



The Coalition's Policy

Key Commitments

The Coalition will invest in jobs and growth for Tasmania.

Nearly 7,000 jobs have been created in Tasmania since the Coalition came to government. We are investing in Tasmania to increase jobs and deliver more opportunities for Tasmanian businesses and families.

We will deliver over \$2 billion in funding for Tasmanian hospitals over the next four years. Under the Coalition, total Commonwealth funding to all schools across Tasmania will increase by \$62.0 million, a 16.8 per cent increase from 2015–16 to 2019–20.

We expanded the Tasmanian Freight Equalisation Scheme, created a Major Projects Approvals Agency to expedite investment in Tasmania, provided \$400 million toward the upgrade of the Midland Highway, contributed an additional \$60 million for the Tranche II irrigation projects managed by Tasmanian Irrigation, and are investing over \$2.1 billion to acquire Australia's new icebreaker and further support Tasmania as the gateway to Antarctica.

We are delivering for Tasmania.

The Coalition will continue to support jobs and growth in Tasmania by:

- ensuring security of Tasmania's electricity supply by supporting a second Basslink interconnector
- investing \$150 million to relocate and expand the University of Tasmania's (UTAS) campuses in the heart of Burnie and Launceston to increase higher education accessibility, participation, and skills attainment
- partnering in a City Deal for Launceston to maximise the long-term benefits of the UTAS relocation, committing a further \$7.5 million to the Council to renew the Launceston CBD, making it an attractive and accessible place to work, study, visit and live
- investing \$25 million in a locally-led Regional Tasmania Jobs and Investment Package
- investing over \$2 billion to make Hobart the world centre for Antarctic research
- providing nearly \$4 million to complete the Three Capes Track and boost tourism
- committing \$4 million to establish a National Institute for Forest Products Innovation with one hub located in Launceston
- delivering infrastructure for Tasmania
- providing more export opportunities and tax cuts for Tasmanian businesses
- providing \$1 million to the Cradle Coast Authority to enable the Cradle Mountain Master Plan to progress to an investment-ready stage

The Coalition's plan for a strong new economy will provide jobs and growth and a secure positive future for Tasmanian businesses and families.

Our Plan for Jobs and Growth in Tasmania

Nearly 7,000 jobs have been created in Tasmania since the Coalition came to government.

We will deliver over \$2 billion in funding for Tasmanian hospitals over the next four years.

Under the Coalition, total Commonwealth funding to all schools across Tasmania will increase by \$62.0 million, a 16.8 per cent increase from 2015–16 to 2019–20. Our funding will be directed according to need and tied to evidence-based initiatives to support student achievement, such as improving literacy and numeracy, and enhancing teaching quality.

We expanded the Tasmanian Freight Equalisation Scheme, created a Major Projects Approvals Agency to expedite investment in Tasmania, provided \$400 million toward the upgrade of the Midland Highway, contributed an additional \$60 million for the Tranche II irrigation projects managed by Tasmanian Irrigation, and invested nearly \$2 billion to acquire Australia's new icebreaker to further support Tasmania as the gateway to Antarctica.

We are delivering for Tasmania.

The Coalition's plan for a strong new economy will provide jobs and growth and a secure positive future for Tasmanian businesses and families.

1. Supporting Tasmania's energy security

Tasmania needs reliable energy supplies.

Families and businesses should have complete confidence that their lights will turn on whenever they need.

The Coalition will support a second Basslink interconnector to ensure energy security and help drive development of Tasmania's renewable energy resources, subject to the final business case which we expect to be positive based on the preliminary report by the Hon Warwick Smith AM.

We commissioned a report into the feasibility of a second Tasmanian interconnector. The report was driven by the energy challenges Tasmania was facing with the failure of the Basslink interconnector, low hydroelectricity dam water levels, and the need to investigate how to drive the development of major new renewable energy investments.

The preliminary report recommends that the Commonwealth and Tasmanian Governments commit to support the construction of a second interconnector, subject to the successful completion of the final business case and the early involvement of the Clean Energy Finance Corporation.

A second interconnector will play an important role in Tasmania's long-term energy security and help drive the development of Tasmania's world class renewable energy resources.

