

Report on the Inquiry into the Appropriation Bill 2003-2004 (No. 2)

Select Committee on Estimates

September 2003

Legislative Assembly for the Australian Capital Territory



Committee membership

Mr Brendan Smyth MLA, Chair

Mr John Hargreaves MLA, Deputy Chair

Ms Roslyn Dundas MLA

Secretaries: Ms Siobhán Leyne

Ms Jane Carmody

Administration: Ms Judy Moutia

Resolution of appointment

That:

1. a Select Committee on Estimates be appointed to examine the expenditure proposals contained in Appropriation Bill 2003-2004 (No. 2);
2. the Committee be composed of:
 - a. one member nominated by the Government;
 - b. one member nominated by the Opposition;
 - c. one member nominated by the Crossbench
3. to be notified in writing to the Speaker within 30 minutes after the passing of this motion;
4. the Committee report by 23 September 2003

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Summary of recommendations

RECOMMENDATION 1

2.20. The Committee recommends that the Bill be passed.

RECOMMENDATION 2

3.18. The Committee recommends that the Government establish a process for implementing Australian Industrial Relations Commission awarded wage increases in the funding negotiations with community organisations.

RECOMMENDATION 3

3.27. The Committee recommends that the Government assist the community sector to quantify the impact of the bushfires on their operations.

RECOMMENDATION 4

3.31. The Committee recommends that the Government resource the development of a community sector emergency response plan as part of the wider ACT emergency response plan.

RECOMMENDATION 5

3.34. The Committee recommends that the Government assess the ongoing need for counselling services as a result of the 2003 bushfires and provide an interim report to the Assembly on the last sitting day in December 2003 of plans for 2004.

RECOMMENDATION 6

3.39. The Committee recommends that the Government urgently renegotiate funding levels with Family Based Respite Care Inc., as a result of the bushfires.

RECOMMENDATION 7

4.14. The Committee recommends that the Government invite not for profit community organisations to indicate whether they require additional resources to participate in specific Government activities/consultation processes.

RECOMMENDATION 8

4.19. The Committee recommends that the Treasurer inform the Assembly about the outcomes of the acquisition and future use of the Hotel Kurrajong and the Majura land at the earliest opportunity.

RECOMMENDATION 9

5.7. The Committee recommends that if the Government brings forward any future bushfire-related appropriation bills, that an approximate timeframe for implementation, including the acquisition of equipment, be included.

RECOMMENDATION 10

5.17. The Committee recommends that the Government ensure that the operational ability of the Fire Brigade stations acquiring the rural tankers is not reduced.

RECOMMENDATION 11

5.23. The Committee recommends that practices be adhered to so that all expenditure is properly authorised at the time of expenditure in line with good accounting practice.

RECOMMENDATION 12

5.28. The Committee recommends that the Government work with relevant industry bodies to review the spatial technologies currently used in the ACT and investigate options for the strategic application of spatial technology and the collection and use of spatial information.

1. Introduction

1.1. The Appropriation Bill 2003-2004 (No. 2) (the Bill) was introduced into the Assembly on 19 August 2003, after which a Select Committee on Estimates was formed for investigation and report by 23 September 2003.

1.2. The Committee has noted a number of aspects about this appropriation that raises questions about overall strategic planning. Namely:

- that this appropriation comes only eight weeks after the commencement of the financial year and includes some items that could have been included in the 2003-2004 budget;
- the features of this appropriation that are largely bushfire-related issues, however on closer examination, the Committee was unable to fully determine the analysis behind some of the appropriation items.

1.3. The existence of this appropriation led the Committee to some discussions with the community sector regarding its role in emergency situations and the fact that there is no recompense for that sector for the additional costs incurred during emergency situations, despite the massive additional workload.

1.4. On considering the need for a more strategic approach to disaster-response, the Committee discussed the need for a community sector emergency response plan, which includes plans for individual organisations, as part of the wider emergency response plan.

1.5. The Committee questioned the need for this appropriation so close to the start of the 2003-2004 financial year. While it was unavoidable that some items needed to be appropriated, the Committee feels that a number of these items could have been anticipated in the 2003-2004 budget.

1.6. The Committee notes that the Select Committee on Estimates for the Appropriation Bill 2003-2004 raised concerns about the presentation and estimations included in the original budget.

Conduct of inquiry

1.7. Due to the short timeframe of this inquiry, the Committee did not advertise for submissions, but instead wrote to parties who may have had an interest in the Bill, and advertised the public hearings through the media.

