the latter while being sold as the former.

Mr President, I would like to discuss the short-stay accommodation industry's most symbiotic nature with the visitor economy in Tasmania. I am concerned that any damage to the short-stay accommodation industry's, competitiveness in the Australian tourism market will damage the visitor economy on which we rely. In the 2024 calendar year, tourism contributed to 10.8 per cent of Tasmania's GSP, to the tune of $4.5 billion, the highest proportion in Australia.

Key selling points of Tasmania are as follows: the scenery and opportunity to engage with beautiful landscapes and nature, the affordability of the Tasmanian experience and the Tasmanian brand of food, wine and other such quality offerings. Tasmania leverages these to provide one of the best tourism offerings in Australia, and short-stay accommodation specifically benefits our competitiveness using these positive factors and aspects of our lifestyle.

Short-stay accommodation is not just intertwined with the tourism of Tasmania through providing a place to stay for visitors, though of course this is not a small portion of its role. Short-stay accommodation provides direct and immediate access for visitors to experience the scenery and nature that Tasmania has to offer. Many short-stay accommodation areas are located where a hotel or traditional accommodation would not be viable, or they differentiate their product by directly involving the customer in Tasmanian scenery. Take Domescapes, for example. This accommodation gives tourists an opportunity to live among our famous Tamar wine route. Customers get direct access to the views and the Tamar area, as well as being able to try a range of premium Tasmanian-made products.

This style of short-stay accommodation businesses also benefits tourism affordability and thereby accessibility. The availability of short-stay accommodation across the entirety of Tasmania allows tourists not to have to constantly manage their 'base of operations' in one of the major Tasmanian cities. There's no requirement for constant day trips back and forth from Hobart, Launceston or Devonport. Rather, tourists just come to where they want to be. This promotes effective use of their money, making the background cost of travelling and getting to Tasmania cheaper, allowing them to spend on more Tasmanian experiences. This spreads revenues across the state, helping to prop up local businesses and communities.

It's disingenuous to portray the modern short-stay accommodation and traditional hotel industry as the same, though many people do to minimise the impact that a hurting short-stay industry will have on Tasmania. While there may be overlap, they are substantially different offerings in the placement within local tourism economies and ecosystems.

For this reason, the inception of modern short-stay accommodation has been transformative for our visitor economy. Many of these short-stay accommodation offerings either directly leverage a Tasmanian food and wine experience or work alongside nearby Tasmanian tourism hospitality offerings. This creates an entire ecosystem which benefits from Tasmanian visitation, allowing small operators and local industries to participate in and reap the rewards of a greater concentration of tourism nearby.

It is undeniable that the existence of short-stay accommodation across Tasmania benefits the Tasmanian tourism and visitation industry. It cannot be stressed enough that this is not simply by way of providing 'a place to stay' for tourists; rather, it's an entire ecosystem which benefits our economy, promoting tourism expenditure not just in our capital city but across the entirety of Tasmania.

This is an important consideration when we discuss making short-term accommodation more expensive. Moving back to simple economic principles: if we make something more expensive, less people will consume it. Following this logic, if we make our short-term accommodation more expensive, we'll more than likely price out a portion of tourists. Tasmania offers a great opportunity for the family to experience a holiday in a beautiful, scenic and relatively safe place, which we will be making less accessible.

It is a common idea that traditional accommodation will make up for this cost-driven shift in demand. Of course, economists refer to this phenomenon as price elasticity. Price elasticity is the concept that if a good has a high price elasticity, consumers will easily move to another similar good. What happens, though, if a price goes up for all similar goods and the next closest goods do not offer the same utility or value to the consumer? Assuming the good is not a necessity, the net demand for the good decreases due to increase in cost. Of course, vacations are not a necessity.

When we bandy about taxing accommodation providers, we risk such a decrease in demand. In the case of short-stay accommodation, these taxes will get immediately passed to the consumer, as they have been in Victoria. The consumer will then face a higher price across the entire market of short-stay accommodation properties.

As I've discussed, short-stay accommodation has significant advantages in the Tasmanian visitor economy over traditional hotels. It is uniquely positioned to benefit the visitor experience. Economists would refer to this as a difference in utility. The service of providing a short-stay accommodation has a higher utility to the consumer than a hotel room. Therefore, as the goods are different, they do not have high price elasticity. As I've discussed earlier, this means that people are not likely to move to hotels or traditional accommodation; rather, they will leave the Tasmanian tourism market entirely, reducing demand.

This reduced demand is in the form of tourism to and within Tasmania. Then what, Mr President? We will see less tourism activity and spend in Tasmania. We will see a squeeze of not just the people who own the short-stay accommodation, but a squeeze of the entire ecosystem in which they operate. Farms, food producers, wineries, alcohol producers and cellar doors, local grocers and wildlife industries within Tasmania will all lose out, just to name a few. This will not only impact overall tourism revenues but will be yet another factor pulling economic activity away from our regional and rural communities. Some tourists will be lost, not to come to their chosen destination at all. Others will choose to go to the next most comparable accommodation for the cheaper price than what the short-stay accommodation has been raised to: a hotel. They will then more than likely go to a population hub such as Hobart or Launceston, and regional areas will see even less tourism spend than we already do.

This is my key concern with this policy proposal. It is a dangerous thing to tax an industry which drives your economy. It is risky to increase costs on something that is not only an economic driver, but one which already competes directly with other states. Visitors can choose to go somewhere else if it is too expensive to come to Tasmania.

Whilst something must be done to rectify the housing crisis, this proposal should be weighed in the following terms: its realistic impact on the housing crisis, and the likelihood and severity of the downturn to the tourism industry that it may cause.

I'm not an economist and I do not pretend to have a model of the tourism economy and the impact that a few per cent tax will have on it. Nevertheless, the impact that it will have must be considered. There is little information on this in Tasmania as, of course, it would be counterproductive to the government to produce such modelling. Meanwhile, no other parties have the resources or access to government resources to easily do it. I note that the government should be entirely transparent with its calculations and impact modelling when introducing new taxes to Tasmania. It does not make sense to not be transparent, and yet here we are.

The government states this levy will not impact demand, despite providing no evidence or economic analysis that indicates that. They reference that it has not in Europe or North America, where similar levies exist. Even if this were true, I put to you that we are not America, we are not Europe, and Tasmania has an entirely different visitor market.

Tasmania already has significant barriers to visitation, being an island state. People need to fly here or come via the *Spirit of Tasmania*. Of course, it would be easy to discuss how the TT-Line fiasco has shown a failure in the government to better approach to these barriers, but I would be digressing. Flying or taking the *Spirit* to Tasmania is no small endeavour when compared to hopping in the car for a couple of hours. It costs more, takes a lot more effort and is more difficult for families. This is a significant barrier to our interstate and international visitation. Bass Strait, while protecting us to some degree, also adds an extra financial burden to those considering time in Tasmania.

Now add to this the idea that while demand short-stay accommodation may not be as price elastic as proponents of the bill make it out to be, tourism demand is very price elastic. People can easily go elsewhere if it is easier and cheaper. Moreover, tourism and visitation are extremely sensitive to fluctuations in price. This is demonstrated in real terms by the fact that in times of economic downturn, tourism is the first to go and the last to come back. COVID-19 was a fitting example, or the empty flights now. Tourism is specifically sensitive to fluctuations in price as people think 'we will just stay home or do something closer to home'.

Following this logic, if we impose our geographical barriers and add a 5 per cent tax, what happens? It's more than likely that there'll be a demographic for whom it is simply too difficult at the given price to make it to Tasmania. These people will just go elsewhere or stay home. It's not like there is no competition for beautiful places in Australia.

The average visitor spend per trip in Tasmania is $284 a night per person, for an average of about 10 nights. If $200 per night of this is spent on accommodation, then the 5 per cent tax would impose $100 extra in cost per person, for no benefit whatsoever. This is the best case as it does not include the costs in administration and effort that will also be passed on. This best-case analysis would result in a 3.5 per cent increase of the entire trip; $100 per person is enough to make you think why not travel and visit closer to home?

Not to mention that Tasmanians are expected to pay about 20 per cent of this tax. We will be disincentivising people from travelling within our own state. As one concerned Tasmanian wrote to me from my electorate:

> The Treasurer has indicated that approximately 83 per cent of levy revenue is expected to be derived from interstate and international visitors, with around 17 per cent attributable to Tasmanian residents travelling within their home state. On projected revenue of approximately $11 million per annum, this equates to roughly $1.8 to $2 million borne by Tasmanian households. In practical terms, this means Tasmanians will contribute to the levy when holidaying within their own state, and intrastate travel costs will increase accordingly, a consideration that sits alongside broader tourism impacts in the context of ongoing household cost pressures.

In this manner, we can also think of the levy as quite regressive. In other words, it targets poorer people. Wealthy people will not shirk at 5 per cent more in their accommodation costs, while those who live closer to the poverty line will think twice about coming to Tasmania.

I should be careful to state at this point that I'm not even asserting that this reduction in demand will be a massive drop. Even if we see 0.5 per cent of our visitation drop from a 3.5 per cent increase in travel costs, we will lose significant revenues. A 0.5 per cent drop of visitation spend in 2024 would have lost us $23 million in direct and indirect economic activity. Contrast this with the proposed tax revenue of $8 to $11 million per year. In this scenario, we would be reducing our net economic activity by twofold the revenue of the tax. Do those in favour of this legislation honestly believe that it will not discourage 1 in 200 visitors from coming to Tasmania, that it will not just result in one person in every 200 from going elsewhere? In this economy, a 3.5 increase on a multi-thousand-dollar trip is nothing to sneeze at. I find it hard to believe that this tax will have no impact on visitation. I find it an incredibly risky thing to do.

What else demonstrates that there will be a drop in visitation revenues? That proponents of this bill even think that it will reduce short-stay properties in Tasmania. Taxes do not get paid by the producer of a good or service, they get passed on to the consumer. This will not cost the average property owner more; they will pass the levy on. If it works to reduce properties on the market, it's because it has reduced demand for said properties, thereby squeezing out property owners.

Victoria is a prime example of these risks. Not a European or North American example thousands of kilometres away, an example from next door. In Victoria, the same levy is both failing to deliver its housing promises and putting operators out of business. Mind you, the operators who are sent out of business are 'mum and pop' style businesses, for whom it is not worth carrying on. The corporate interests who operate at scale in Victoria continue to do so, passing on higher costs to the consumer and damaging visitation spend along the way. Interestingly, it is reported by the ABC that the short-stay rental guest nights in Victoria have declined by 0.6 per cent, while the Australian more generally has grown at a strong rate. On the other hand, the levy has raised $86 million while reducing GSP by $63 million, impacting over 500 jobs and hurting regional areas specifically. Tasmania is even more reliant on its tourism as a portion of its income and will be hurt disproportionately more than Victoria.

In my discussion, and in the discussion of many other submissions it is noted that the levy will raise money. In Victoria it raised $86 million. The problem with this framing is that levies do not raise money; rather, they artificially increase prices and distort markets away from proper efficiency and transfer a portion of the money that would already be made without them to the government. They do not reproduce value; they just transfer it to the government. Meanwhile, they directly reduce economic activity through this market distortion. In this way, they do not benefit our economy, just our government's bottom line. Rather, they actively harm our economy.

This is the crux of the problem I have with such a bill. We are imposing a tax on the production of the most valuable import that Tasmania has - its visitor economy. In enacting the bill, the government might dislodge some tourism operators, but that is a cost to Tasmania in itself. The most critical concern is that this cost will not outweigh the supposed benefits, of which I'm sceptical.

