

TASMANIA 2030

A VISION FOR A GREEN, DYNAMIC & PROSPEROUS TASMANIAN ECONOMY

greensvision2030.com



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SUMMARY



PREFACE

WE FREQUENTLY SEE “ECONOMIC PLANS” AND “JOB PLANS” FOR TASMANIA. THIS REPORT IS DIFFERENT.

The Greens believe a “plan without a vision” is bound to fail. We also accept that a “vision without a plan” is equally unlikely to succeed. The Greens have long held a clear and consistent economic vision for Tasmania, and have consistently advocated plans to build on our state’s competitive advantages, diversify our economy, empower people and build communities.

Whilst some may not agree with our long standing economic vision, or the philosophies which underpin this, many of its central components are now mainstream. The Greens have been quiet achievers in helping build Tasmania’s economy and caring for people.

In 1992 the Green Independents outlined their vision for the Tasmanian economy and plans necessary to achieve this. Senator Christine Milne was an integral part of this first vision report titled ‘The Green Independents’ Business & Industry Strategy’ and Senator Milne along with many other Greens MP’s and members over the past 20 years has been a tireless political champion advocating for a green Tasmanian economy. There is still a long way to go, but the transition over time is gaining momentum.

This report reviews the Tasmanian economy in light of the 1992 report recommendations, and outlines our broad vision and plans for the socio-economic development of Tasmania over the next 20 years. It is written in an easy to read style, approachable to all.

Whilst the report outlines dozens of current and proposed Greens policy proposals across many sectors of the Tasmanian economy, it introduces 4 key policy initiatives the Greens will be costing and releasing prior to the federal and state elections. All these policies are centred on the “collaborative economy,” targeting commercial and social enterprise development in areas such as creative industries and emerging technology, agriculture and food, tourism and waste management.

The Greens feel one of government’s key roles is to help provide the legislation, infrastructure and services necessary to protect, enable and empower the potential of businesses and communities. These proposals, built on the existing work of many social and economic commentators in Tasmania, target government funding into new ways of facilitating business and community development, and will help build the resilience and flexibility required to capitalise on emerging opportunities for the future of Tasmania.

We hope this document stimulates discussion and debate on the future directions of the Tasmanian economy, and we look forward to being part of any future economic conversation.



TASMANIA 2030

IN 2030 THE GREENS ENVISAGE:

- Tasmania's economic transformation is leveraging the benefits and opportunities provided by low carbon and creative economies.
- Tasmania will be powered by 100% renewable energy.
- Tasmania will be recognised as the nation's "renewable energy battery," with continuing exports of clean power into the national grid.
- Local and international carbon trading markets (including offsets) will be established and efficient, delivering significant dividends from forest conservation and carbon sequestration to help fund essential services.
- The majority of Tasmanians will be driving electric cars, made in Australia, charged via independent household "off-grid" power and battery storage.
- Hobart and surrounding suburbs will be connected by a network of light rail infrastructure, driven by renewable electricity.
- Tasmania will be recognised as Australia's "digital state," with new high tech and creative content industries offering employment potential, especially for young people.
- The small business sector will be appropriately recognised and achieving its potential as the "engine driver" of the state's economy with a Small Business Commissioner assisting its growth.
- Our Tasmanian brand will be formalised and globally recognised for a whole range of high quality agricultural products, driving new employment and market opportunities for authenticity, clean and green produce and products.
- Global recognition that Tasmania is home to some of the world's last, protected "wild places." Tasmania's wilderness tourism offerings will become more rare and valuable into the future.
- Tasmanians will respect and recognise the value that protection of our high conservation value forests and other wild areas has contributed to our economy and our well being.
- A Tarkine National Park will be established, along with heritage listing, that provides new innovative tourism and economic opportunities for North West Tasmanian communities and the whole state.
- Tasmania will have an efficient, integrated waste management system, structured around investment in a container deposit scheme that cleans up the state, and provides alternative products, energy, and jobs.
- Niche, high value agriculture branded and cleverly marketed as being "GE free, clean and green," will grow as a percentage of the overall Tasmanian agricultural sector income.
- Agriculture will remain a key driver of the economy, but an increasing number of farmers will derive income from diversified production and new retail/wholesale "paths to market."
- Tasmania will have a sustainable, value-added timber industry that Tasmanians are proud of.
- The University of Tasmania will have grown to become one of the top 10 universities for research and online teaching in the world, firmly establishing Tasmania in the global "knowledge based economy."
- Hobart will become the global port and centre for Antarctic services and climate change research.
- Tasmania will have a reputation as a key global destination for cultural tourism and artists seeking opportunities in our significant, respected creative community and economy.
- Service industries such as healthcare and aged care will continue to grow and dominate our economic landscape, whilst providing significant new employment and business opportunities.
- Tasmania will have a new "People and Energy" collaborative economy infrastructure in place, across a broad range of industries, to drive innovation and a culture of entrepreneurship.
- Tasmania to be a top global lifestyle destination and the aspirational home for people seeking healthy and happy communities, quality of life and opportunities in the new economy.