1.8. The Committee held two public hearings into this matter on the 3rd and 4th of September 2003, hearing from members of the community and Ministers with departmental officials. A list of witnesses is at Appendix 1.

1.9. The Committee thanks all those who were able to appear at the public hearings at such short notice.

1.10. Ministers took a number of questions on notice, the vast majority of responses to which were not received by the Committee in the agreed timeframe of three working days. The Committee reminds the Government that as a general rule, estimates committees have a very short timeframe in which to draft and consider reports and not having this information available to them places considerable pressure on deliberations.

2. Appropriation Bill 2003-2004 (No. 2)

2.1. The Appropriation Bill 2003-2004 (No. 2) provides for an increase of \$28 046 million across five departments and two authorities of the ACT Government.

2.2. In his tabling speech in the Assembly, the Treasurer stated that the Bill provided for the following:

- financial resources to support the Government's immediate response to the McLeod¹ inquiry;
- additional capacity in relation to other bushfire requirements not directly related to the McLeod inquiry; and
- funding for a number of recently agreed Enterprise Bargaining Agreements (EBA).

2.3. The Bill also provides for a number of other activities detailed below. A summary of the items listed in the Bill is at Appendix 2.

Chief Minister's Department

2.4. The Chief Minister's Department (CMD) will receive **\$2.393m** over a range of activities and expenditures, in part bushfire related and in part related to other policy areas.

2.5. Two additional senior policy officers to work on matters related to **industrial relations** have been allocated **\$0.177m**.

2.6. An **occupational health and safety officer** position has been allocated **\$0.065m** this position will be located at Unions ACT.

Department of Urban Services

2.7. The Department of Urban Services (DUS) will receive **\$10.572m** over a range of activities and expenditures, primarily bushfire related.

2.8. The non-bushfire related items are the **acquisition of the Hotel Kurrajong** which has been allocated **\$0.350m**.

ACT Planning and Land Authority

2.9. The ACT Planning and Land Authority (ACTPLA) will receive **\$2.158m** over a range of activities and expenditures, primarily bushfire related.

¹ McLeod inquiry refers to the *Inquiry into the Operation Response to the January 2003 Bushfires in the ACT*, by Ron McLeod AM, 1 August 2003. The report is available from ACT Government Shopfronts or on the internet at www.act.gov.au.

2.10. A **purchase of land** has been allocated **\$1.590m** for the acquisition of sites in the Majura district, including a potential site for the proposed prison.

Department of Justice and Community Services

2.11. The Department of Justice and Community Services (JACS) will receive **\$11.030m** over a range of activities and expenditures, primarily bushfire related.

2.12. The two non-bushfire related items both relate to the enterprise bargaining agreements for **ambulance officers (\$1.460m)** and for **fire fighters (\$2.381m)**.

Department of Education, Youth and Family Services

2.13. The Department of Education, Youth and Family Services (DEYFS) will receive **\$0.150m** for activities related to the restoration of **Birrigai**.

Department of Disability, Housing and Community Services

2.14. The Department of Disability, Housing and Community services (DHCS) will receive **\$1.743m**.

2.15. The Griffin Centre has been allocated **\$1.093m** for additional capital requirements.

2.16. Special needs services for clients with complex behaviours have been allocated **\$0.650m**.

Other concerns

2.17. The Committee is concerned that this appropriation Bill was tabled just eight weeks into the financial year and in some cases reflects a less than strategic approach to budget planning.

2.18. A previous estimates committee have also held this concern. The Committee inquiring into the Appropriation Bill 2001-2002 (No. 3) noted:

2.8 The Committee considers that it is quite inappropriate to have the Assembly consider a rapid succession of appropriation bills. Mr Quinlan stated that it was "in the interest of open government" that Appropriation Bill No. 3 had been brought before the Assembly. Appropriation Bill No. 3, however, can give the impression of ad hoc, rather than open, government.

2.9 Where expenditure of an unforeseen nature occurs a Treasurer's Advance should be used until the full nature of the expenditure can be known, and where expenditure has occurred an amount equivalent to that expenditure should be appropriated, not an amount less than the expenditure in the, almost certainly vain, hope that the agency incurring the expenditure will be somehow be able to find cost savings.

Recommendation 1

2.10 *That unless unforeseen expenditure cannot be dealt with by a Treasurer's Advance, or some other mechanism, appropriation bills should be delayed until later in the financial year so as to minimise the number of appropriation bills coming before the Assembly.*²

2.19. The Government responded to this by saying³:

The Government does not support this recommendation. The need for a supplementary appropriation bill should be determined on a case by case basis, taking into consideration issues which relate to financial capacity, urgency and service delivery.