On that note, I'd like to move to the other side of the risk equation - the purported benefits of the bill. While the government has not been exactly consistent in its messaging, it promotes the bill in two ways: revenue raising and reducing the housing crisis for first-home owners. In terms of revenue raising, it will be a mere $8-11 million per year in tax revenue, and we've heard even less in recent figures, inevitably to be counterweighted by any drop in economic activity caused by such taxation. This is nothing to our budget; it is about 1 per cent of our projected operating deficit for 2025. It is about 0.1 per cent of our annual spend, and it is a drop in the ocean of our total state debt. We don't need $8 million, we need $800 million. Of course, I can name two recent expenditures where we might be unnecessarily spending such a figure.

As Tim Parsons of Curringa Farm astutely wrote to me:

> On the numbers: $11 million in annual revenue is negligible against the housing challenge. According to Treasury's own budget figures, it represents less than 13 days of housing expenditure at the budgeted annual pace - or roughly 75 days of the Homes Tasmania annual allocation. Meanwhile, STAAA has demonstrated that the headline 5% figure will compound to approximately 10% in practice once platform commissions, service fees, administration, and tax compounding are factored in - costs that must be either passed to the visitor or absorbed by the operator.

So yes, it might bring in a few million that will be reinvested into housing, but this comes with its own questions when examining the number of houses it will bring in. The national average to build a house is $443,000. Add the average cost of land in the cheapest suburbs of Greater Hobart as $45,000 to $65,000, and you have an average cost to provide a house of roughly $500,000. That is 22 houses per year, which we will not even be able to build because our projects are so backed up. We cannot forget the abysmally few builds that Homes Tasmania even got to the finishing line in the last years. Of course, in isolation, one house is better than no houses, but that isn't always the case if other costs are introduced to the equation. And 22 houses is not a large number when stacked up against the very real risk of cost to the Tasmanian visitor economy.

Again, I find myself questioning if those losing their jobs, their community support and their governmental business support would have wanted this outcome, as a result of the stadium build and ongoing fiscal mismanagement. I'm certain the proponents of this legislation will say that the money would instead be better used directly supporting our homeless or those in housing stress. It undeniably would be a good use of those funds, but I put to you that a better use of government revenue in this space would be to reprioritise some of our wasteful spending on stadia, countless government failures in building and development, constant governmental reshuffling and marketing ill-conceived proposals. It's not like the government does not have $10 million put into the housing crisis without a paltry levy. It is laughable to think that we could have paid this amount 40 times over from the TT-Line blowout alone. Government spending is all about priorities, and this bill meets the priority of making the government look as though they're doing something on housing, at the cost of hurting ordinary Tasmanians. If the homeless and our most vulnerable were the priority, then passing the bill would not matter - they would already have this money.

Moving away from my discussion on paltry revenue that will be raised by this bill, the government also touts it as a solution to the housing crisis. I'm concerned though that the bill will fail to solve anything.

The bill does not appear to be well targeted to promote long-term accommodation. If the primary purpose of the bill is to increase the availability of long-term accommodation, the government has missed the memo by including the potential that non-liveable short-stay accommodation offerings are taxed too. How will taxing a tent, a farmstay or a property that does not have zoning increase long-term accommodation to address the housing crisis?

The short answer is that it will not. Proponents of the bill might argue that the broad coverage of all properties is to support revenue raising, but I refer you to my prior comments on the minuscule revenue already being raised. If we exempted those properties, we might lose six houses over the next two years, which Homes Tasmania will not have managed to get built by 2030, not least because they will have been subject to an unnecessary and wasteful restructure in Building Tasmania.

The bill has been amended to exempt some operators, such as farmstays and direct bookings; however, it still suffers the same issue for other non-residentially zoned accommodation. How will taxing buildings not suitable for long-term accommodation provide more long-term accommodation?

As Craig Badcock from Devonport wrote:

> The bill as drafted would impose a 5% levy on short stay income from properties that could not be used for residential purposes. The bill as drafted would also impose a 5% levy on income that is derived from the broader property and not just the house.

Craig's provided three personal examples, and I think that's very good of a person who works in that space. He gave an address in Formby Road in Devonport.

> We purchased and extensively renovated [a] former backpackers' [place]. It contains 7 rooms all with ensuites and common breakfast, lounge, and commercial kitchen facilities. Breakfast is included with the room rate, but

there's no exclusion from the 5% levy as we don't live on site. In fact, we are prohibited from living on site. The property is zoned 'Commercial' and residential use is prohibited.

Their property in Shearwater Boulevard, Shearwater:

We purchased and extensively renovated this former doctor's surgery. The property was vacant for most of the preceding 10 years. It contains 5 rooms, a pool room and a hot tub. The property is zoned 'Local Business' and residential use is prohibited.

1050 Bakers Beach Road, Bakers Beach:

This property comprises 460 ha and is zoned 'Rural'. We purchased the property in 2023 and have extensively renovated the house. The house had no operational electricity and water when we purchased it and had never been used as a permanent residence.

The value of the land, extensive native forest surrounding the house and 20 km of walking track we have constructed, contributes significantly to the value we provide our guests. I submit that it is inequitable and contrary to the intention of the legislation that properties that either cannot be used for residential purposes or properties that are commercial rather than residential in nature should be subject to the levy. The easiest and most effective way to do this would be to exclude short term accommodation properties that are not zoned 'Residential'.

Craig says:

We have invested millions into these properties employing many local contractors and assisting local tourism operators. All three properties were vacant when we purchased them, and none of them had ever been used as a permanent residence (other than 16 Formby Road, approximately 25 years ago).

We employ cleaners and continue to utilise local trade businesses for maintenance. We have all necessary approvals and insurance cover. It is not an option for any of these properties to be used as permanent residences.

Notwithstanding the zoning issue, there is a clear geographic element to these concerns as well. Short-term accommodation in residential housing suitable for long-term housing is more common in Hobart and Launceston than it is in the rural areas. Long-term housing is far more overpriced in population centres. In Devonport, I've heard that short-stay accommodation makes up 1 per cent of the accommodation stock. Why should rural areas be punished by a black-and-white levy to make up for something they do not contribute to? We are taxing the entire state to make up for shortfalls in certain areas. This is illogical. In this line of thinking, maybe this levy is better suited at an entirely local government level, with state input and resourcing to support effective implementation and model correct tax rates. It is also worth noting, reducing demand for a short-stay offering in prime Hobart real estate, such as in Sandy Bay or Battery Point, will not improve the situation for less-well-off Tasmanians. Many city short-stay accommodation offerings are in expensive areas, not those that will be available for a regular family.

There's a particular obtuseness in the government's inability to specifically apply this tax to those operators who may be taking up long-term accommodation. A farmstay operator from the Central Highlands region suggested to me recently the following:

> I suspect the vagueness has been intentionally supported by the platforms such as Airbnb as making blanket collection of taxes is easier for them as there is currently no way to easily monitor or define which properties are not potentially able to return to long term housing supply or could be considered 'responsible for the part of the problem' in Tasmania.

Proportionality, it is a major question in my assessment of this bill. A first question of proportionality is: is the bill proportionally reacting to the impact of short-stay accommodation on long-term accommodation in Tasmania? I suggest that by blindly levying the entire short-stay accommodation market, including farmstays and other accommodation not appropriate for long-term living, the bill will have a disproportionate impact relative to its stated intention of increasing long-term accommodation.

Another question of proportionality: is the risk to our economy proportionate to the benefit we'll have to our society? Given my prior analysis, I suspect that the risk to our tourism revenues is disproportionate to the revenue it will raise or long-term accommodation it supposedly may free up, although I remain unsure as to how it will promote long-term accommodation by pricing out farmstays and cabins in rural Tasmania.

A final question of the proportionality of the bill is whether such a levy will appropriately benefit those urban areas that need more long-term accommodation proportionate to its impact on rural communities. It's been said to me that in Devonport, for example, which has 1 per cent of the total accommodation, meanwhile, it is the gateway for tourism to our state. Should we punish Devonport tourism operators because Hobart needs more houses? I cannot see the logic in that.

Of course, the bill will also inevitably place a burden on operators through red tape. We've all heard the talking points of why red tape reduction is a necessity, or at least desirable, why Tasmania has too much red tape and how it burdens Tasmanian innovation, growth and economic activity. Why is it then that the government continues to increase red tape? This bill will put a burden on smaller operators, not just financially. Are we now trying to reduce the number of short-term accommodation operators by inconveniencing the smaller operators out of the market? Or is it another layer of useless bureaucratic paperwork?

As one Tasmanian short-stay operator wrote to me,

> The administrative implications of the proposed merit careful attention. Registration requirements, reporting thresholds and remittance obligations introduce new compliance processes for accommodation providers. For operators over the $75,000 turnover threshold, quarterly reporting may apply; for smaller operators, annual reporting still introduces additional administrative steps. While each obligation may be manageable in isolation, cumulative administrative burden can influence operational decisions,

> particularly for small regional businesses without dedicated administrative support.
>
> The implications of direct bookings form part of this broader assessment. Direct bookings allow operators to retain full margin and, in some cases, provide modest price flexibility. Where additional compliance obligations attached to those transactions, it is reasonable to consider how this may influence pricing behaviour and local economic circulation.

Of course, this will not impact the multinationals such as Airbnb, benefiting from the demanding work of Tasmanians. Even if it was imposed on them, they have the resources to deal with extra bureaucracy. On a similar note, corporate interests will not care. The red tape once again just damages small-scale operators.

On that note, it is interesting that the government is unwilling to approach the major companies in this space to wrangle some money from them. Rather than costing out small businesses and damaging our tourism industry, would a better approach not be to license or charge fees to those companies such as Airbnb? These listing companies syphon Tasmanian incomes for little reason but consumer convenience. This would have negligible risk, while providing revenue which we could surely put into public housing.

The monopolisation of the market also results in extensive fees charged by these major companies offering platforms for short-stay accommodation providers. We could address those and replace them with some taxes. That would not change the price-demand relationship and better Tasmania.

Another question I have with the bill is about the cohesiveness with other government policy. Looking at the Hobart City Council's proposed 2026-2027 fee schedule, they've increased their fee for short-stay accommodation by well over 1000 per cent. Add together the proposed levy and the Hobart City Council's fee of $5000 and we'll be looking at $6000 to $10,000 a year in fees per property.

Ms Rattray - That might change, through you, Mr President, after the next council elections.

Mr GAFFNEY - I'm sure the plan of the government in isolation was to support the reintegration of current short-term accommodation into the long-term market, hence their number of 5 per cent. Unfortunately, they seem not to have consulted with local councils to create a cohesive cross-government vision for the short-term accommodation market. Rather than subtly nudging demand, the result will be to price half the accommodation market out of Hobart.

Of course, proponents of the bill might say that this imposition of excessive fees is good, that accommodation should be long-term housing. However, the fees might not even result in more long-term housing supply. There is every likelihood they will stay empty as investment properties or get sold to corporations that can afford the fees while offering the same short-term accommodation for a higher price. Following this, we will see a higher average price of short-term accommodation in Hobart, which will, once again, result in shifting tourism, thereby reducing the economic activity in the state.

The way I view it is that these attempts to aggressively tax our key industries to stop integral parts of them from going ahead is shooting ourselves in the foot. We will damage our industry, damage Tasmanian sole operators as well as tourism businesses, and it is unlikely it will free up much housing.

Some will have heard the sayings that there are no silver bullets or magic bullets, and this levy demonstrates exactly that. It is a closed, insular way of approaching a cohesive policy issue. While it does give the government and those who support it an easy win to talk about, it does not solve the actual issue at hand. Not just that, but the 'silver bullet' levy risks causing more problems than it solves.