Along with the potential development of more than 1,000 MW of new renewable energy, a second interconnector could drive investment of around \$3 billion for Tasmania.

As Mr Smith made clear in his preliminary report, there is a case for developing a second interconnector in order to ensure Tasmania's long term energy security and open the pathway for more than 1,000MW of new renewable energy investment.

Given the financial complexities involved in developing the business case for a second interconnector and Tasmania's renewable energy resources, the recommendation about a key role for the Clean Energy Finance Corporation is also welcome.

The Coalition looks forward to Mr Smith's final report which is due by the end of the year. It will form a major part in determining the business case for the second interconnector.

We have taken a sensible approach to this important issue for Tasmania – one that is about delivering real jobs and investment for all Tasmanians.

2. Supporting jobs and education in Tasmania

The Coalition will commit \$150 million to relocate and expand the University of Tasmania's (UTAS) campuses in the heart of Burnie and Launceston.

Our commitment will support jobs and increase higher education accessibility, participation and attainment.

The University of Tasmania makes an important contribution to the state, not only to the education system and social fabric of the community, but also to the economy.

The University is one of the state's larger employers, supporting more than one per cent of all jobs in Tasmania. Its expenditure is a little over two per cent of Tasmania's gross state product.

The potential for the University to make an even bigger contribution to the future of the state is clear.

Key performance indicators are trending upwards. Student enrolments are up by more than 35 per cent over the last five years, and its world ranking has lifted to 305th in 2015, up from 400th in 2010, in the Academic Ranking of World Universities.

The relocation and expansion of UTAS in the heart of Burnie and Launceston will generate 3,110 local jobs and \$1.1 billion in economic output during the construction phase.

The UTAS campus relocation programme will attract 12,000 new students to higher education in the region over the next decade to help address the state's educational under-attainment.

It will help boost Tasmania's and Australia's attraction as a high quality international education destination, attracting an additional 1,700 international students to the region.

International education is one of Australia's largest services export and a major employer. In Tasmania alone, international education generates \$164 million for the economy and supports an estimated 1,440 jobs.

Our investment will build a fit-for-purpose university campus at Inveresk in Launceston, providing modern, world-class teaching, learning and research facilities.

The new Launceston Institute for Applied Science and Design building will strengthen the future of science, research and the STEM disciplines in Northern Tasmania.

Modern and accessible educational facilities that use the latest in technology-enhanced learning environments will be constructed at West Park in Burnie, adjacent to the CBD and West Beach. The Tasmanian Institute of Agriculture will be relocated to this central site and have room to grow as it extends into applied agriculture, logistics, supply chain analysis and agribusiness.

Both new campuses will provide innovation centres that support entrepreneurship, startups and industry supply chain spin-offs.

Central to the UTAS transformation agenda is the need to increase significantly the number of Associate Degree places, which are of particular benefit to students who have never previously participated in further education.

The Coalition has supported extending the demand driven funding system to sub-bachelor places in universities. Labor has twice voted against this in Parliament and has ruled it out in the future. UTAS estimates 8,000 students would benefit from Associate Degrees in Tasmania.

The Coalition supports increasing the number of Associate Degree places, which will benefit UTAS and other regional universities across the country.

The University of Tasmania will also receive \$1.3 million from the National Critical Research Infrastructure Strategy (NCRIS) Agility Fund to ensure the continued effectiveness of the Integrated Marine Observing System. The funding will enable UTAS to replace and upgrade priority infrastructure that will see the ongoing provision of data critical to the fishing industry, climate prediction and the resources sector.

NCRIS is a network of 222 institutions employing more than 1,700 highly skilled technical experts, researchers and facilities managers. NCRIS facilities are used by more than 35,000 researchers across Australia and internationally. The former Labor Government failed to provide ongoing funding for NCRIS.

The Coalition's National Innovation and Science Agenda provided \$1.5 billion to ensure that NCRIS continues to drive collaboration between researchers, government and industry to deliver practical outcomes such as the UTAS Integrated Marine Observing System.