The Government believes that this is in the interests of open and honest governance for these cost pressures to be assessed through a this Appropriation Bill. Unlike a Treasurer's Advance, this mechanism affords the Assembly the courtesy of being able to examine all the issues at hand and does not presume to make assumptions about the decision making of the Assembly before they have been presented with all the facts.

Recommendation 1

2.20. The Committee recommends that the Bill be passed.

² Report of the Select Committee on Estimates, April 2002., p. 4

³ Government response to the Select Committee on Estimates 2001-2002, Appropriation Bill 2001-2002 (No. 3)., p. 1

3. Whole-of-Government issues

3.1. As noted, this appropriation was presented eight weeks into the 2003-2004 financial year. The Treasurer and Chief Executive of the Chief Minister's Department told the Committee that between March when the original budget estimates were formulated and this appropriation there has been a greater understanding developed of bushfire recovery needs.

3.2. Over \$11 million of this appropriation is for non-bushfire related items, including the funding of three enterprise bargaining agreements.

3.3. The Treasurer has said that the main emphasis of this appropriation was to implement recommendations of the McLeod Report⁴. Although some portfolios are largely responding to the McLeod Report, the Committee does not necessarily agree that this can be called an appropriation responding to the McLeod Report. Mr McLeod made sixty-one recommendations, of which sixteen are addressed in this appropriation.

3.4. While it is not appropriate for the Committee to comment on the McLeod Report recommendations, the Committee is of the view that if the Government is going to implement all of the recommendations, this should not be done without careful analysis. The Committee is concerned that such analysis has not been undertaken.

Rigour and scrutiny

3.5. When questioned on what rigour had been applied to the analysis of the proposed expenditure in this Appropriation Bill, the Treasurer replied that given the approaching fire season, it made sense just to implement the McLeod Report as soon as possible.⁵ The Committee notes the need for urgency to ensure public safety with a number of these appropriation items, but is concerned that a number of items are pre-emptive of the new emergency services authority structure as recommended in the McLeod Report.

3.6. As stated above, 16 out of the 61 of the McLeod recommendations are actually addressed in this appropriation, and the Committee is concerned that this appropriation may not have been scrutinised against wider strategic plans.

3.7. The Chief Executive of the Chief Minister's Department stated that this appropriation represents "initial responses to initial recommendations"⁶, which also indicates to the Committee a lack of rigour and scrutiny throughout this process.

3.8. The Minister for Emergency Services also could not explain to the Committee what process had been applied to the selection of items for this appropriation. The

⁴ Tabling speech (2003-2004 Appropriation Bill (No. 2)) and Uncorrected proof transcript of evidence, 3 September 2003., p. 26

⁵ Uncorrected proof transcript of evidence, 3 September 2003., p. 27

⁶ *ibid.*, p. 30

Minister noted that the Government had accepted the McLeod Report and was committed to implementing it.⁷

3.9. The Committee is concerned that the supporting analysis and justification for quantum of costs was not provided to it.

Potential contingencies

3.10. The Treasurer tabled a list of potential contingencies that may lead to future appropriation bills. The Committee thanks the Treasurer for signalling these costs and appreciates that the final impact of the bushfire will be hard to predict.

3.11. The list of potential contingencies is as follows⁸:

1. Establishment of Emergency Services Authority
 - Transition Costs
 - Capacity
 - Infrastructure (eg new headquarters)
2. Possible base capacity issues for the Department of Urban Services.
3. Revegetation of burnt areas

Insurance only covers the timber losses; Cost of any revegetation, whether natives or pines, will need to be covered from within the budget.
4. Creation of Urban Edge and Fire Abatement Zone
5. Re-establishment of uninsured assets (eg fences)
6. Impact of possible infrastructure improvements by ACTEW on the dividend.

(Capital costs are covered from cash reserves; impact of depreciation)
7. Cost of adoption of any recommendations from the Non-Urban Study.
8. Support to the local timber industry (direct grants and tax waivers)
9. Increased [cost of] Coroner's Report

⁷ *ibid.*, p. 122

⁸ Tabled paper, 3 September 2003, Treasurer

3.12. The Committee is concerned that a number of the above items could have been anticipated, such as base capacity issues for the Department of Urban Services, and the increased costs for the coroner's report.