These concerns underpin one key problem with the bill: it does not seem to be well thought out. To list but a few of the myriad concerns I have about its operation: I've yet to see publicly available financial modelling to show that it will actually do as the government claims. It does not make clear its object or the policy objective it is aiming to support. It does not act cohesively with other policies. It does not offer a proper and effective solution to the housing crisis. It does not give any mind to the very real and very possible economic ramifications of the levy. It seems to overlook more appropriate approaches.

While I can appreciate what the government is trying to do, it should come forward with a vision of how to solve issues, not just headlines that will satisfy those who will not read beyond them. It should not impose regressive taxes under the pretext that it has failed to implement progressive policies and continues in this failure to this day. I do not think this legislation is appropriate to remedy the issues Tasmanians face, and I fear that it will create more issues than it will solve.

It also suggests to me that this legislation is just another example of the government foisting public pressure on the legislature to pass its ill-conceived ideas. A constituent felt that it is framing the bill as the solution to the housing crisis without presenting evidence to offset the apparent marginal impact it will have. He also felt that the government is inherently presenting concerned and responsible legislators to the public as naysayers undermining a solution that is itself problematic.

It's been suggested in the other place that this is a forward-facing 'statement of parliamentary intention', as it were. I would argue that the statement of parliamentary intention should come by way of practical and realistic policy. What parliamentary intention will be conveyed by putting through a poorly thought-out bill that results in harming Tasmania more than helps? Given the lack of clarity on what the government wants to achieve with the bill, I would suggest that the only thing parliament will convey to the public by supporting this bill is the government's confusion as to how to approach the housing crisis.

Mr President, I do not enjoy coming out so adamantly critical of legislation which is by all intents and purposes attempting to solve a very real problem. Frankly, the bill is not a proper solution, it does not hold up to the level of review for me to vote in favour of it. It does not represent a whole solution, nor an effective standalone remedy to the housing market.

More importantly, I'm not convinced that a levy implemented in the way that the government is currently proposing will come with positives that outweigh its potential risks. I do welcome other perspectives on this matter, but as it currently stands, I'm unconvinced.

Indeed, we have heard in briefings and also answers to questions in the other place that the only response, reason and information surrounding the 5 per cent figure was that it was the percentage used for the 2024 election policy promise - no modelling, no debate - and that 5 per cent seemed like a good idea as it was less than the 7.5 per cent used in Victoria. It was also a way to support our first-home owner initiative, which was a consistent Liberal party election platform and policy promise around the same time. As we, the state of Tasmania, and currently financially spiralling out of control, and as we are broke as a state because of mismanagement of funds, poor project processes and ever-changing and baffling priorities, this seems like a good way of operating and convincing the person on the street that this will cover the cost of the homeowner initiative. We're not certain if that's the case, as we have not completed any modelling, but we are hoping that it might work. Fingers crossed.

It has been suggested in some correspondence to me that a lower tax would be more suitable. Of course, as I've discussed, amendments to better targeting the bill towards the singular purpose of increasing long-term rentals where they're needed may be appropriate to ensure it's a better solution.

Mr President, it's hard for me to suggest these things without access to modelling and forecasting such as that which I'm sure, or at least I hope, the government has available. There might be a tax which frees up housing without risking as much harm to rural communities and the tourism industry, or a more appropriate definition of that short-stay accommodation which should be covered. Of course, we are not privy to the reasoning of the government nor the likely outcomes of the bill. All we can do is look at the issues of the Victorian attempt and hope that a slightly smaller tax will not damage a far more tourism-reliant economy.

With these concerns in mind, I should note that I am open to hearing further suggestions in this space. I'd like to see a bill that is better targeted, fully considered, and more likely to give benefit than harm. It has been put forward to me that maybe a 2 to 3 per cent levy would be more palatable than the current proposal. I have not had time to discuss that percentage with the operators, nor have I access to any modelling reflecting the differences between 2, 3 or 5 per cent.

I was also quite pleased to read the amendments proposed by the honourable member Huon. I would be supportive of a review process, as well as clarity on the definition of terms. It was only very recently that the government was chastising and bemoaning the primary opposition for trying, successfully, to make a Sunday into a public holiday. Terms such as 'death by a thousand cuts' were thrown around. Business owners and local Tasmanian operators were cited as being very strongly against such a proposal.

Indeed, we heard from the honourable member for Prosser in this place a very touching and genuine input as to the impact and hurt, and real community hurt, that comes from reforms that impact small businesses, notwithstanding their merits. Tourism, hospitality - these industries that are so crucial in our small business environment - suffer for these decisions. It is a very important space that needs to be well managed, as demonstrated by the member for Prosser. It needs to work for the livelihood and lives of very real Tasmanians.

I wonder what has a higher impact on these tourism operators. A public holiday that ups the rate paid for selection of workers on one day or a 5 per cent blanket tax on most of our tourism accommodation offerings across the state? Staffing costs? This proposal will have labour costs on operators. Operational costs? It's 5 per cent on every offering. Lost customers? A very real risk.

Yes, maybe non-accommodation hospitality and tourism operators will not feel the immediate hurt, but there's a real risk of reduced customers and reduced revenues. How many hospitality businesses, I wonder, would go under if a 5 per cent levy was suddenly imposed on them over the slow period. Too many is the answer. This isn't one day of the year. We are putting significant strain on our operators through all of the year, our summers, our winters, as if they aren't already hard enough; 5 per cent is significant number. It is not a few hundred dollars for one day of the year.

If you want to consider the public holiday bill the thousandth cut, this levy would be the thousand-and-first. To stretch the metaphor, this cut will be much deeper and much more damaging. Of course, that isn't a clear reason not to implement this levy. In all policymaking, some people win, some people lose. In good policymaking, more people win. What is a clear reason to oppose it, Mr President, is the outright lack of evidence, investigation or rational, conscious decision-making that backs it.

It is very inappropriate to create a hostile, hurtful business environment, staunchly oppose a minor change to holidays based on supporting businesses, and then proceed to run poorly thought-out legislation such as this to the risk and detriment of businesses and operators. And for what: $8 million to $11 million a year in revenue that can be wasted on the next infrastructure expenditure, the next government reshuffle? Frankly, it is reactionary politics that risks a lot for very little gain. It is an unconsidered and problematic proposal double dipping for little reason other than to say we did it.

Due to the significant risk imposed by the current proposal to the visitor economy, I will not be voting in favour of it. However, I look forward to hearing the views of other members and from the government and am very open to working constructively in this space.

[5.32 p.m.]
Ms THOMAS - A hard act to follow, Mr President. I really appreciated that contribution from the member for Mersey and the contribution from the member for Launceston as well, and I share other views of much of what they said in their contribution.

Mr President, I rise to speak on the Short Stay Levy Bill 2026, and at the outset I note and indeed commend the government for finally investigating ways to raise additional revenue to help repair the budget mess that has developed since it came into office in 2014.

Tasmania's fiscal position is serious. Responsible revenue reform must be part of the response, but the need for revenue does not relieve the government of its obligation to demonstrate that a new tax is necessary, equitable, properly designed and likely to achieve a clearly stated purpose.

A difficult budget position is not a licence to accept any tax placed before the parliament.

The government still bears the burden of making its case and in relation to this bill; I do not believe it has done so. Therefore, I do not support this bill.

The first difficulty is a very basic one. How much revenue is this tax actually expected to raise and where is the modelling to demonstrate that? The bill imposes a levy of 5 per cent of the total booking fee for eligible short-stay accommodation booked through a platform. The total booking fee includes the accommodation charge, GST and additional charges such as cleaning and booking fees. The government says the guest will ultimately pay it, yet despite proposing a new statewide tax, the government has not provided parliament with a credible estimate of the annual revenue it expects to collect. It has not provided the modelling to demonstrate this.

Last week I also asked Airbnb whether it can estimate the amount likely to be collected through its platform, and at the time of preparing this contribution, I've not received a response.

That leaves us in the extraordinary position where neither the government imposing the tax nor apparently the platform expected to collect the largest share of it has told us how much money is at stake, and particularly how the amounts calculated have been modelled or determined.

It is fundamentally difficult to support a new tax when the parliament has not been provided with this information. Without a credible estimate and modelling to demonstrate how it's been arrived at, how can we assess whether the administrative burden is proportionate? How can we test whether the measure will materially fund first-home buyer assistance, as is the stated objective? How can we judge the cost to Tasmanian households, the visitor economy and regional communities against the benefits the government claims?

What assumptions underpin any estimates provided by the government, including the number and value of taxable bookings, the proportion made through each major platform, exemptions, cancellations, compliance rates and any behavioural change? If the government is not able to provide any reliable estimates, why is the bill being introduced and brought on here before that work was completed and that information is available?

The collection and remittance arrangements also compound concerns. Under the bill, liability arises when a stay is completed. Platforms with relevant booking fees above $75,000 in the preceding year will generally lodge quarterly returns, and smaller platforms will lodge annually. Importantly, in the first financial year, all levy payers will have an annual return period with payment due within 30 days after its end. In practice, however, major platforms may take payment from a guest well before the stay occurs.

The government's stated intention is that the 5 per cent cost is passed on to that guest. That raises a straightforward question. What happens to levy amounts collected from customers during the period before they are remitted to the state? In the first year in particular, platforms could retain levy-related funds for a substantial period of time. If those funds are held in an interest-bearing account, form part of working capital or otherwise produce a financial benefit, the platform may receive an incidental revenue benefit from holding money collected because of a Tasmanian tax. I'm not alleging that any platform will act unlawfully or improperly, I'm asking whether the government has designed the scheme with this obvious consequence in mind. It would be a rather peculiar outcome if a levy said to fund services and support for Tasmanians created an additional benefit for multinational booking platforms simply because of the remittance timetable.

So, I ask: has Treasury assessed the average period between a guest paying the levy-related amount and the platform remitting the corresponding liability? Are platforms required to identify, segregate or hold these amounts on trust? May they retain interest or other benefits earned while holding them, and why are large platforms not required to remit monthly from commencement, or at least quarterly in the first year? Has the government estimated the value of the financial benefit platforms may receive under the proposed arrangements? If the answer is that the levy is legally the platform's liability rather than money held for the state, that may explain the legal character of the payment, but it does not answer or address the policy concern. The cost is intended to be extracted from the guest, while the platform may retain the use of the corresponding funds until its tax liability falls due.

There is also fundamental confusion about what outcome this bill is intended to achieve. The genesis of this policy was concern about the proliferation of short-stay accommodation at the expense of long-term rental stock, and that concern is real. When families are struggling to find secure rentals, the conversion of homes to visitor accommodation deserves a serious policy response. But the government now says the primary purpose of the levy is to raise revenue to support first-home buyers.

Treasury's answers to the House of Assembly explicitly state that making housing available for long-term rental is not the primary purpose, and that the government has not attempted to estimate how many short-stay properties might return to the long-term market.

The government has also admitted that no modelling has been undertaken of the levy's effect on rental supply or rental prices. No standalone modelling was undertaken on visitation, regional dispersal or small-business impacts. No assessment was undertaken of regions where short-stay accommodation may be the only practical option.

The government's position appears to be that 5 per cent is modest, that adverse effects are unlikely and that impacts can be monitored after implementation. That is an assertion. It's all assumptions, not evidence-based. A levy of this kind is, at best, a low-level interference with market demand. It may marginally alter the relative returns available to an owner choosing between short-stay and long-term rental, but the government has produced no evidence that 5 per cent will be enough to change that decision and has expressly disclaimed that as the measure's primary purpose. If it is not expected to return a measurable number of homes to long-term rental, it should not be presented or perceived as any level of meaningful housing supply reform.