3. Supporting jobs and smart cities in Tasmania

The investment in UTAS campus relocation will transform the CBDs of Launceston and Burnie, bringing thousands of students and new business opportunities that will energise these city centres.

The UTAS relocation presents a once-in-a-generation opportunity for long-term jobs and growth in Launceston which will only be realised with tight coordination and integrated planning across all three levels of governments.

That is why the Turnbull Coalition is partnering in a City Deal for Launceston and committing to invest in the critical infrastructure that will deliver it.

The Coalition will provide a further \$7.5 million to the Launceston City Council to accelerate these benefits and renew the Launceston CBD, making it an attractive and accessible place to work, study, visit and live.

The programme of works will upgrade civic spaces with paving, tree plantings, street furniture and art. New areas and amenities for on-street dining, events and play spaces will be provided. Safety and amenity will be improved with CCTV and lighting installations.

The main bus stop will be relocated and upgraded. Pedestrian access will be improved with widened footpaths, signage and smart technology apps to promote access between attractions and other precincts, including the new UTAS Inveresk campus which will connect to the CBD via a new pedestrian bridge.

An additional 55 wireless access points will be provided across the city providing seamless internet access all the way to the new UTAS campus.

The Launceston City Heart Project is a major development project, providing 138 new jobs during the construction phase and in excess of 317 direct jobs in the retail, tourism and services sectors in the CBD.

The award-winning \$18.1 million Launceston City Heart project is the largest project ever undertaken by the City of Launceston.

Our investment in Launceston puts the Coalition's Smart Cities Plan into action, with smart investment, smart policy and smart technology maximising the potential of all cities, big and small.

4. \$25 million into a locally-led Regional Tasmania Jobs and Investment Package

The Coalition will invest \$25 million into a locally-led Regional Tasmania Jobs and Investment Package.

Our jobs package will help create local jobs and growth, build a highly skilled local workforce, take advantage of export opportunities and diversify the regional economy.

Grants under the Regional Tasmania Jobs and Investment Package will be awarded through three streams:

- support for businesses to grow and bring forward expansion plans
- building local infrastructure
- investment in skills and training programmes to build a highly skilled local workforce

These grants will assist local businesses in Launceston, Devonport, Burnie and other areas across regional Tasmania to grow, as well as encourage new businesses to enter the region, creating new sustainable jobs.

Grants will attract at least matching co-investment so the total investment in regional Tasmania will be at least \$50 million.

Previous Tasmanian jobs incentive packages since 2013 have demonstrated the enduring year-on-year returns that these packages bring. For example, the recent Tasmanian Jobs and Investment fund will deliver 800 new jobs in Tasmania and leverage almost \$100 million in new investment.

Our commitment will help ensure additional jobs growth and investment in Tasmania.

5. A global centre for Antarctic research

The Coalition is investing over \$2.1 billion to enhance Tasmania's status as a global hub for Antarctic research hubs and the premier Gateway to East Antarctica.

We have signed a contract for Australia's new icebreaker, amounting to a \$1.9 billion investment, with the custom built ship due to arrive in Australia in mid-2020.

More than \$1.1 billion (around 80 per cent) of the operations and maintenance spend will be in Australia, with the majority expected in Tasmania.

The new icebreaker will help to further expand Tasmania's role as the gateway to Antarctica, and is great news for jobs and growth in the state.

Australian company DMS Maritime Pty Ltd will project manage the overall ship design and building process and will then operate and maintain the icebreaker from its home port of Hobart.

The Coalition's commitment to a new icebreaker is the single biggest investment in the history of the Australian Antarctic programme.

Our commitment will support operations and science and ensure Tasmania is the scientific partner of choice in East Antarctica.

In addition to funding for the icebreaker, the Australian Antarctic Strategy is supported with \$255 million new funding – this includes \$55 million for infrastructure and \$200 million for sustainable ongoing funding for the Australian Antarctic programme.

A modern icebreaker is essential for the resupply of Australia’s Antarctic research stations and to lead a world-class science programme.

The state-of-the-art icebreaker will be uniquely tailored to meet Australia’s needs, and will be faster, larger, and stronger than the Australian Antarctic programme’s current icebreaker, Aurora Australis and also offers increased endurance and icebreaking capability.