3.13. The Committee is also concerned that the Government does not yet appear to have a clear idea of the re-establishment of uninsured assets, and the cost of the revegetation of burnt areas.

Enterprise Bargaining Agreements

3.14. The Bill allows for a number of enterprise bargaining agreements (EBAs), namely for the ACTION Authority, ambulance officers and fire fighters.

3.15. The periods for these agreements are short, and the Committee is unclear about what productivity gains were made by the Government in negotiating them.

3.16. The ACT Council of Social Service Inc. (ACTCOSS) made the point that in one way, ambulance, fire and bus services are contracted to the Government in a similar sense to community organisations⁹. It is disheartening to the community sector to see large wage increases able to be agreed to for government services when the community sector has to fight to obtain funding for Australian Industrial Relations Commission (AIRC) awarded wage increases.

3.17. The Committee heard from two community organisations, which both expressed difficulty with funding, particularly in meeting AIRC awarded staff wage increases.

Recommendation 2

3.18. The Committee recommends that the Government establish a process for implementing Australian Industrial Relations Commission awarded wage increases in the funding negotiations with community organisations.

Community sector and bushfire response

3.19. The Committee discussed with ACTCOSS the community response to the bushfires. As also pointed out by the representatives from Family Based Respite Care (FaBRiC), many community organisations responded to the impact of the fires by increasing services and those housed in the Grant Cameron Community Centre were dislocated for several months, while maintaining existing, and in some cases higher, levels of service.

3.20. These organisations absorbed significant costs, for which, because of the nature of the organisations, they did not necessarily seek reimbursement. The Committee believes that this is an untold, and therefore unaccounted, cost to the ACT as a result of the bushfires.

⁹ Uncorrected proof transcript of evidence, 3 September 2003., pp. 20-21

3.21. In response to whether they had approached the Government for additional funding to cover additional services resulting from the bushfire response, FaBRiC indicated “no, actually, we didn’t put in for that, I’d have to say. We didn’t think of that.”¹⁰

3.22. The Committee is concerned that there may be other organisations that provided additional services directly as a result of the fires and have not approached the Government or the Bushfire Relief Fund for funding to cover those services.

3.23. A first step to achieving this outcome will be to quantify the cost of the bushfires to those organisations who responded directly or were dislocated from their premises.

3.24. ACTCOSS pointed out to the Committee that community sector workers responded to the disaster, the needs of their clients, in some circumstances while dealing with the loss of their own home, working up to twenty hours a day.¹¹ Because of the resources required to quantify this, most community organisations just managed within their existing budget by calling on the enormous goodwill of workers.

3.25. It is also important to recognise that while not every community organisation *specifically* responded to the fires, there was a *general* increase in demand for services across the sector as a result of the fires.

3.26. The Committee is of the opinion that the Government should offer assistance to the community sector to quantify the impact of the bushfires and to assist in claiming reimbursement wherever possible. This information should then be used to inform disaster-recovery plans.

Recommendation 3

3.27. The Committee recommends that the Government assist the community sector to quantify the impact of the bushfires on their operations.

3.28. The Committee recognises that it is the obligation of the community sector to make known these costs but also recognises that any disaster plan should include provisions for the collection of this information and for budget provision to be made to cover additional services directly related to disaster relief.

3.29. Many community organisations do not have disaster response plans, but yet responded to this disaster in an extremely impressive way.

3.30. This highlights the need for a community sector emergency response plan as part of the wider territory emergency response plan. This will allow the community sector to fulfil an appropriate role during emergency situations without needing to fully compromise other program areas. It will also allow the Government to quantify

¹⁰ Uncorrected proof transcript of evidence, 3 September 2003., p. 7.

¹¹ Uncorrected proof transcript of evidence. 3 September 2003, p. 24

what resources are available to it and to be able to draw on these in a coordinated way during emergency situations.

Recommendation 4

3.31. The Committee recommends that the Government resource the development of a community sector emergency response plan as part of the wider ACT emergency response plan.

3.32. This Bill allows for continuing bushfire recovery effort, and the Committee is aware that the recovery centre will continue until early in 2004, to coincide with the anniversary of the 2003 bushfire¹². ACTCOSS told the Committee that the community sector is seeing an increase in the need for counselling¹³ as a result of the impact of the bushfires.

3.33. The Committee asks the Government to be aware of this flow-on effect to the community sector that will inevitably occur with the closure of the recovery centre, and, if necessary, to support organisations with additional funding to manage this service shift.