It is principally a tax on short-stay guests, with revenue intended to support a demand-side first-home buyer program. But that itself gives rise to a further policy question. What evidence does the government have that directing the proceeds to first-home buyer assistance will improve affordability rather than add to purchasing demand and be absorbed into higher land or dwelling prices? We've had these conversations over and over again in this place, in my time here. Why is the revenue not legislatively hypothecated to increasing housing supply, social and affordable housing, or other measurable housing outcomes? Treasury has advised that if levy revenue exceeds the cost of first-home buyer support, the surplus will remain in the public account and inform support in future years.

The bill itself does not create a dedicated fund or a clear statutory requirement governing how every dollar must be used. So I ask, what specific programs will the levy fund? What annual expenditure is projected for those programs? What happens if levy revenue exceeds that expenditure, and what measurable outcomes will be reported to the parliament so we can determine whether the tax improved access to home ownership or housing affordability?

The government also says the levy will be paid overwhelmingly by interstate and overseas visitors. Again, where is the evidence? There is no residency exemption. So, a family from Glenorchy booking a weekend at Coles Bay, St Helens, Stanley or Strahan will pay the same levy as a visitor from Melbourne or overseas.

Broader tourism data indicates that Tasmanians account for a substantial share of travel within our own state. Recent national tourism expenditure data suggests intrastate visitors, that is, Tasmanians travelling in Tasmania, for example, account for roughly $3 in every $10 of Tasmania's domestic overnight visitor expenditure. That is not Airbnb-specific booking data, and it should not be represented as such, but it is enough to show that this cannot simply be waved away as a tax paid by outsiders. I sought platform-specific information precisely because the government has not provided it. The absence of that information itself from the major platform provider and from the government is telling.

So, I ask the Leader: what data supports the claim that the levy will be paid overwhelmingly by interstate and overseas visitors? Of the short-stay bookings that would have attracted the levy in the most recent year, how many and what proportion were made by Tasmanian residents? What is the estimated annual levy contribution from Tasmanians travelling within Tasmania? Will future reporting capture the guest's state and country of residence so parliament can test the government's claim?

In the absence of this data and based on the national tourism expenditure data, it could be reasonably extrapolated that around one-third of short-stay bookings in Tasmania are made by Tasmanians. So, yes, while it might be true to say this will be a tax on visitors, it is also true that it will be a tax on Tasmanians who visit other parts of Tasmania and overnight in short-stay accommodation.

Clause 22 requires annual publication for each municipal area of the number of registered levy payers, taxable bookings, aggregate booking value and levy received. That is useful, but it does not require reporting of the guest's place of residence, nor does it create the property level registration and usage data that councils say they need.

That brings me to the Local Government Association of Tasmania's constructive proposal. Mr President, if we are serious about understanding and managing the relationship between short-stay accommodation and long-term housing, the first step should be a formal statewide property registration framework. Each short-stay property should have a unique identifier. Platforms and direct booking operators should report bookings, nights and revenue against that property. Relevant data should be available to councils for planning, compliance and policy purposes. Western Australia and New South Wales already operate registration arrangements and share real-time data with local government. The framework proposed by the Local Government Association of Tasmania would allow Tasmania to understand where short-stay activity is concentrated, distinguish an occasional home-share from a dwelling used commercially throughout the year, assess local housing impacts and design proportionate responses.

The bill before us mainly registers taxpayers: the platforms. It does not establish the comprehensive property register required to manage the underlying land use and housing issue.

So, I ask the government: why was a mandatory property register not included? Will the government support property-level reporting and explicit data sharing with councils? How does the government expect local government to make evidence-based planning decisions without reliable, timely information on individual properties, occupancy and intensity of use?

There is a further question about where revenue associated with short-stay accommodation should go. Many councils are already considering differentiated rating approaches for properties used as short-stay accommodation. There is a legitimate case for examining whether a revenue stream linked to this commercial use should support the councils that deal directly with its local effects: planning, compliance, waste, roads, public amenities, community infrastructure and housing pressures. This is particularly relevant as more and more responsibilities are shifted to local government without a secure and corresponding revenue base. In Glenorchy, the council carries responsibility for both a youth hub and an employment hub, services that would traditionally sit outside core local government provision. Both have received time-limited government funding and both are very valuable, but without funding certainty those services are at risk. Reliance on short-term grants leaves councils repeatedly seeking funds from other tiers of government simply to maintain services that their community rely on.

Mr President, could this bill have been an opportunity for a more mature discussion about revenue sharing? Could a portion of short-stay-related revenue have helped councils respond to local impacts and reduce their dependence on ad hoc state grants, potentially improving the state's own budget position whilst also supporting better, and more sustainable, community services? I ask the government: What work has been undertaken on the interaction between this state levy and differential council rating? How will the government avoid duplication in equity or competing imposts arising from two systems developed separately?

I acknowledge that the bill has been narrowed following consultation. Direct bookings are excluded, liability rests with booking platform providers, and some categories of accommodation are exempt, with more amendments proposed here in this place. Now, those changes may reduce the administrative burden on individual owners, but they also create distortions. The same property and the same guest may face different tax treatment depending solely on whether the booking is made through a platform or directly with the owner. That may drive bookings away from platforms without changing the number of homes used for short stays or adding a single property to the long-term rental market. This inconsistency surely interferes substantially with the stated policy objective, and surely it creates compliance risks. Fundamentally, the exemption advantages larger operators with established direct booking systems over small owners who depend on a platform for visibility and payment processing.

I believe the proposed independent review amendment is sensible as a safeguard if the bill does pass through this place. A review after two years should examine revenue, compliance costs, short-stay supply, movement between platform and direct bookings, regional effects, visitation and any conversion to long-term rental. But a statutory review does not cure the absence of basic analysis before even imposing the tax. Monitoring after commencement is not a substitute for knowing what outcome is sought, what revenue is expected, who will bear the cost and how success will be measured.

Fundamentally, if we are serious about increasing housing supply, solving the conversion of homes to short-stay accommodation and raising sustainable revenue, we should undertake a proper and considered examination of the entire issue. That examination should include registration, property-level data, local planning powers, the role of differential rates, revenue sharing with councils, housing supply investment, impacts on the visitor economy, treatment of Tasmanian travellers and transparent reporting of outcomes.

Instead, this bill asks the parliament to approve a quick revenue measure without a revenue estimate with any disclosed modelling, without modelling of its major impacts, without evidence it will return homes to long-term rental, and without the data framework councils need to respond locally. It also creates a possibility that platforms will hold levy-related funds for extended periods before remittance, with no clear answer about who benefits from the use of those funds in the meantime.

Ms Rattray - Would the honourable member, through you, Mr President, be kind enough to move that the debate stand adjourned?

Ms THOMAS - I've got that much left, do you want me to finish and then?

Ms Rattray - If you could finish that would be great and then move the debate stand adjourned.

Ms THOMAS - Thank you Leader, sure.

I return then to two simple questions. What outcome are we seeking, and how much is at stake? The government has not answered either of these questions with sufficient clarity. It has not demonstrated that this is an effective housing measure, quantified the revenue case, established the cost to Tasmanians, regions and small businesses, and it has not explained why more coherent registration planning and local government framework was rejected. The government has had approximately two years, access to Treasury and departmental expertise, and extensive consultation to develop this policy. Although it did consult, evidence from stakeholders suggests that it did not meaningfully engage with, listen to and respond to concerns that they raised.

Mr President, it was the government's responsibility to undertake modelling and meaningfully consult with key stakeholders before bringing a new tax to parliament. A failure by the government to make its case is not a reason for this House to make the case on its behalf. There's a reason to withhold support.

For those reasons, Mr President, I do not support the bill. I move -

That the debate do stand adjourned.

Debate adjourned.

SUSPENSION OF SITTING

Attendance of Vigil for Nepal

[5.51 p.m.]
Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

> That the sitting be suspended until the ringing of the division bells, which will be at 6.30 p.m.

The purpose of this is to facilitate members who might like to go to the vigil on Parliament Lawns. Thank you.

Sitting suspended from 5.51 p.m. to 6.30 p.m.

SHORT STAY LEVY BILL 2026 (No. 13)

Second Reading

Resumed from above (page 77).

Ms THOMAS (Elwick) - Mr President, I had concluded my contribution on the Short Stay Levy Bill. I think I made my arguments pretty clear, setting out why I do not support this bill. I look forward to hearing other members' contributions.

[6.36 p.m.]
Mr HISCUTT (Montgomery) - I rise to speak today on the Short Stay Levy Bill 2026.

On this one I find myself in a conflicted position, Mr President. On the one hand, on 18 February, my birthday, of 2024, the Liberal government announced a short stay levy claiming to make it easier for Tasmanians to own their own home. A noble goal. However, just four days earlier, on 14 February, the government's election fiscal strategy was released containing the commitment to no new taxes.

Some here may dispute what the word 'mandate' means but to my understanding and according to my *Macquarie Dictionary* - of which I had to find my physical copy from my uni days as apparently you need to subscribe online and I wasn't going to do that, so I hope the 5th edition is okay - a 'mandate' is 'the instruction as to policy given or supposed to be given by electors to a legislative body or to one or more of its members'; or otherwise, as it was taught to me in grade 3 for civics, 'if a policy is taken to an election, then the party that took that policy to the election has the ability to proceed', but, of course, this does not give free will. We are a house of review, of course. If something is bad, or bad for the state, then we have the right, nay, the responsibility to either reject it or improve it, but weight must be given to the mandate given by the electors, so we come to an impasse. What do you do when there are two conflicting mandates? Well, I guess you have to make a bit of a judgment call.

We in this House have been arguing for many moons that the state is in a severe state of debt and have been asking, no, demanding, that the government do something about it, including asking the government to consider own-source revenue.

This is perhaps a step in the right direction. To me, there is sufficient weight behind both the need and the mandate that this concept is tested, and I'll flag with members that I intend to support this into the Committee stage, unless I can be reasonably persuaded otherwise.

I make this commitment, not to say that the bill is perfect, but just to indicate that I think it is worth giving a chance. Although I have already flagged my intention to make some amendments in the Committee stage, I look forward to the debate around other people's improvements as that is what I see our role here today - to get this bill in a supportable position.

Some may argue that that is not our role, that the government should be doing this work. Whilst I agree, it is also our role to review and adjust bills to make them better, Mr President. It is in fact our primary role.

So, let's have a look at the bill itself and see where the problems may be and what we should do to fix them.

Firstly, what is the bill trying to do? The bill was apparently drafted in line with the following government broad policy parameters, including:

(1) 100 per cent of the levy would be directed to assisting first home buyers.

(2) The levy would be introduced on short-stay accommodations such as those advertised on Airbnb and Stayz.

(3) The levy would not apply to accommodation operators such as hotels, pubs, bed and breakfasts, and caravan parks,

(4) The short-stay levy would be paid by those using the short-stay accommodation, not the property owners.

Let's look at what has actually been achieved:

(1) The levy going to the first home buyers.

That's not in the bill at all. There's no legislative requirement. There is only a commitment and a policy but we know that commitments can change with only a few days. Perhaps we should have had a letter written. I recognise that this is difficult to achieve and I'm not dissatisfied. It's just that the promise should not have been made in the first instance.

(2) That the levy would only be on those advertised places like Airbnb and Stayz.

Well, this one has kind of been achieved and at this point I would like to acknowledge the amendments made to the draft bill, the change to not affect direct bookings from the draft bill. That the change should not affect direct bookings is commendable, and I'll come back to that point later. So, now it is only applied to bookings made through booking platforms. So, a tick for this one.

(3) That the bill will not apply to hotels, pubs, B&Bs and caravan parks.

I think this has been the failing of the bill in my mind and the bit that needs the most fixing. The exceptions are trying to do too much and too little at the same time.