The new ship provides a modern platform for marine science research in both sea ice and open water, and a moon pool for launching and retrieving remotely operated underwater vehicles.

The Coalition is making Tasmania a global centre for Antarctic research and science and the partner of choice in East Antarctica.

6. Tourism

Tourism is a vital part of the Australian economy, contributing more than \$120 billion to the Australian economy last year.

Tourism is also critical to regional Australia, with 45 cents in every tourism dollar spent in regional Australia. Over half (52 per cent) of Tasmania’s tourism businesses are located in regional areas.

Tourism is particularly important to jobs and growth in Tasmania and drives nine per cent of Tasmania’s Gross Domestic Product (GDP).

The tourism industry employs approximately 37,000 Tasmanians.

The Coalition will support tourism, jobs and growth in Tasmania.

Tasmania has been leading Australia in record growth in both domestic and international visitor numbers and expenditure and is well positioned to capture the demand of mainland Australians and the emerging middle class of Asia.

In 2015, international visitation to Tasmania grew by 20 per cent to 211,788 visitors and spend by these visitors grew by 34 per cent to \$351 million. In the same period, domestic visitor nights grew by 17 per cent to 10.9 million nights and overnight trip expenditure grew 20 per cent to \$2.2 billion.

Consumer research by Tourism Australia found that one of Australia’s greatest drawcards is the quality of its natural attractions. Australia is rated number one in the world when it comes to world class beauty and natural environment, and Tasmania delivers on this quality in spades.

We will:

- provide \$3.8 million to facilitate the completion of the Three Capes Track. The Track is a shining example of Tasmania’s high-end eco-tourism offering. Completion of the third track will create jobs during construction and allow its full potential to be realised, benefiting the Tasmanian economy.
- provide \$1 million to the Cradle Coast Authority to enable the Cradle Mountain Master Plan to progress to an investment-ready stage. Our funding will support the development of a full business case and economic impact statement, further detailed design work and engineering advice, and the preliminary environmental assessments needed to enable the project to proceed.
- provide \$70,000 to undertake a demand study into the “Geeves Effect” tourism development proposal for southern Tasmania. The “Geeves Effect” is a tourism proposal in southern Tasmania encompassing the development of a wilderness precinct for tourism accommodation and activity adjacent to the Tasmania World Heritage Area at Lake Geeves. The “Geeves Effect” has the potential to unlock the tourism potential of Australia’s highest cliffs in one of the world’s most significant natural World Heritage Areas by creating an environmentally sustainable and demand-driving tourism drawcard.

These projects have the potential to create more jobs and growth in Tasmania, providing unique destinations for tourist activity.

7. Establish a National Institute for Forest Products Innovation research hub

The Coalition will commit \$4 million to establish a National Institute for Forest Products Innovation.

The Institute will operate as a dispersed network model with one hub in Launceston, based at the University of Tasmania, and another hub based in Mt Gambier in South Australia’s Green Triangle. Each hub will receive \$2 million in funding.

Forestry is worth \$1 billion to Tasmania and employs close to 3,500 people across the value chain.

Our forests provide significant economic and environmental benefits to all Australians—so we need a clear plan for how we manage them into the future to capitalise on the opportunities before us.

To take full advantage of the Coalition’s commitment to the 20 year Regional Forest Agreements, the National Institute for Forest Products Innovation will support the forest industry’s focus on high-value outcomes and its contribution to low carbon, low energy economies.

Innovation in forest management, timber processing, wood fibre recovery, advanced manufacturing and the bio-economy will ensure a strong future for this critical Tasmanian industry.

8. Delivering infrastructure for Tasmania

The Coalition is investing nearly \$1 billion in the infrastructure Tasmania needs.

We provided \$400 million toward the upgrade of the Midland Highway, contributed an additional \$60 million for the Tranche II irrigation projects managed by Tasmanian Irrigation, invested \$60 million in Freight Rail Revitalisation and provided \$26 million to upgrade the Brooker Highway. Since the 2013 election, more than \$45 million has been invested in local transport infrastructure projects.