Recommendation 5

3.34. The Committee recommends that the Government assess the ongoing need for counselling services as a result of the 2003 bushfires and provide an interim report to the Assembly on the last sitting day in December 2003 of plans for 2004.

Family Based Respite Care

3.35. The Committee heard from Family Based Respite Care Inc. (FaBRiC) regarding the major shortfall in funding needed to supply ongoing care to the current client base and priority waiting list.

3.36. FaBRiC currently has 380 client families of children with disabilities to which it provides essential respite support. Thirty-eight of those families have allocated hours to the end of December 2003 and will potentially not receive any ongoing services. There are 150 families on the priority waiting list, and this list is steadily growing.¹⁴ In addition, staffing and insurance costs have risen, and not been met by funding bodies, which impacts on service provision.¹⁵

3.37. The Committee is of the opinion that this is an essential service for families of children with disabilities, without which residential respite care services would be vastly over-subscribed.

¹² Uncorrected proof transcript of evidence. 3 September 2003, p. 49

¹³ Ibid., p. 23

¹⁴ Uncorrected proof transcript of evidence, 3 September 2003., p. 2

¹⁵ Ibid., p. 5-7

3.38. FaBRiC told the Committee that it requires an additional \$60 090 to continue service to existing clients and an additional \$870 000 to meet the waiting list.¹⁶

Recommendation 6

3.39. The Committee recommends that the Government urgently renegotiate funding levels with Family Based Respite Care Inc., as a result of the bushfires.

¹⁶ Correspondence to the Committee, Ms Cheryl Daw, 17 September 2003

4. Non-Bushfire related appropriations

4.1. Over \$11 million of this Bill is for non-bushfire related appropriation items, for this reason the Committee believes it is incorrect to call this a 'bushfire' or 'McLeod' budget.

4.2. The Committee has serious concerns with some of the appropriation items coming so soon into the financial year and the approach to budgeting.

Industrial relations and occupational health and safety positions

4.3. Two additional positions are being created within the Chief Minister's Department at a SOG C level to undertake legislation review¹⁷ prioritised by the Minister for Industrial Relations.

4.4. The Committee can see the need for these positions, given that the area currently only has eight permanent staff. However, this again highlights the lack of strategic planning which underpins this Appropriation Bill. The Minister commented that she had pushed the timeframe for the review of this legislation forward, and it was not due to a lack of planning on behalf of the Department.¹⁸

4.5. The Committee questions why this was not a priority in the lead-up to the 2003-2004 budget.

4.6. Funding is being provided to Unions ACT to employ an ASO 6 level occupational health and safety officer. There seemed to be some confusion as to whether this was a funded position, a grant, or special identified funding. As the funding has been identified in the out years, the Committee agrees that it appears to be funding for an ongoing position.

4.7. The Minister told the Committee that the funding was being provided after a request from Unions ACT due to the extent of work requested of Unions ACT by the Government.¹⁹

4.8. The Minister also told the Committee that the funding had been provided initially for one year to ensure that the position was being used for the intended purpose of contributing to work requested by the Government. However, the Committee was also told that Unions ACT was not going to be required to sign a contract or service agreement with the Government, and it was during this discussion that the funding was referred to as a grant.²⁰

4.9. The Committee remains concerned about the nature of this funding. It is either a grant, in which case Unions ACT should be required to apply through the usual grants processes for inclusion in the main budget, or it is a funded position, in

¹⁷ Namely, the Occupational Health and Safety Act and Dangerous Goods Act reviews.

¹⁸ Uncorrected proof transcript of evidence, 3 September 2003., p. 72

¹⁹ *ibid.*, p. 76

²⁰ *ibid.*, p. 79

which case Unions ACT should apply for funding and sign a contract or service level agreement with the Government.

4.10. The Committee does not understand how, without agreed outcomes, the Minister is going to be able to determine the effectiveness of this position in one year's time, but welcomes her commitment to keep the Standing Committee on Public Accounts informed.

4.11. The Committee questions the process used to deliver this funding. The Government asks many organisations for significant contributions to its work. Even when organisations are in dire need of additional support, the Government is not always so forthcoming.

4.12. The example was given of similar funding given to the ACT Council of Social Service Inc., however the Committee understands that this funding was for the completion of a specific project on behalf of the Government and not ongoing.²¹

4.13. The Committee is of the view that if the Government intends to continue this funding to Unions ACT, then it should also fund other community organisations to participate in Government activities and consultation processes.

Recommendation 7

4.14. The Committee recommends that the Government invite not for profit community organisations to indicate whether they require additional resources to participate in specific Government activities/consultation processes.