It is here that I will disclose a small conflict of interest. There's no pecuniary interest for me, but my parents own a small what you would consider bed and breakfast on their farm in Howth. As farmers they recognise the need to diversify and this, along with mum becoming a marriage celebrant and dad going back to university, was what I call part of their midlife crisis, but it has been a successful decision with many satisfied guests over the 20-odd years. This accommodation provides a bed and a breakfast. It is advertised as a bed and breakfast. It is built on rural land and was always intended to be accommodation. In the manner that the bill was originally introduced to parliament, this would not have been exempt. I would like to commend the amendments put forth and accepted in the other House by the Greens, which has now exempted this sort of accommodation, only since this is primary agricultural land, and I'll come back to this as well.

Ultimately, the policy goal has only sort of, kind of been addressed.

(4) That the short-stay levy being paid by the users, not the owners.

Well, I guess so, Mr President, but people are only going to pay what they are able to pay. So, it's only been sold to an extent. But I'll leave this one as a win got to give them something.

So, what to make of all this? Well, does the bill achieve what it's trying to? Again, the answer is kind of. I think the problem is that the bill is trapped between two goals: firstly, to make revenue which is desperately needed; secondly, to get short stay accommodation back in the rental market or into homeowners' hands. Both are noble goals. However, if you wanted to raise revenue then it is simple: apply a bed tax. Every bed, every accommodation type, every form of short stay is affected and this is felt equally. Tasmania as a destination perhaps has some crisis but at least the pain is felt equally. This would be simple and effective at raising revenue.

The other goal: to get short-stay accommodation back into the rental market or in the hands of first-home owners, that needs to be more explicit with these exemptions. Take for instance two examples. Transport yourself to the beautiful Paradise Road in Paradise behind Sheffield. You have two rural properties on either side of the road. On the east side you have a beautiful rural bed and breakfast. The property has one house on it where the owner lives. There are three timber huts built on the hillside with spectacular views of Mount Roland. The host provides a boutique experience with spas and even offers an onsite masseuse and chef.

Now consider the west side of the road. You have a beautiful rural bed and breakfast. The property has one house on it where the owner lives. There are three timber huts built on the hillside with spectacular views of Mount Rowland. The host provides a boutique experience with spas and even offers an onsite masseuse and chef, and the owner of that property grows a paddock of carrots on some acreage. For some reason, under the current legislation, one of these experiences will incur the wrath of the 5 per cent levy whilst the other will not, and I do not think that's fair, Mr President.

I do note again the amendments made in the other House to at least give the bloke with the carrots a break, and I appreciate that. And I'm also not sure if there is a perfect solution. I'm proposing a solution to make properties where the accommodation is on the same land as where the owner resides in a rural setting to be exempt. At least in this instance it will assist. I'm not sure if this fixes all the problems, but our role is to make this better. I've distributed that amendment addressing this issue, and I'll speak more to that during the Committee stage if we get there.

I will flag that that exemption is important for me, and I will note that the government has flagged some amendments and other amendments have been raised. If I'm not satisfied that Mr East and Mr West are both exempt, it will make it a lot harder for me to support this bill at a third reading. It is, in my view, only places that could be returned to housing stock that should be considered.

I recently made the trip down to Hobart for my daughter to play in a basketball tournament in the beautiful Kingston. Sorry, member for Nelson, I didn't ask permission. I stayed in a house in Sandy Bay that we booked on Airbnb. This was a suburban house with residential houses either side. This is the perfect example of what we should be targeting. There is no doubt that this resident should have had this tax applied to be given the mandate that the government has. However, would this supply the revenue necessary to even pay for itself?

I'd like to acknowledge the significant feedback that the government received from many various sources, and I'd also like to strongly acknowledge the government's response to these concerns.

Firstly, the change to direct bookings. This was a must. The burden of regulation that the draft bill would have placed on small operators would have been crippling. The bill now makes it so that booking platforms are required to pay the levies, not individuals. That means that only businesses with significant organisational resources will be required to administer this behemoth.

There is some confusion about what a booking platform is. I ask the government to make a clear argument regarding what a booking platform is and how it does not apply to an individual with their website. In briefings, it was explained that using the term 'a service' fixes this problem, but I would like the government to make that clear in the *Hansard*. This was crucial and I commend the government for listening. I also note that the member for Huon has some amendments in this area, which I'm very interested in as well.

Amongst the exceptions, another important change was made regarding excluding places that were a person's primary place of residence. Once again, this change was made due to what the nature of the bill is trying to achieve. Places where someone is already living are not likely to become excess homes. I also note there are further amendments on this as well.

Speaking of changes and adjustments, I would like to thank the amendment put forward in the other place for its work on trying to get farmstays into the exemption list.

Although not perfect, as shown in my example, it is a far sight better than the original bill. Hopefully, we can all work on this and I would discourage any further changes that weaken this position. These are the important and controversial elements of the bill. The remainder are elements that make it work and I don't think there are too many extraordinary issues. I will also mention the amendment to the bill proposed for a statutory review, which may be able to look at some of these issues as well, and exactly where they may stand.

Where do we land? We have a bill that sort of achieves two goals, but doesn't achieve any of them fully. I don't believe this means we should just dismiss it. I will certainly be progressing this to the Committee stage to see where it leads, and I look forward to discussing the amendments provided by others. The government does have to find more money and while this will not save the budget by any means, it may be an okay place to start. I believe that review will be necessary, especially to ensure our regional areas are not unduly affected. I look forward to hearing further debate and await the outcomes with much interest.

[6.48 p.m.]

Ms GLADE-WRIGHT (Huon) - Mr President, I rise to speak on the Short Stay Levy Bill 2026, and I'll indicate at the outset that if my amendments that I have coming up pass, then I will be supporting the legislation. But I think we need to make it very clear on the *Hansard* that this is not a housing policy designed to discourage the conversion of homes into short-stay accommodation and ultimately return more properties to the long-term rental market. This bill imposes a levy on the booking transaction and, therefore, not necessarily the owner. In practical terms, the cost is likely borne by the visitor, which means there is no apparent disincentive for whole homestay conversions. We need to make sure the policy instrument matches the policy objective, so we need to be really clear that this is a revenue-raising measure designed to raise funds from visitors and direct those funds towards first-home owner grants.

I wonder, however, why, if the government's primary objective is revenue, has the levy been designed so narrowly? There seems to be a very long list of exemptions and it's quite easy to become an exempt accommodation provider. For example, it would be very easy for a short-stay accommodation provider to start including a basic breakfast in their bookings to suddenly be considered a bed and breakfast and exempt from the levy. I also wonder about the exemptions of direct bookings because savvy holiday-makers will presumably browse through the short-stay options on the booking platforms, then book directly with the host to avoid the levy. I understand Treasury has not modelled where the bookings might migrate from platforms to direct bookings, but a review would help assess how guests respond to the levy.

That is why I support including a review of how this levy operates into the bill. It will be important to assess whether the levy in its current form raises a meaningful amount of revenue or whether its application may need to be broadened in the future. I was going to move an amendment about the review requirement, but after discussing it with the department, it was agreed that the government would be moving their own amendment, so I thank the department for being receptive to that.

Another area where I think the legislation falls short concerns the use of the revenue collected. The government has made clear that the proceeds are intended to support first home buyers programs, yet many of the organisations that work everyday with housing stress, homelessness and housing disadvantage have argued that the revenue would be more effectively directed into social housing, affordable housing and homelessness services. I must say, I find those arguments persuasive.

Helping first-home buyers is undoubtedly a worthy objective, but helping people bid for existing homes versus creating additional homes are not the same thing. Without additional supply, there is always the risk that demand-side assistance simply increases competition with an already constrained market. Whilst I would prefer to see an approach towards the supply side, it is not a reason for me to vote against the bill for now, but perhaps after a review this could be considered in the future.

Another amendment I had intended to move related to the implementation timeframe for booking platform providers. It is important that once the bill receives royal assent, those providers are given a reasonable period to make the necessary system and administrative changes to collect and remit the levy. The department has advised me that it is aware of this issue and that implementation is intended to commence from 1 July next year, allowing sufficient time for those changes to be made. I appreciate, and I heard in the Leader's contribution, a commitment to that timeframe. I'm pleased that that has been placed on the record, but I would also welcome a thorough explanation, please, Leader, of the communications strategy with the booking providers that will be used to ensure platform providers, accommodation operators and the broader community are well informed. I look forward to hearing the Leader's contributions on that.

I foreshadow that I have two amendments that I will be moving on clause 4 and on clause 5 to tighten up some of the wording and, if these pass, I will be supporting the bill.

To summarise, this bill is clearly a bit of a hot mess but, for me, I think it's a starting point. With some of the tweaks by the amendments that are coming up and with the review in place, I think that gives an opportunity to work out if the revenue raising instrument is actually doing what it's hoping to do and to perhaps consider directing funds towards housing supply in the future.

[6.54 p.m.]
Mr EDMUNDS (Pembroke) - Mr President, I rise to speak against the bill. The bill is not fit for purpose; it doesn't contribute to solving the rental crisis or housing affordability. Instead, this bill would levy money from the regions and spend it on first-home owner schemes known to perpetuate the housing affordability problem by amplifying demand but not supply.

In addition, as announced by the minister for Housing, these first-home buyer and new build schemes are focused on metropolitan areas, meaning as well as not addressing the housing crisis, this levy is not fair, despite the amendments passed through the lower House, where they're respectively levying money from the regions. The member for Mersey outlined the challenges that the regions already face in tourism, and then sending that money effectively to suburbia for people to build new houses.

I've also got concerns - I think we already heard that the State Revenue Office will be burdened with assessing each case to determine any inadvertent outcomes from the already cumbersome, and perhaps to be even more cumbersome, legislation. The SRO apparently is already being inundated with calls about the proposed levy, detracting from their extensive workload administering a range of taxes and levies that ensure close to a billion dollars of revenue for the state. As well as the State Revenue Office, local governments would have to review their planning and land use rules and make sure they're compatible with this new act. As we've heard from others, small operators would face new compliance and reporting burdens while large accommodation providers would not.

I will vote to reject this bill and call the government to consult properly, do some modelling and bring back a policy that actually improves housing outcomes. As others have said, I think this policy is risky and poorly thought out. It's detrimental to tourism in our regions and it already has many unintended consequences. I agree with the sentiment that the exceptions being put in are trying to do both too little and too much. I also was pondering the juxtaposition of the competing policy promises of promising to not introduce any new taxes, whilst promising to deliver a new tax.

I'm opposing the short-stay levy because it raises a tax, not a housing solution. The government has provided no evidence that this measure will improve housing affordability or increase supply. The levy doesn't build a single home. It doesn't change planning settings, construction capacity, land release or development pipelines, the real drivers of Tasmania's housing challenge. Every major tourism business and regional organisation has warned this bill will harm regional communities and small operators. When visitation drops, regional jobs and local spending drop with it. This bill creates new red tape and competitive distortions. Small operators face new compliance burdens while large accommodation providers remain exempt.

Tasmania needs a serious housing strategy, not a symbolic tax. I'm calling on the government to withdraw the bill, consult properly, and bring back a policy that actually improves housing outcomes.

Finally, this bill doesn't know what it is. For the reasons I've given and to echo some of the reasons given by other speakers, I will not support it. If it gets to Committee stage, I will be open-minded about amendments, but we'll be voting against it at the end of the day.

[6.58 p.m.]
Ms FORREST (Murchison) - Mr President, when I first heard the policy announcement from the government in the 2024 election, I welcomed the initiative in terms of we've got a real budgetary problem here, we need to raise revenue and thank God they're actually looking at a new tax. And it is a tax, let's face it. I used to argue with one of your former colleagues, Mr President, Mr Aird, about what was a levy and what was a tax. He always told me I was wrong, wrong, wrong until I was actually right. That said, I've been looking at some academic papers about what's a tax and what's a levy, and we're seeing more and more levies being imposed because it's seen as a softer approach.