TASMANIA 2030

GREEN, DYNAMIC, PROSPEROUS

Achieving the Greens' vision for Tasmania

The Greens are the only party with a long term vision for Tasmania's economic future. We are economy builders and have plans for continuing the long term economic transition currently underway in Tasmania.

As the progressive party in Australian politics, the Greens have a responsibility to promote our vision of how the Tasmanian economy will continue to be more environmentally, socially and financially sustainable. We live in a society, not an economy. Our vision for Tasmania involves pursuing and protecting our natural advantages such as clean energy, high quality food, lifestyle, valuable brand, thriving arts and creative industries, and our internationally recognised wilderness environment. We will work with communities and business to facilitate investments in a new "collaborative economy," better positioning Tasmania for the opportunities of the future.

> INITIATIVES FOR TASMANIA'S FUTURE

Reshaping parts of the Tasmanian economy will not be easy. However our economy has been in transition for a long time. The Greens are economy builders, having been at the forefront of much of Tasmania's transition to a clean, green and clever economy. The four key initiatives outlined below will help drive the continuing transition of our economy.

- **Supporting the 'Catalyst Project' & *Surfing the Creative Economy*** – a state wide investment in collaborative infrastructure and culture to position for future opportunities in digital media and technological innovation.
- **Container Deposit Scheme** – Investment in the infrastructure and collaborative processes necessary to develop product stewardship schemes which recover high value materials, stop plastics and toxic metals from polluting the environment and create hundreds of jobs that help protect the environment.
- **Establishment of a World Heritage Interpretation Centre** – that promotes the importance of conservation and uses innovative technology and collaborative storytelling to explore

the history and people behind Tasmania's environmental conflicts.

- **Capitalising on the Tasmanian Brand** – by establishing an organisation for sourcing Tasmanian agricultural produce, finding new path ways to markets and providing labeling and marketing that re-enforces our clean, green and clever reputation.

> ECONOMY IN TRANSITION

There is strong evidence that Tasmania's economy is in transition from the hydro-industrialised, resource intensive past to a more diverse future. In recent decades fundamental shifts have occurred in the world economy. Most commodities important to Tasmania have experienced minimal growth in real terms over the last twenty years. Bulk commodities from forest products in particular have been in decline. The need for a new economic direction has been imposed on Tasmania. Tasmania is becoming a diverse modern economy, based on services and skills with important contributions from traditional industries. Health care, construction and education have experienced strong growth over the past twenty years.

> INNOVATION

A number of authors, including Saul Eslake, emphasise that innovation must occur in all sectors, particularly those in which Tasmania can leverage our natural advantages to produce "highly differentiated goods and services embodying a higher intellectual content and which can be sold at high prices."

One area where Tasmanian has shown great innovation over the past twenty years has been in realising an economic return from our conservation of nature. Conservation contributes to many sectors such as transport, accommodation, retail and service industries.



> THE TASMANIA 2030 REPORT

The report explores some of the main areas of the Tasmanian economy and the changes that have been experienced in the past twenty years. We discuss some of the many challenges and opportunities that lie ahead. We lay out our vision and the key directions the Greens believe our state should take to confront the challenges and embrace the opportunities of the next twenty years.

It revisits the 1992 report by the then 'Green Independents' in the Tasmanian Parliament, the forerunner to the Tasmanian and Australian Greens. Their report entitled 'Green, Dynamic and Prosperous' contains insights that are still very valid today.

The report is broken into thirteen sections. Each section outlines what the Green Independents had to say twenty years ago, how the last twenty years unfolded and the key directions needed for the next twenty years.