Our investment in the Midland Highway is generating 260 jobs. Further jobs are being created in local communities from our investments in local infrastructure around the state.

Tasmania is also benefitting from the Coalition's commitment to extend from 2019 a number of programmes that fund upgrades to local roads including: Roads to Recovery - \$400 million per year, Maintenance - \$350 million per year, Black Spots - \$60 million per year, Bridges Renewal - \$60 million per year and Heavy Vehicle Safety - \$40 million per year programmes.

We are also delivering an additional \$60 million commitment to extend the successful Mobile Black Spot Programme.

9. Promoting exports

Trade and investment create job opportunities for Australians.

More than 450,000 jobs have been created since the Coalition came to government.

We delivered break-through free trade agreements with China, Japan and South Korea and upgraded our free trade agreement with Singapore.

These free trade agreements are delivering thousands of jobs and growth opportunities for Australian businesses.

Up to 10,000 new jobs are expected to be created in the financial services sector alone by 2030. In the first year of operation, our agreements with South Korea and Japan delivered real benefits for the agricultural sector: the value of Australian exports of fresh beef to Japan increased by 22 per cent to just over \$1 billion; exports of bottled wine to South Korea increased 53 per cent; and China's imports of fresh Australian lobster between January and March were triple those of 12 months ago.

The Tasmanian Farmers and Graziers Association has said that the China-Australia free trade agreement will:

*"...open bilateral investment opportunities in agriculture that have eluded us for far too long...It's absolutely amazing when you see the scale and interest in Tasmania from here."*¹

The Launceston-based Oz Honey, the largest honey company in Tasmania, will see a 15 per cent tariff on honey products entirely eliminated over four years.

The Tasmanian Salmonid Growers Association has said:

*"This FTA [between China and Australia] clearly opens many doors for Tasmanian seafood producers. Tasmania is in a prime spot to benefit. Until now, the absence of a bilateral FTA with China has meant Australian producers and exporters have faced significant tariffs on agricultural products and have been at a competitive disadvantage with respect to countries that already have an FTA with China – including New Zealand, Chile and the ASEAN nations."*²

Tasmania will be a clear winner from our free trade agreements:

- Tasmania exported \$116.5 million of milk and milk products internationally this past financial year. Under our free trade agreement with China, the 15 per cent tariff on liquid milk is being progressively eliminated.
- Tasmania exported \$56.5 million of fruit and vegetables internationally this past financial year, including berries and carrots. Under our free trade agreement with China, berries currently face a tariff into China of up to 25 per cent. Carrots face a tariff into China of 13 per cent. Both of these tariffs are being progressively eliminated.
- Tasmania exported \$147.1 million of seafood internationally this past financial year. Salmon faces a tariff of 12 per cent on current exports to China, but under this agreement will be progressively eliminated.

Australia's economy will be \$24 billion larger by 2035 because of the Coalition's free trade agreements with China, Japan and South Korea. The free trade agreements with China, Japan and South Korea are forecast to create some 7,900 jobs this year and over 14,500 jobs in 2020.

¹ Cited in Jeremy Rockliff, Minister for Primary Industries and Water (26 August 2015) *China Free Trade Agreement Means Jobs*.

² Tasmanian Salmonid Growers Association (19 November 2014) *China's Free Trade Agreement with Australia a Win for Seafood!*

10. Delivering a tax cut for Tasmanian business

The Coalition will deliver a corporate tax cut for Australia's small businesses.

Our commitment will mean greater cash flow for small businesses, giving them more capacity to invest, grow their business, employ more people, and push their products or services into new markets.

From 1 July 2016, small businesses will have their corporate tax rate progressively reduced.

On 1 July 2016, the tax rate will fall to 27.5 per cent.

This 27.5 per cent rate will be gradually extended to all companies, before falling to 27 per cent on 1 July 2024, 26 per cent on 1 July 2025 and 25 per cent on 1 July 2026. Because not all small businesses are incorporated, from 1 July 2016, unincorporated businesses with annual turnover less than \$5 million will be able to access an increased unincorporated tax discount of 8 per cent, capped at \$1,000.