Historically, tax comes with the connotation of being punitive and something that everyone wants to avoid, but a levy is sort of this soft thing over here that we might not notice, until we do. Some of the academic papers I was reading looked at whether it is a tax or it is a levy and often they could fit into the category of either. Taxes are charged and executed pursuant to a legislative enactment. Well, hello, this is what this is. That is, it's supported by law and taxpayers receive nothing identifiable like that. It's a tax on something they're doing or something they own, or to operate a business or whatever it is. Whereas a levy is more paid in return for a specific service and is often time limited for a particular purpose. For example, we know there will be a flood levy imposed in the aftermath of a flood perhaps, and things like that. So, anyway, I believe it's a tax, I'll call it for what it is in my view, and I'm happy with the Leader to correct me if - I know there'll be people in other parts who'll disagree, but ultimately this is a tax.

Ms Rattray - Mr President, I might pop out and give a call to the former treasurer Mr Aird.

Ms FORREST - Yes, anyway, to be absolutely honest about this, I still haven't settled on my position on this bill. I note it passed the House of Assembly by 22 votes to 9. So, it was well supported down there, but we do different work up here, and I have been listening really carefully. I do appreciate the member for Mersey's contribution, which did reflect very strong views from the community. I haven't heard as much directly from my community as you have, but tourism is a really big and important part of my electorate. Some of the issues around farmstays and some of the other accommodation options can get snared up in this, when I'm not sure what the intention actually is. That's been one of the biggest problems with this: what is the intention of this bill?

Ms Thomas - Whatever sounds politically good.

Ms FORREST - Yes, anyway, I'm going to work through some of that and will listen to the rest of the members' contributions, and particularly the Leader's response to some of the matters that have been raised because there've been some very relevant and pertinent questions raised. I don't imagine we'll get through this tonight, so hopefully she'll have time overnight to pull together a decent amount of responses.

Ms Rattray - Made a start.

Ms FORREST - Yeah, I'm sure you have. You've got people working on your behalf, which is great, but there's probably more questions to come.

Members will be well familiar with my consistent position on the state's fiscal position. Tasmania's own-source revenue as a share of total expenditure is at historic lows. Treasury in their fiscal sustainability report of 2026 made it really clear, they also made it really clear we need to pull all three levers, and one of them is raising revenue. So, a big tick for that in a policy sense, not necessarily a practical sense.

Saul Eslake's independent review and the Commonwealth Grants Commission have all told us, in their own ways, that budget repair requires a mix of measures and expenditure restraint, as well as increased revenue, and that no single class of intervention is sufficient on its own. So, I don't come to this bill instinctively opposed to a new revenue measure, because that's not my position. I know that that could well come back and bite me at some stage, and I'm sure it'll be used by people who seek to misrepresent what I say in these spaces. But that's the risk I take.

My test, as it has been for every fiscal measure that I've scrutinised in this place, is whether it's well designed, whether it's evidence-based, and whether it's properly targeted at the problem it purports to solve. While the problem is not clearly defined, is it a revenue raising model, is it supposed to fix our housing crisis? I think neither are true in the full sense of the purpose, but I'm sure there'll be more to be said on that.

When you first look at it, the short stay levy bill, or tax bill, has real attractions, but it also has real contradictions. It has a narrow base. According to the Treasurer's comments, roughly 83 per cent of revenue was expected to come from interstate and international visitors, with a comparatively small share falling on Tasmanians travelling within their own state. How do we know this? There wasn't any modelling done, so how do we know this? How do we know that to be the case, because that's not what we heard from the TICT, when Amy Hills came and briefed us, that's not what we heard. So, how do we know that? Was it modelled? If that was modelled, why weren't the other bits modelled? At a rate of 5 per cent of the total booking fee, that's fairly modest and well below the 15 to 20 per cent commissions already charged by major online booking sites and some travel agency fees. So, the practical impact on booking decisions, you wouldn't imagine, would be that great; and it does follow precedents already set in Victoria and the Australian Capital Territory.

In fairness, the consultation process during debate in the other place did produce genuine refinements as well as the consultation during the consultation period on the draft bill itself initially. Downstairs there were further changes made, and we also saw the exclusion of accommodation and dwelling also occupied by its owner, and the farmstay and agritourism exemption; both of these addressed concerns that were legitimately raised about hosted accommodation and agriculture diversification. I know members from other rural electorates have talked about this as a concern that was loudly expressed.

I also welcome the amendment requiring the government to publish annual data on levy payers, bookings and revenue by municipality and that'll be helpful information to have. It would have been good to have some of that information before we started but there you go.

When you look at putting in place a tax, there are a few simple things that should guide that. It should be an efficient tax. It should be simple, noting that no tax law is simple, but it should have a simple application so people know pretty clearly whether they're obliged to pay that tax or not, and it should be fair. The burden should fall in the right place, so does this pass the test? Perhaps not. Our tax system broadly is not fair, efficient or simple. Often, not just in this but in many other places, the tax burden falls in the wrong place. Stamp duties and many others that I could refer to that don't fall in the right place. Land tax is picked up by renters. That's who pays land tax, renters. They often have the least capacity to pay, but they're the ones who pay it.

Ms O'Connor - Although, to be fair, property owners pay land tax as well.

Ms FORREST - No, they charge it to their tenants, so their tenants pay it.

Ms O'Connor - Not all property owners have tenants -

Ms FORREST - Nah, well, let's see.

Ms O'Connor - Land tax is a reasonable tax, in my view.

Ms FORREST - It would be if it was a low rate and broadly based. I'm not going to get into tax debate right here and now.

Ms O'Connor - It's an interesting discussion.

Ms FORREST - Yes. Any new tax we're introducing should meet the basic principles. On top of that, Mr President, tourism directly and indirectly contributes to around 10.8 per cent of gross state product - and this was talked about by the member for Mersey as well - and supports close to one in six Tasmanian jobs. I note in the east coast regions more than half the jobs depend on visitor spending.

For us, whose role it is to review and not simply endorse, we are entitled to ask why a measure of this scale was not modelled before introduction and how and whether Treasury intends to evaluate its actual impact once it's implemented, should it be implemented.

The second thing is about the design of the collection base. The member for Mersey read out Expedia's correspondence. I'm not going to repeat that, but it does raise a specific and, in my view, credible technical concern. Liability for levy attaches to booking platform providers to facilitate or arrange bookings while direct bookings are excluded. Expedia points out that a meaningful segment of the sector operates through local online agents who take payment directly from the guests at the time booking, even though their inventory is sourced from larger platforms. I know the member for Mersey has asked for some clarity around that.

If those arrangements fall on the wrong side of the platform or direct booking distinction, the levy's base will be even narrower and the revenue thus lower than perhaps the policy intent states. I think this does require further consideration and response from the government to establish whether the liability should attach to whoever collects the payment from the customer at the time of the booking rather than whoever is deemed to be hosting the listing.

I think most people, when they're booking places, will have a look around, see what's available, have a look at the pictures, look at the price, look at the location. I know this is what I do: I'll go to a booking platform like Booking.com, Expedia, Stayz or Airbnb, because a lot of properties that are on those platforms also have their own booking platform on their own websites or they have a phone number. So, what I'll do is find what I like and I'll ring them up and book directly; so, if that's the case, I won't be paying the short-stay tax because I'll know exactly how to avoid it. I tend to do that anyway because I prefer to book directly with the property; I'd prefer to deal with the property and you usually get just as good a rate dealing with the property and you can also discuss with them the risk of parliament being recalled and that you might have to cancel your holiday and things like that when they have a no-cancellation policy on their booking platform or website. There are many people, I think, who do that and are probably more likely to do that - so, further loss of revenue.

I know that in the briefing, I think it was the member for Huon who mentioned it, why don't we just implement a bed tax if we're going to do that; put it on everyone: low rate, broad base. I don't know how simple that would be, but it would certainly be more efficient.

Ms O'Connor - I bet you we wouldn't pass that, though.

Ms FORREST - Sorry?

Ms O'Connor - I'll bet you we wouldn't pass that.

Ms FORREST - Who wouldn't?

Ms O'Connor - The Council. A bed tax on all accommodation.

Ms FORREST - No, I'm just talking about the principle, like a low rate, broad based and it's much simpler because everyone's in rather than some in, some out.

Ms O'Connor - If we're struggling with a 5 per cent levy on short stay, we're not going to support a bed tax.

Ms FORREST - But the point I'm making here is that we've got this policy before us in a piece of legislation that had, a bit like some other election commitments, very little detail to it. Then suddenly we've had to bring in something to give effect to the election commitment that hasn't been modelled, that we don't really know and that the more we narrow the base of the tax/levy, the less revenue there'll be. The compliance costs will still be pretty much there, so is it worth the cost of collecting it?

The third and the other point I want to speak to is the purpose to which this revenue is put. I continue to question measures such as the first-home buyer grant, as I have significant reservations on this policy. Why am I concerned about that? I mean, I've spoken about first-home buyer grants before, but it is to do with the inflationary impact those mechanisms have. But on this particular question, I say why? Because the demand-side subsidies in a supply-constrained housing market inflate prices rather than solving the underlying problem. So, we potentially could make the problem worse: inflate prices even further.

The second reading speech for the bill is explicit that the primary purpose for this levy/tax is to raise revenue to support first-home buyers with any increase in long-term rental supply cost only as a secondary or uncertain possibility. So, we don't really know what the impact will be. If this new levy simply funds another round of demand-side grants without addressing supply, I have real doubts as to whether it does more than shift revenue collection from one channel to another, while leaving the underlying housing problem unaddressed. I'll continue to raise that because every time we do something like that, that artificially inflates the price of housing, you make it that bit harder for first-home buyers, young people - older people sometimes - to get into the housing market.

In the past, this and former governments have argued against hypothecation of revenue raised. If we used all our revenues wisely, such hypothecation would be unnecessary. I have a fundamental opposition to hypothecation. I think we need to structure a system that works for all and fix the problems that sit underneath a lot of this. This won't fix the housing crisis. It won't. I understand the argument for hypothecation in this case, but I don't think it deals with, or disposes of, the underlying question, which is whether this revenue is best directed to demand-side assistance for buyers who are by definition already in a position to purchase, albeit likely into an inflated price market, or to Tasmanians who currently have no accommodation at all. What are our priorities? That's why hypothecation in this way is problematic.

Fourth, the regional and interstate impact. A constituent with direct experience in the short-stay sector wrote to me, pointing out that on the Treasurer's own 83:17 split and the original $11 million revenue estimate, something in the order of $1.8 to $2 million a year will be borne by Tasmanians holidaying within their own state. That discretionary regional spending on dining, tours and retail in places like Stanley, Strahan and Queenstown is the most likely category to absorb the adjustment when accommodation costs rise. People might have paid more for their accommodation, so they won't eat out as much or they won't have a glass of wine with their meal or they'll have one course not two, and they won't go and buy gifts in the shops in town. You have to think of the big picture here. For an electorate where, and I know others are in similar situations, where the visitor economy underpins small operators across the west coast and north-west, in my case, it's not a trivial matter, and I don't think it's been adequately addressed in the debate to date.

The other thing I want to raise is the manner of consultation. The Tourism Industry Council's submission makes a fair governance point, whatever one thinks of their overall opposition to the bill, because their preference is for it to be voted down. They said that the 2030 Visitor Economy Strategy is a joint government-industry framework and this measure was developed and announced outside of that. Again, who was consulted? Why would you develop a 2030 visitor economy strategy jointly with industry and government but do this off to the side with no reference to that? It doesn't make sense when it will have a direct impact. A bit like few other policy announcements, bypassing an established consultive mechanism is not a very transparent approach. It's not an approach that should be used in policy development, even if I or anybody else might ultimately conclude that the policy itself has merit or not.