The full report can be found at www.greensvision2030.com

1. CLEAN, GREEN FUTURE OF ENERGY

As a result of the work of the Greens, Australia and Tasmania are charging big polluters for their pollution and investing in renewable energy. There is now a price on carbon, and a \$10 billion Clean Energy Finance Corporation to invest in clean energy. At the State level the Tasmanian Greens have secured \$15m for Energy Efficiency programs aimed particularly at low-income households.

As a result of its high production of renewable energy the Tasmanian government has received substantial dividends from Hydro Tasmania. If the carbon price remains in place Tasmania will be poised to take advantage of the opportunities and become the first state in Australia with 100% renewable energy. This move will encourage increased investment and will create thousands of new jobs in the clean energy sector. The number of renewable energy jobs in Tasmania is predicted to grow from 700 in 2010 to 3000 by 2020.

The Greens welcome the opportunities this will bring Tasmania and have already committed to:

- New jobs from renewable energy and clean technology rollouts, research and development;
- A national Energy Savings Agency to ensure electricity markets are more efficient, reducing what consumers pay for electricity;
- Investment in the infrastructure to support electric vehicles in Tasmania; and
- Investment in the Hobart Light Rail project and an increase investment in cycling infrastructure.

2. INFORMATION AND COMMUNICATIONS TECHNOLOGY

The Tasmanian ICT sector has the potential to play an important role in Tasmania's economic future. The roll out of the National Broadband Network (NBN) has provided Tasmania with a unique opportunity. There is no reason Tasmania could not become a national leader in some areas of digital media employment, such as scalable content creation and digital design. The Greens have been developing initiatives such as:

- Supporting the 'Catalyst Project' – the Greens have been working with business and the ICT community to help establish a commercially orientated technology centre of excellence in Launceston, designed to stimulate entrepreneurial activity across the digital and technology sector. This will be the first of its kind in Australia, and the Greens would like to see such centres rolled through other parts of the state; and
- The *Surfing the Creative Economy* initiative to encourage filmmakers and digital technicians to the state – announced recently by Tasmanian Greens leader Nick McKim.

3. TASMANIA'S BRAND

Everyone recognises the importance of Tasmania's 'brand' to the state, however we believe its economic value has not been properly quantified or recognised, nor has its potential fully been realised. The challenge for Tasmania is how to better extract value from Tasmania's brand through improved labelling and marketing and how to protect against future risks to our brand value.

The Greens believe our brand relies on Tasmania being a beautiful, clean and sustainably managed state as this provides value to many industries such as agriculture and tourism. Environmental standards cannot be dismissed as 'green tape' when they are central to the value of our brand.

The Greens have always recognised this and that is why we are committed to;

- Establishment of a collaborative Tasmanian 'Brand' labeling and marketing scheme;
- Exploring a voluntary 'appellation' scheme to identify 100% Tasmanian products; and
- Maintaining environmental standards and the moratorium on genetically modified organisms in Tasmania.



4. TOURISM

Tourism remains one of the most important sectors in the Tasmanian economy, not simply because of its direct employment and economic contribution, but also by the fact it supports and promotes the Tasmanian brand, our hospitality businesses, the sale of agricultural and creative industry products and the way it advertises the state's lifestyle.

Continued diversification and innovation is required to grow this industry. There are opportunities through the increased use of technology, the continued growth of nature based tourism and high quality food and beverages offerings. The growth of Asia means Tasmania now needs to be considering how it places itself to access this market. This growth must be done in the framework of sustainable tourism to ensure Tasmania's tourism industry can be a long term proposition. The Green's initiatives in tourism include:

- Establishment of world heritage interpretation centre in North West Tasmania and a Tarkine National Park;
- Increased national tourism funding;
- Exploration of collaboration opportunities between industry and government for tourism marketing; and
- Creation of a model for sustainable tourism to further inform policies, decisions and data gathering.

5. WASTE AND RECYCLING

Tasmania has a poor track record for waste recovery. As a result there is plenty of scope for Tasmania to adopt innovations and improve its waste management practices. These include improved product stewardship schemes to recover high value materials, organic treatment facilities that make compost, produce cleaner energy and provide energy security. Examples which could be emulated include the building of a bio digester on Flinders Island which processes all waste to bio fuels.