Our commitment will support Australian business and Australia's tourism sector.

11. New mobile base stations in Tasmania under the Coalition's \$220 million Mobile Black Spot Programme

Tasmania will receive improved mobile phone coverage if the Coalition is re-elected as part of an additional \$60 million commitment on top of the \$160 million already invested in mobile black spots to extend the successful Mobile Black Spot Programme.

New mobile base stations across Tasmania in Blackstone Heights; Flinders Island; Beechford, Lefroy; Musselroe Bay; Gunns Plains; Sulphur Creek; Devonport; Yolla; Murdunna; Wilmot; and Lachlan will bring a much-needed boost to mobile coverage, providing benefits to emergency service operators, businesses, and residents.

This is in addition to the 29 base stations currently being constructed in Tasmania under our previous round of the programme for Melrose; Elliott; Gawler; Loyetea; Sisters Beach; South Riana; Takone; Nunamara; Lulworth; Targa; Rossarden; Mole Creek; Cramps Bay; Whitefoord; Bicheno; Buckland; Miena; Pyengana; Swansea; Tarraleah; Apslawn; Brandum; Goshen; Wayatinah; Okehampton Beach; Bothwell; Hamilton; Steppes; and Little Swanport.

The Coalition is investing \$220 million into fixing mobile black spots; in six years of government Labor invested \$0.

The Coalition's \$220 million plan to address mobile black spots will ensure that Tasmania has far wider and more reliable mobile phone coverage.

The Choice

The Coalition has invested in Tasmania.

We expanded the Tasmanian Freight Equalisation Scheme, created a Major Projects Approvals Agency to expedite investment in Tasmania, provided \$400 million toward the upgrade of the Midland Highway, contributed an additional \$60 million for the Tranche II irrigation projects managed by Tasmanian Irrigation, and invested nearly \$2 billion to acquire Australia's new icebreaker to further support Tasmania as the gateway to Antarctica.

We have also strongly supported the University of Tasmania over the last three years and are committed to lifting aspiration and education outcomes.

Over the last three years student numbers at UTAS have increased by 10 per cent and the Coalition has increased UTAS' funding for teaching and learning by 23 per cent. The university has received \$68 million in ARC competitive grants.

UTAS also receives the second highest regional loading funding of any university from the Commonwealth. It represents 4 per cent of those universities in receipt of the subsidy yet its share of the total pool is more than 13 per cent.

The Coalition has released a higher education reform policy options paper to enable further engagement with the sector and stakeholders to chart a path to a fair, accessible, affordable and innovative world-class higher education system.

Since 2009, taxpayer funding for student tuition has grown by 59 per cent while nominal GDP growth over the same period has been 29 per cent. The growth in taxpayer funding for student tuition is at twice the rate of the growth in the economy.

When Labor was last in government it announced \$6.6 billion worth of cuts to higher education and research.

The Coalition has supported extending the demand driven funding system to sub-bachelor places in universities. Labor has twice voted against this in Parliament and has ruled it out in the future. UTAS estimates 8,000 students would benefit from Associate Degrees in Tasmania.

The Coalition is delivering the largest investment in Australia's infrastructure in our history as part of our economic plan for jobs and growth.

We have committed over \$50 billion to 2019-20 in critical road and rail infrastructure.

Costs

The Coalition will provide a capped contribution of \$150 million to the University of Tasmania's \$300 million plan to relocate and develop its Launceston and Burnie campuses.

We commit a further \$7.5 million to the Launceston City Council to support the \$18 million Launceston City Heart Project.

The Coalition will commit \$4 million to establish a National Institute for Forest Products Innovation. The Institute will operate as a dispersed network model. The Coalition will provide \$2 million to the establishment of the hub at UTAS in Launceston.

We will also commit \$3.8 million to facilitate the completion of the Three Capes Track, \$1 million to progress the Cradle Mountain Master Plan to an investment-ready stage and \$70,000 to develop a demand study for the Geeves Effect tourism proposal.



THE NATIONALS
for Regional Australia

For further details of the Coalition's plan go to
www.liberal.org.au/our-plan
nationals.org.au/our-plan/