Before I can settle on my position on this bill, I will listen to other members as well as the Leader in her response and potentially the debate in the Committee stage, if the bill gets there. A few things for the Leader as well, and I know some of these have been posed by others, but I want to know about the resourcing for the State Revenue Office. We bring in these bits of legislation in this place that put additional workload and burden on our independent statutory officers, like the Ombudsman, for example, the Health Complaints Commissioner, the Commissioner of State Revenue. Without speaking out of school, I believe that we were informed this morning that there is no additional resourcing for the SRO, and this will be a challenging thing to set up and administer whichever way you look at it, trying to figure out who's in, who's out; where was the booking actually made? How much additional funding will be provided to the SRO to facilitate this work? Will we see it in the 2027-28 Budget? Because that is when it starts, but that doesn't count the work that needs to be done this financial year to set it up.

I also want to know why no economic modelling of visitation impact was undertaken, particularly that regional impact, and whether Treasury intends to evaluate the levy's actual effect once it's in operation, should it pass this place.

I also have some questions - I know there are amendments being proposed and I'll come to that shortly - whether the clause defining booking platform providers adequately captures local booking agents and other intermediaries who collect payment directly, so the collection base is not narrower than the bill seems or the policy intent seems to be. I note there's a number of amendments, if we get into the Committee stage, but I will be asking members, if we get to that stage, who was consulted on these. Because when we are amending something like this, particularly in an area of complex tax law, there needs to be proper consultation, otherwise we're going to create a bigger mess than this already is. What assessment, if any - this flows to a previous question I asked the Leader - has been made of the impact on regional and intrastate travel, particularly in electorates where discretionary regional spending underpins small tourism operators? Because there are some - and I'm sure others in regional areas have got them - small operators who do multiple things. They might have an accommodation, but they also run a tour as a sideline, they might have a cafe or something like that to support the business. The undermining of the other parts of their business becomes real, even though they won't get the benefit of the levy or tax that goes to state coffers.

Weighing all this up, I'm not persuaded that opposing a new revenue measure is a credible position for Tasmania at present, which puts me in a very difficult position. A narrowly targeted levy substantially borne by visitors, if that is the case, is in principle more defensible than trying to raise revenue through options that fall heavily on Tasmanian households. That sits well with me, but let's make sure that's what we're doing. Let's be sure. In principle it's more defensible, but that's the issue here. The gaps I've outlined on the modelling, the collection base, the purpose of the revenue raised and on the regional impact are real and I need further information.

I'll listen carefully to the Leader's response and make my decision as to - I'm likely happy to support it at the Committee stage, but I'll reserve my decision for the third reading. I will listen and see if there's been some satisfaction in the answers provided by the Leader.

[7.24 p.m.]
Ms WEBB (Nelson) - Mr President, I rise to speak on this short-stay levy bill, which has been such an interesting one to hear from members on. I very much appreciate the considered and detailed contributions of a number of members so far. It's been really useful to have such a forensic examination of the bill and I think there's been a lot of important questions put on the record, concerns raised and further information sought, to which I'm very much looking forward to hearing the response from government on. It's quite striking when you see a bill that generates such a lot of questions and concerns raised, and also quite a flurry of potential amendments flagged and put for consideration should we get to the Committee stage. It says to me this bill is probably a bit messy, given how that's all played out to date in relation to this Chamber's consideration of the bill.

That has also been reflected in the narrative that's been part of the members' contributions here. I think there's been a really clear articulation of the fact that the genesis of this bill was an election commitment made, and I'll speak about that a little bit more, but when that's the genesis of a piece of policy that then has to become a piece of legislation, you're often in for a rocky road because often things that are promised in an election are not necessarily well-considered, well-developed policies, evidence-based, clear in their intent, clear in the rationale for how they may be implemented. And then you see a bit of a scramble to bring to fruition that promise made in an election through a piece of legislation which by its very nature must be well considered, must be very particular and detailed in outlining how it's going to be delivering the particular policy intent that requires legislation to be given effect to, and it is where things can come a cropper.

I think it's been particularly interesting, and it has highlighted - and I think this has been part of the narrative coming through in contributions today too - the fact that there is an incontrovertible lack of clarity about the intent of this bill, much as the government might make assertions about now what their intent is, there is still an absolute lack of clarity about it. I think that's because, of course, as an election announcement made, the intent of that announcement was to win votes. Quite frankly, that's absolutely the genesis of this policy and the bill that we see before us. The intent was to win votes, so it just needed to sound good as a media grab and bite on the day. It just needed to sound like it might be something that appealed to average Tasmanians out in the street as a reasonable thing to do. It had to present well as a social media tile or grab.

Mr Hiscutt - TasInsure?

Ms WEBB - Indeed. We see this played out time and again with election announcements that really aren't anything more than thought bubbles. They're nothing more than populist preening really from parties who are putting themselves forward trying to win votes but not doing that from a position of well-established policy, well-rationaled, good evidence-based policy that's been based on clear principles that they're delivering on that to distinguish them from other candidates putting themselves forward for election. It's really just 'what's going to grab attention in a way that might win us votes', and that's a shame. There really is no basis for making policy that's going to deliver effectively for the Tasmanian community in a cohesive long-term way.

That's where I think the genesis was of what we now see to be a fairly messy situation by all accounts, listening to members do their analysis, make their detailed sort of forensic, sort of pulling apart of what this bill may or may not do, what it is intending to deliver or not intending to deliver, what consequences it may have for different industries and sectors within the Tasmanian community, what impact it may have for different regions around our state. Really, the full kit and caboodle around this bill is a lot of uncertainty.

Having said that, for me, if we're going to talk about a piece of legislation and a piece of policy that relates to the short-stay accommodation market, my wish would be that we would be talking about a piece of legislation and policy that was there to deliver an improvement in our absolutely catastrophic housing crisis in this state at the moment. We talk over and over again in this place about the shameful situation we have here with this catastrophic failure of our housing market, particularly our private rental market in this state. We see a race to the top of rents because of excessively low vacancy rates that are so far below market failure, it's a joke really, but it's not a joke because it's people's lives, it's people's wellbeing and health and livelihoods and access to a reasonable life in this state that is the victim of this situation we find ourselves in.

We have a vacancy rate that has been well under 1 per cent for a long time. It's been 0.5 per cent for a long time now too, I believe. We know that a viable vacancy rate for a healthy and viable private rental market is 3 per cent and we haven't come within a bull's roar of that for close to a decade now probably.

We should be talking as a priority and the government should be turning its attention, in a policy and legislative sense, as a priority to solving our catastrophic housing crisis. We should absolutely be focusing our attention in that space into the private rental market and into the impact that short-stay accommodation has had on that market because it is unquestionable that that impact has been there. It is a key factor in driving the problematic situation we have now with this absolute market failure for private rentals.

While that is and should be a priority for us, this bill has nothing to do with that, even though it's a short-stay levy bill and you think short-stay accommodation might have something to do with that. It doesn't. The government has even sort of backed away from suggesting that it does because they have talked about the fact that it's not really designed to deliver any particular impact through into the private rental market. The government has suggested that it may have some impact into the space because it may mean that some operators of short-stay accommodation properties may return their properties to the private rental market as a secondary impact here, but it's not their intended impact.

There's no modelling on that. We don't really know what to expect in that space. If that was the key intent of this policy in this bill, we would be designing it differently. If we wanted to incentivise that outcome, we would do it differently to this and we would be careful to understand and model and know what the expected impact was in returning particularly whole properties to the private rental market via a policy and legislative mechanism. It's not what we have got.

The government claims that primarily the intent of this bill and this policy is to raise revenue, which is quite a nonsense in a way. Again, it's just a gesture. It's a fairly hollow and slight performative gesture because realistically, of all the things that we could choose to do in this state to increase our state-generated revenue, this wouldn't be the thing that should be at the top of the list. It's minimal for a start, even with the fairly shaky projections about what it might generate in the way of revenue. That's a blip. It's loose change in the pockets of our state budget, Mr President.

We should absolutely be having a conversation about increasing revenue. That conversation is still being avoided by the government. They're still pretending that they won't be raising taxes on anyone, whereas this is a tax but it's a bit of a silly one. It's a very minimal one. It's not one that's going to do much at all to solve our state budget problem. We can't even pretend that it would do that. We're told by the government that the fairly minimal revenue it will raise is going to be potentially directed towards first-home buyer support. I think it was the member for Montgomery pointed out quite rightly - no, it was the member for Pembroke, who pointed out, please correct me if I've got that wrong - there's nothing in the bill that says that must happen -

Mr Hiscutt - No, that was me.

Mr Edmunds - Foiled again.

Ms WEBB - It was the member for Mongomery - thank you. There's nothing in the bill that holds the government to that.

Ms Thomas - I said it first.

Ms WEBB - Okay, many members have said this, and I'm repeating it.

Ms Rattray - Any advances on those two?

Ms WEBB - Going, going, gone.

We've got that as a stated commitment from the government, but the bill doesn't deliver that either; it delivers the money basically back into the public account. In fact, if it does end up raising more revenue than maybe planned to be spent on first-home buyers' schemes and supports within the particular financial year anyway, the surplus will be going back into the public account, not going to deliver further first-time buyer support that year, which seems a shame, really. It is sort of a gesture towards hypothecation without really being hypothecation of this tax. There are plenty of problems around the concept of hypothecation anyway. We haven't really even had that conversation properly and we're kind of going halfway towards it here. This is, I guess, emblematic, really; it's illustrative of the mess that this particular policy and bill is, where it goes halfway to doing nothing, really.

It doesn't raise much revenue, even though apparently, from the government's point of view, that's the primary purpose of it. Revenue is being put to a particular area of housing support, first-home buyer support, which is demonstrably not the priority area in terms of helping to solve our housing crisis. In fact, questionably it's an area that can, on its own, increase problematic outcomes in our housing situation here in the state because it can lead to inflating prices. It can lead to putting up the value of housing and the amount that first-home buyers are ultimately going to be paying for their property or their land and development, the land and build package.

It's astonishing to me that the government purposefully, in the face of all evidence that tells them where the support is needed and all evidence tells them the support is needed in the private rental market and in the social housing space, we've got a social housing waiting list of over 5500. That's the number of applicants, that doesn't represent the number of people who are waiting and acknowledged as requiring social housing support. That's just the number of applicants. It's measures beyond that 5500, even though the 5500 is horrifying enough and is at record high, I believe. Social housing is needed. Private rental market solutions are needed, and this delivers neither of them. Instead, the government is going to pump this extra money or put this money towards first-home buyer support, which may, at best, house - and I think this was also from the member for Montgomery - perhaps 22 new first-home buyer properties that it might generate. Somebody else said that.

Mr Gaffney - That was me.

Ms WEBB - Oh, there you go, Mike. I'm sharing it around. I've listened to everyone. I just haven't quite kept it straight in my mind because I didn't note it down who said what.

Mr Hiscutt - I'll claim it.

Ms WEBB - I'll just say 'a contribution' from hereon in. We're helping a fairly modest number of first-home buyers potentially with this into the market, but it may also have an inflationary effect on prices. So, really, it's giving with one hand and taking with the other.