These projects will support local businesses and jobs while building resilience for Tasmania's economy. Adoption of a container deposit scheme will provide the infrastructure to ensure Tasmania's waste recovery improves while encouraging private investment and 280 – 300 new jobs to the state. The Greens are committed to introducing:

- A container deposit or "cash for containers" (cans, bottles, cartons) legislation and other product stewardship schemes;
- a \$10 per ton state-based waste levy to reduce landfill and promote recycling; and
- A National Waste Register to provide transparency on what waste is produced and to encourage innovation in the management of waste.

6. FOOD AND AGRICULTURE

Tasmania has worked to develop a reputation for clean air and water, along with strict pest and disease controls. Almost a third of state's entire land area is now dedicated to agriculture. The agricultural sector is a major employer and contributor to gross state product. While there are challenges facing agriculture the Greens believe these can also be big opportunities.

Many Tasmanian farmers are unable to address supply chain challenges by expanding their businesses, therefore production diversification, cooperation and targeting niche retail markets are important options for some farmers to consider.

Whilst the Greens in parliament have been tireless advocates for food and grocery competition reform in Australia, tougher food and bio security regulations, and for fairer food labelling standards which reward local farmers, we also believe investment in "collaborative business models" to improve market access and grow demand are important.

These could capitalise on global trends for authentic food experiences and position many producers to adapt to the challenges of climate change. Food and agriculture are also important parts of Tasmania's brand and tourism marketing; this is why the Greens are committed to:

- Appropriate branding and marketing of Tasmanian produce;
- Increased innovation in marketing and product distribution and direct links between farmers and consumers;
- Ensuring the Greens' bill introduced into Federal Parliament to help improve food labeling so consumers are clear where the food they are purchasing has come from becomes law;
- Increased research and development in agriculture/food production;
- Creating an independent expert-based biosecurity authority to help protect Australian agriculture from pests, disease and weeds; and
- Appropriate competition policy to contain the growth of the supermarket duopoly.

7. NATURAL RESOURCES

While mining and forestry are relatively small sectors in the Tasmanian economy, the Australian Greens recognise the role they play in some regions.

In 2010 the Tasmanian Greens released their Forest Transition Strategy. This spelt out how over 540 forestry jobs could be created while improving forest conservation. Its analysis is still relevant today and its key components were recently supported by the independent verification group for the Tasmanian Forests Intergovernmental Agreement.

Mining can be beneficial for the state, but these benefits need to be carefully weighed against economic, environmental and



social costs. The mining industry should engage with local communities to ensure they are not undermined by employment practices that focus on short-term profits. The Greens support mining that is not in high value wilderness areas, is environmentally responsible and supportive of local communities.

The Tasmanian Greens secured \$100,000 in the recent budget for a feasibility study into creating a centre of excellence in mine remediation and innovation to help support the mining and scientific industry.

8. EDUCATION

Over the past twenty years, Tasmania has made impressive gains in educational standards especially for year 12 retention. However the state continues to lag behind the mainland. The University of Tasmania (UTAS) continues to grow as does its global reputation particularly in the fields of marine and polar science.

Tasmania's dispersed population means access to education is likely to be an important factor behind the low participation rate. Tasmanian Greens leader and Education Minister Nick McKim recognises this and launched an Action Plan in May 2013 to increase retention including investing in expanding year 11 and 12 curriculums to regional high schools.

The National Broadband Network will also provide opportunities for education services to be delivered to students within and outside Tasmania. The growth in international students from Asia is an opportunity that Tasmania needs to seize; this has been recognised by the Tasmanian Government and UTAS. Greens education policies include:

- Supporting a fairer funding model for schools (Gonski reforms);
- Opposing the current Government's cuts to higher education and start up scholarships;
- Increasing the Youth Allowance payment of \$50 per week and increasing base funding by 10% per student at public universities to maintain current standards; and
- Prioritising funding to public TAFEs.

9. RESEARCH AND DEVELOPMENT

Investment in R&D is vital for industries to anticipate and meet challenges as they emerge. It is also an important component of Tasmania's ability to innovate and maintain competitiveness in the face of accelerating rates of change.

Innovation and collaboration has already started to occur throughout Tasmania, including between UTAS's Tasmanian Institute of Agriculture and industry groups like DairyTas and Wine Tasmania to improve quality and efficiency. Another crucial sector is clean energy. Hydro Tasmania spends \$4.5m

annually on R&D in collaboration with UTAS's Centre for Renewable Energy and Power Systems.