Building and Land acquisition

4.15. A total of **\$0.350m** has been allocated for the acquisition of the Hotel Kurrajong and a total of **\$1.590m** has been appropriated for the purchase of land at Majura for the potential purposes of the location of a correctional facility and a motor sport facility.

4.16. The Treasurer was vague on the level of detail he made available to the Committee about these acquisitions, and the Committee therefore requests that the Treasurer inform the Assembly about the outcomes of these acquisitions, including the future use for the Hotel Kurrajong.

4.17. The Committee was concerned that the Government may be compromising its bargaining position by appropriating funds for the acquisition of the Majura land prior to the conclusion of the negotiations with the Commonwealth.

4.18. There is no guarantee that the Government will be able to acquire the land for this price. The Treasurer was vague on the final price the Government would be willing to pay for the acquisition of this land. As well, in the event that a higher price was sought, the Treasurer was vague on whether the Government would be willing to

²¹ Uncorrected proof transcript of evidence, 3 September 2003, p. 78.

forgo this purchase or accept a higher price. The Minister for Planning later stated that should the final price go above \$1.59m, then the Treasurer's Advance may be used.²²

Recommendation 8

4.19. The Committee recommends that the Treasurer inform the Assembly about the outcomes of the acquisition and future use of the Hotel Kurrajong and the Majura land at the earliest opportunity.

Griffin Centre redevelopment

4.20. Increases in building costs for the Griffin Centre redevelopment have been estimated at **\$1.093m**.

4.21. Although these costs were only formally defined six weeks before this Bill, officers from the Department confirmed that initial costing was provided four months ago, two months after being made aware that additional funding would be necessary.

4.22. Again, the Committee is concerned that the need for this funding was not forecast earlier in the year, and was not covered by the original pricing structure.

²² Uncorrected proof transcript of evidence, 4 September 2003., p. 12

5. Bushfire related appropriations

5.1. The majority of items in this Bill are related to expenses to do with the previous bushfire season and preparation for the upcoming bushfire season.

5.2. The Committee is concerned that it could not be given a timetable as to what items were going to be ready for the oncoming bushfire season, which commences on 1 October. The Committee is similarly concerned that there has been little evidence of any substantial analysis regarding the implementation of the McLeod Report recommendations.

5.3. Even if the Government has made the commitment to implement all of the recommendations, this should be done in such a way that it is transparent, with rigour and logic applied. The Committee is concerned that the implementation team will operate as a purchasing unit rather than a team that will strategically analyse McLeod recommendations prior to implementation.

5.4. The end result should be an increased capacity of emergency services in the ACT in the most effective way possible, which includes gaining support from relevant stakeholders.

5.5. The Committee asked the Government to provide a list of what will be provided to support the 2003-2004 fire season out of this Bill. The Minister took this question on notice and told the Committee that that “we’ll give you the best we can”²³. The Committee is disappointed that the answer was not provided prior to concluding its deliberations.

5.6. The majority of the Committee is of the view that this is not a satisfactory basis for an appropriation bill. If the Government is appropriating over \$17 million for bushfire related items, then it should already have a very clear picture of what items will be ready and by when. The Committee does understand that there are varying procurement timeframes with each item, however, this should be a process familiar enough to the Government for at least approximate timeframes to be put in place.

Recommendation 9

5.7. The Committee recommends that if the Government brings forward any future bushfire-related appropriation bills, that an approximate timeframe for implementation, including the acquisition of equipment, be included.

Community Fire Units

5.8. When discussing the Community Fire Units, officers were able to explain the rationale behind the location and trial of these units. The Committee understands that

²³ *ibid.*, p. 126

there had been a level of analysis engaged in developing the program, but remains concerned that more suburbs were not included in the trial.

Four 'rural pumpers'

5.9. A primary example illustrating the Committee's concerns is the **\$1.340m** allocated for four additional all terrain water tankers. The McLeod Report recommended that four rural 'pumpers' be added to the fire service vehicle fleet for use in the rural-urban interface²⁴ and this appropriation will allow for that.

5.10. The Committee supports this appropriation item. However, it is concerned that there has been no apparent analysis of the provision of the tankers. The McLeod Report offered very little analysis on why the tankers are needed and offers no analysis whatsoever as to why *four* tankers are needed.

5.11. Emergency Services Bureau officers told the Committee that the four tankers would be located at Gungahlin, Charnwood, Kambah and Greenway to protect the western flank.²⁵ But officers and the Minister still could not answer the question: why four? Why not eight or twelve?