I think this is entirely concerning in relation to this bill. I think the government has been shown to be quite a fraud on this, really. It's been exposed and I think we've now seen a distinct pattern in policies that have been announced as election commitments which are purely designed for that one purpose, which is to attract attention and votes in a momentary sense and headlines and nice social media content in the moment during an election, that are entirely not fit for purpose to be brought forward then as a real policy and to be legislated into place. We've seen that with this. We've seen it as, by interjection, someone mentioned before TasInsure. We've seen it with numerous others. We've seen it with instances where promises are made to fund particular organisations that should never have had promises made to fund them without having to go through a competitive tender process to ensure that they were in fact the most appropriately equipped organisation to deliver the service that was being funded.

The intent of this bill is problematic, and the impact it's going to have in delivering what the government states is its intent, to raise revenue, is questionable and potentially quite minor. What we have heard from stakeholders in the community contacting us ahead of its being debated in the Chamber, and from the briefings we've had from a range of stakeholder groups in our consideration of this bill, is the enormous concern they have about a whole range of detrimental impacts it may have on our communities, certain industries, certain regions of our state, and especially on tourism operators in the state. We have heard that, while the intended impact and outcomes of this legislation are unclear and questionable in their merit, we may be looking at something that has the potential to do distinct damage to areas and industries of our state that we would prefer to support, rather than damage.

I was quite interested to hear from the stakeholders who were able to point to all the potential discrepancies in who would be and wouldn't be captured by the legislation, in how it would apply to certain areas of our tourism economy and not others. It did seem fundamentally flawed, unfair and poorly designed, even though I know members here - members in the other place in the first instance - put forward some amendments to try to address some of these matters. I know members in our Chamber have some amendments ready, should we get to Committee stage, to again try to patch up some of the discrepancies and some of the potential flaws in this.

I don't know that we're necessarily going be able to paper over all the cracks with amendment wallpaper. I don't know that that's available, and it's even hard to tell, when we do it in this fashion, whether the amendments we're bringing to try to fix government stuff-ups will be free of unintended consequences themselves. It's very difficult to do that because when you're doing it in the heat of the debate process through the Chamber, we haven't necessarily then been able to go to consult on the amendments. That is no reflection on the members who are bringing them, who have gone to their best efforts, I think, to put forward really well-considered and thoughtful amendments for our consideration. So, it's not a reflection, it's simply a reflection on time and scope available to do the appropriate, I guess, policy work, and particularly consultation, that should sit there, so that we can all have confidence in it. None of this is news to members in this place, I know, but when you feel like you have a pretty disjointed and problematic bill and you're trying to fix it with some fairly significant amendments, there's always a sense of hesitancy and concern there for members.

I feel that this is an interesting bill for me because on the face of it, it should be about a topic that is of key interest and concern to me, a key priority for me, which is thinking about how we fix a shockingly harmful situation in our housing crisis in this state, particularly for vulnerable Tasmanians. That's a priority. Yet this bill that, on the face of it, should probably be about that, isn't anything to do with it. It seems to do with things that won't be delivered on anyway in the long run. It's not going to raise much money overall. The money it does raise is going to an area that really shouldn't be the priority area that is delivered more support. Quite frankly, the government, if it's choosing to support first-home buyers through particular programs, already does that to some extent. It's already allocating money out of the budget to do that. So, I presume all this does is switch in for other money from the public account that currently goes to those programs, switches this revenue in and switches the other revenue out to other -

Ms Thomas - Pay debts.

Ms WEBB - Well, maybe to pay down debt, maybe to try to patch up other shockingly underfunded services that are there.

Ms O'Connor - Stupid spending decisions.

Ms WEBB - I'm not sure even that we end up with more support for first-home buyers out of this. We might just end up with the same level of support, just funded a little bit differently and freed up a little bit. A very modest amount of money to go somewhere else. If we're paying down our debt $11 million at a time, then goodness, gosh, I feel for our great-great-great-grandchildren if that's the way we're going about it via this levy. If it's the only thing being put forward by this government as increased revenue, that's a pretty pessimistic outlook for us all.

It's not clear to me that there's really a net positive out of this fairly shonky piece of legislation that we're considering. It is clear to me that there are high levels of concern about the impact it might have on regions of our state in particular that rely on tourism and particular sorts of operators in those regions. That whole area of concern doesn't seem to have been given appropriate consideration by the government. They've been able to give us nothing that models what that's going to look like or to alleviate the concerns of those regions or those sectors in those regions. It's not clear to me, and I know other members have spoken about this, I'm not going to try to remember who.

Mr Gaffney - We're here to help.

Ms WEBB - It's not clear to me what the administrative costs will be for the government and whether really those are going to outweigh the revenue that's generated anyway. I think in this instance it was the member for Launceston who said that right back at the beginning earlier in the day, if people in our public service are having to administer this off the side of their desks within current resources, realistically that's going to have an impact somewhere. You can't pretend the administration of this isn't going to have a cost. The balance of that is not clear to me at all.

It's not clear to me who will actually be bearing the cost of this levy. I know that the government has claimed in various spaces that it is going to be mostly paid by interstate and overseas visitors. Well, my understanding is a fairly high proportion of usage of short-stay properties in Tasmania is undertaken by Tasmanians. I'm certainly somebody who has used short-stay accommodation in the state on a fairly regular basis. There's a fair chance a reasonable portion of this levy is going to be paid by Tasmanians, I would think. So, to pretend that it's going to be people coming from outside the state to the levels that the government is claiming I think is questionable, unless they can show us some modelling about that. It's not clear to me really who's bearing the cost of it.

There's one thing that seems to be super clear and that's that the short-stay platforms, the big platforms that are going to be holding this levy collected for a pretty reasonable amount of time before they have to remit it through to the government are likely to make a motza, I would assume, by holding this money somewhere and accruing interest on it. I think in that sense, perhaps the most clear outcome of this piece of legislation is that it's going to deliver corporate welfare yet again to big multinational companies.

Ms Thomas - No wonder they support it.

Ms WEBB - Exactly right, courtesy of this government and this piece of legislation. That wouldn't surprise me at all if really, when it comes down to it, the key benefit that we can tangibly identify from this is that big multinational booking platforms are going to get free money because they're going to be able to hold onto the levies collected, get the interest that's collected -

Ms Forrest - For a whole year initially.

Ms WEBB - For a whole year initially, and pocket that before they remit it back through to the Tasmanian government. To me that's just corporate welfare yet again, like a gift to massive corporations. It's nothing to do with benefits to the Tasmanian people. It's nothing to do with the public interest in our state. It's nothing to do with addressing the urgent challenges we face in housing, in health, in education - all the things that this government should be spending time and attention on and legislating to solve and improve. This is nothing to do with those things and that's quite shameful, I think.

So I'm pretty down on this bill. You may have guessed, you may have had an inkling, Mr President, I'm not impressed at all by this bill. I don't even think particularly it deserves to go through the Committee stage, quite frankly. If it does get voted through to Committee stage, it'll be interesting.

Ms O'Connor - That's a big call to let a bill that the House has passed get into Committee here.

Ms WEBB - It is. We can all have our views on it, member for Hobart. We can all have our own views on this. I'm just putting it forward that I'm not necessarily convinced that it even warrants that. I think there are all sorts of reasons the other place may have passed this bill. I know that, potentially, there's a bit of a lack of spine there about being criticised about things, but maybe in this place we don't have necessarily as much concern about that because we're not trying to contest government, so there you go. How lucky for us, we can speak truth sometimes that others can't.

On that, I have found it really helpful to listen to other members' contributions on it. Should we go through the Committee stage, I'll be very interested to have the discussions around amendments as they're put forward. Even should all amendments with merit pass, I still don't know that this is a bill that, to my mind, would warrant support in the end, so I'm just being very clear and upfront about where I'm standing on it at this point. Although I've relatively completed my contribution, I'm looking to the Leader because I'm imagining that we might be at a stage we might want to adjourn debate for today and come back to this. Would that be right, Leader?

Ms Rattray - It would absolutely be right, honourable member, and I invite you to do so if you've concluded your contribution.

Ms WEBB - Thank you.

Mr President, having spoken to the key things I wanted to highlight here without being forensic as other members, thank goodness, have been on our behalf and created a good parliamentary record on this bill, I would now move -

That the debate stand adjourned.

Debate adjourned.

ADJOURNMENT

[7.53 p.m.]
Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

That the Council at its rising adjourn to 11 a.m. on Thursday 3 September 2026.

Motion agreed to.

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

That the Council do now adjourn.

The Council adjourned at 7.54 p.m.

Appendix 1

OFFICIAL

Tania Rattray
T. Rattray
Tabled & Incorporated into Hansard
MLC Leader for Govt business
DATE 02.09.2026

QUESTION ON NOTICE
Legislative Council 2026

ASKED BY: The Hon Cassy O'Connor MLC

ANSWERED BY: Leader for the Government in the Legislative Council, the Hon Tania Rattray MLC

QUESTION NUMBER 62:

During Budget Estimates in Government Administration Committee A this year, the Minister for Health was asked whether the Tasmanian Health Service has awarded any tenders, or signed any contracts, with any company or subsidiary of the global corporation, Palantir Technologies Inc.

The question was taken on notice and the subsequent answer indicated there are no such tenders awarded or contracts with any Palantir Technologies Inc. subsidiary company.

Was a thorough search of current providers with THS undertaken to ensure an accurate answer is provided to the Council?

Is the Minister certain the question asked by the Member for Hobart was responded to with the necessary due diligence and that the answer provided to GAA is correct?

ANSWER:

1. The subsidiaries of Palantir Technologies Inc. identified for this search were:

   Palantir USG Inc.

   Palantir GSC Inc.

   Palantir Technologies Geneva Sarl

   Palantir Technologies Holdings LLC

   Palantir International Inc.

   Palantir Italia S.R.L.

   Palantir Technologies Singapore Pte. Ltd.

   Palantir Technologies New Zealand Limited

   Palantir Technologies Australia PTY Ltd.

OFFICIAL

Palantir Technologies GmbH

Palantir Technologies Canada Inc.

Palantir Technologies Japan G.K.

Palantir Engineering Israel Ltd.

PTS Sweden AB

Palantir Technologies Mexico S. de R.L. de C.V.

Palantir Tecnologia Do Brasil LTDA

Palantir Technologies Switzerland GmbH

Palantir Technologies Hong Kong Limited

Palantir Technologies Spain SL

Palantir Technologies France SAS

Palantir Technologies Poland Sp. z o.o.

Palantir Technologies Denmark ApS

Palantir Technologies Norway AS

Palantir Technologies U.K. Ltd.

Palantir Shakti Technologies Private Limited

Palantir Technologies Taiwan Limited

Palantir Technologies QFC LLC

Palantir Technologies U.K. - Eagle Ltd.

Palantir Technologies Austria GmbH

2. I am further advised that an examination of contractors identified in the Department of Health's recent annual reports, contractors awarded on tenders.tas.gov.au, and a review of creditors within the Accounts Payable Finance system identifies that the Department holds no contracts, partnerships or advisory arrangements with any Palantir Technologies Inc. subsidiary companies as identified above.

APPROVED

Bridget Archer

Hon Bridget Archer MP
Minister for Health, Mental Health and Wellbeing

Date: 27 August 2026

OFFICIAL

Question on Notice

Legislative Council

Questions:

Across State Service agencies, have any tenders been awarded or contracts signed with subsidiaries of Palantir Technologies Inc.?

If so, in which Agency or Agencies and for what services; to what financial value; and duration of the contract.

Does Palantir Technologies Inc., or any subsidiary of the corporation, have access to the personal data of Tasmanians that is stored or cached by State Service Agencies?

Answer:

All Tasmanian State Service departments have confirmed that they have not awarded contracts to Palantir Technologies or its subsidiaries.

Approved

Jeremy Rockliff MP
Premier

Date: 28 August 2026

CM Reference 26/152789/1

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