The Greens will continue to be active supporters of Tasmania's role in Antarctic research and have consistently called for increased funding and investment. The importance of promoting a culture that recognises the benefits of science and research is crucial. Greens are committed to:

- Working with business to increase R&D spending to at least 3% of GDP;
- Increased investment in agricultural and food systems; and
- Investments in collaborative economy infrastructure

10. ARTS AND CULTURE

Tasmania's arts and culture sector provides direct employment, boosts tourism and contributes to the lifestyle and happiness of Tasmanians. It is also an important part of Tasmania's brand.

This sector will continue to grow, enhancing the lives of Tasmanians and attracting visitors from across Australia and the world. Artistic expression and cultural engagement are not only important aspects of social wellbeing but also contribute to economic welfare. The Greens are committed to supporting our artists and the industry through:

- \$3m (per year) Artists Fund to assist in the payment of artists fees by publicly funded galleries;
- An extra \$10m for regional arts initiatives;
- \$5m over four years to encourage filmmakers to Tasmania through the *Surfing the Creative Economy* initiative;
- Increase the location tax offset from 16.5% to 30%; and
- Supporting the development of the Academy of Creative Industries and Performing Arts which will utilise Tasmania's position as the first state joined up to the NBN.

11. THE DYNAMIC BUSINESS COMMUNITY

Small businesses are the most important contributors to Tasmanian and Australian employment. The majority of Tasmanian small businesses operate in the services sector, particularly in tourism, where more than 90% of tourism operators are classified as a small business.

Over the past 20 years growth in the number of small and medium sized firms has been strong. This is in contrast to 'mega projects' and large companies based on resource intensive industries who have not done well in this period.

Tasmanian businesses will face continued uncertainty in the short to medium term from the ripples of the global financial crisis and the high Australian dollar. In this environment the businesses which will grow are those that are the most entrepreneurial and adaptive to change.



The Greens recognise that small businesses are the most valuable contributors to the Tasmanian economy, and will be for the next twenty years. This why the Greens are committed to

- A small business commissioner for Tasmania, to help small businesses resolve conflicts with other businesses without having to go through an expensive court process;
- A legislated Federal Small Business Commissioner; the Greens currently have a bill before the Senate that would ensure the Federal Commissioner has powers to help small businesses navigate their interaction with the Federal Government and their departments and agencies; and
- Further small business polices will be announced prior to the 2013 federal election.

12. MANUFACTURING

The manufacturing industry has been an important part of the transition from the resource-intensive, hydro-industrialised past, to a future aimed more at higher value, specialist products. Over the past twenty years formerly large manufacturers, often important centres of local communities, have closed while niche producers in other areas have prospered.

Tasmanian manufacturing faces challenges in the years ahead, but will remain an important part of the economy. An example of new approaches to manufacturing is fabrication laboratories, or 'fab labs.' 'Fab labs' provide individuals and communities with access to digital design and fabrication technologies on a small scale. They require minimal capital equipment for potentially large payoffs.

Tasmanian manufacturing is well suited to a rollout of such facilities to assist in the transition from mass produced, low value products, towards knowledge-intensive products, which can be tailored to local or niche needs. The Greens recognise that manufacturing has a future; that is why we are committed to:

- Deliberate and coordinated government intervention and, where appropriate, government assistance to encourage a diverse and resilient local manufacturing industry;
- Supporting innovative projects such as the Hobart Light Rail and electric cars that will help drive the local industry;
- Continuing to call for strong local content rules for infrastructure and large investments to ensure work is available for local manufacturers; and
- Investigation of the feasibility of a mobile Tasmanian fabrication laboratory (similar to South Australia) that can be deployed to regional centres.

13. LIFESTYLE AND DEMOGRAPHICS

Tasmanians enjoy a unique lifestyle that combines access to some of the world's most pristine wilderness with an affordable cost of living and a rich cultural heritage. Unsurprisingly many Tasmanians are happy!

The Greens believe population growth should not be driven by economic goals or to counter the effects of an ageing population, rather it should be determined by commitment to factors such as ecological sustainability, social justice and equity.

It is important that Tasmania retain more of its young people to live, work and study in the future. The Greens have recognised the importance of this that is why we are committed to:

- Continuing to collect information to inform policy development through our Tasmanian youth employment survey at www.tasyouth.net ;
- Increased marketing of 'move to Tasmania' initiatives; and
- Investigation of initiatives to attract and retain skilled workers in Tasmania; and
- A full study on what is an optimal Tasmanian population.