5.12. One officer told the Committee that four units were an initial process:

Mr Prince: May I also add, and I'll have an attempt, I think the analysis is such that let's have a look at the four in an initial process to meet Peter's [Lucas-Smith] needs across the bushfire component. Obviously, if we believe that we need to increase that we will.²⁶

5.13. This statement was later contradicted by the Minister:

THE CHAIR: And just because McLeod said so, that you should have four good units, I would have hoped there was more rigour behind how we accept these recommendations and if it is a first step then perhaps that's good. But that's the first time I've heard that this would be a first step.

Mr Wood: No, it's the preliminary. I don't know whether you say first step. By saying first step it denotes there will be some more. That may be the case, it may not be the case.²⁷

5.14. The Committee is also concerned that although the gross or overall capacity to fight fires across the Territory will be increasing with the four new tankers, there will actually be a reduction in capacity within the urban Fire Brigade. This is because their current equipment will be relocated to the bushfire brigade when the tankers are introduced²⁸. This is illustrated at Figure 1, below.

²⁴ McLeod Report., p. 131

²⁵ Uncorrected proof transcript of evidence, 3 September 2003., p. 129

²⁶ Proof transcript of evidence., 3 September 2003, p. 131

²⁷ *ibid.*, p. 132

²⁸ Proof Transcript of evidence, 3 September 2003., p. 129

Current vehicle	Capacity (with compressed air foam system)	New vehicle	Capacity (with compressed air foam system)
3 x Mercedes	10 800 L (54 000 L)	4 x all terrain vehicle	13 200 L (66000 L)
2 x tanker	7 200 L (36 000L)		
4 x light unit	2 040 L (10 200L)		
	Total: 20 040 L (100 200 L)		Total: 13 200 L (66 000 L)

Figure 1

5.15. The McLeod Report does not recommend a reduction in capacity, indeed the Committee is of the opinion that Mr McLeod's intent was that the capacity of the Fire Brigade should be *increased*.

5.16. The Committee is aware that the specifications for the tankers are still being drawn up, and seeks a commitment from the Government that the capacity of the Fire Brigade stations with these tankers in commission will not be reduced.

Recommendation 10

5.17. The Committee recommends that the Government ensure that the operational ability of the Fire Brigade stations acquiring the rural tankers is not reduced.

Urban Services fire management unit

5.18. A fire management unit is being established within the Department of Urban Services to coordinate fuel management, training and coordination of fire response across the Department. Given that the Department has responsibility for ACT Forests, Environment ACT, and Parks and Conservation areas, the Committee understands this approach.

5.19. It remains unclear who will be ultimately responsible for fire reduction practices to avoid the scenario that occurred this year where officers protecting wildlife conflicted with officers attempting to build a firebreak. Ultimately, there must be clearly established responsibility for management practices.

Aerial photography

5.20. A total of **\$0.043m** has been allocated for payment for aerial photography undertaken on 31 January 2003. The Committee understands that ACT Planning and Land Management undertook to pay this bill at some time after the photography was

undertaken and that it, and photography undertaken on 23 January, was initially authorised by the Emergency Service Bureau. The Committee also understands that the bill for this service was not received until 7 July 2003.

5.21. The majority of the Committee is concerned about why the funds for this bill were not appropriated with the budget. Although there was a delay in provision of the bill and negotiation between agencies regarding payment, surely an indicative idea of the cost could have been gained prior to, for inclusion in, the budget.

5.22. In explanation, the Committee was told:

Dr Adrian: ... It was an unusual situation where there were negotiations with Ecowise Environmental that actually conducted the survey. Part of the money was paid by them, and then at the end of the day we entered into negotiations with them and we agreed that we would pay the second bill, because we were also beneficiaries of the aerial photography that was done. That was after the budget. Hence our request for money through the second appropriation.²⁹

Recommendation 11

5.23. The Committee recommends that practices be adhered to so that all expenditure is properly authorised at the time of expenditure in line with good accounting practice.

Spatial information

5.24. The Committee heard from representatives of the Australian Spatial Information Business Association (ASIBA) who expressed concerns that spatial information was not being collected and utilised adequately. ASIBA noted that much spatial information is already collected but processes are needed to ensure this information is made available to those who can use it.

5.25. There is provision in the 2003-2004 Budget for *Data Acquisition – Interpretation of Recovery Plans*³⁰. ASIBA explained to the Committee that this information could be used for more than recovery plans, but for ongoing emergency response planning. In particular, this information can be used to plan for a range of emergencies as well as being used to facilitate normal operations.

5.26. The Committee is pleased that the Government is acquiring spatial data, as it believes that this will be a useful asset in any future emergency situations, and urges the Government to work closely with the spatial information industry to ensure that this data can be used in the most effective ways possible.

²⁹ Proof Transcript of evidence, 4 September 2003., p. 4

³⁰ Budget 2003-2004. Paper No. 3., p. 158

5.27. The Committee notes that the McLeod Report also raises the issue that fire suppression was hindered by a lack of suitable mapping products.³¹

Recommendation 12

5.28. The Committee recommends that the Government work with relevant industry bodies to review the spatial technologies currently used in the ACT and investigate options for the strategic application of spatial technology and the collection and use of spatial information.

Emergency Services Bureau

5.29. The Committee is concerned that many of these appropriation items are pre-empting the new emergency services structure as recommended in the McLeod Report. The Committee appreciates that a number of the appropriation items have a sense of urgency attached to them and will need to be put in place prior to the selection of the Commissioner who will head the statutory authority.

5.30. However, this also seems to have been done in a selective way, as already stated only some of the McLeod Report recommendations have been addressed in this Bill.

Brendan Smyth MLA
Chair
18 September 2003

³¹ McLeod Report., p. 99

Appendix 1 – Witnesses at public hearings

On 3 September 2003

- Ms Cheryl Daw, Manager, Family Based Respite Care Inc.
- Mrs Janelle Walker, Board Member and parent representative, Family Based Respite Care Inc.
- Ms Judith Cain, Board President, Family Based Respite Care Inc.

- Mr David Hocking, Chief Executive Officer, Australian Spatial Information Business Association
- Mr Phillip Kingsley Tickle, Member, Australian Spatial Information Business Association
- Mr Damien Cassin, Member, Australian Spatial Information Business Association

- Mr Daniel Stubbs, Director, ACT Council of Social Service
- Ms Karen Nicholson, Senior Policy Officer, ACT Council of Social Service

- Mr Ted Quinlan, Treasurer, Acting Chief Minister
- Mr Robert Tonkin, Chief Executive, Chief Minister's Department
- Mr Mike Harris, Chief Executive, Department of Treasury
- Ms Megan Smithies, Executive Director, Financial and Budgetary Management, Department of Treasury

- Ms Katy Gallagher, Minister for Education, Youth and Family Services, Minister for Industrial Relations
- Mr Trevor Wheeler, Executive Director, Vocational Educational and Training Inc.
- Ms Pam Davoren, Executive Director, Public Sector Management and Labour Policy Group, Chief Minister's Department

- Mr Bill Wood, Minister for Disability, Housing and Community Services, Minister for Urban Services, a/g Minister for the Environment; Minister for Police and Emergency Services
- Mr Ian Hubbard, Chief Financial Officer, Department of Disability, Housing and Community Services
- Ms Sandra Lambert, Chief Executive, Department of Disability, Housing and Community Services

- Mr Alan Thompson, Chief Executive, Department of Urban Services
- Dr Maxine Cooper, Executive Director, Environment ACT
- Mr Tim Keady, Chief Executive, Department of Justice and Community Safety
- Mr Mike Castle, Executive Director, ACT Emergency Services Bureau
- Mr Peter Lucas-Smith, Director, Bushfire and Emergency Services, ACT Emergency Services Bureau
- Mr David Prince, Acting Fire Commissioner, ACT Emergency Services Bureau

On 4 September 2003

- Mr Simon Corbell, Minister for Planning
- Dr Colin Adrian, ACT Planning and Land Authority
- Mr Guy Thurston, Chief Executive, ACTION Authority

6. Appendix 2 – Summary of appropriation items

SUMMARY OF ADJUSTMENTS SET OUT IN APPROPRIATION BILL 2003-04 (No.2)

Chief Minister's Department

Chief Minister's Department Departmental Statements

The Chief Minister's Department's departmental statements have been adjusted for the Appropriation Bill 2003-2004 (No.2) of \$2.393 million. The Appropriation Bill provides for the following:

- Bushfire Rebuilding Grant (\$1.200m) - the Government has introduced the Bushfire Rebuilding Grant of \$5,000 to help property owners who lost their homes in the January bushfires to rebuild on their burnt-out blocks, recognising that there have been some rises in costs, some instances of under-insurance and additional costs such as replacing fences, removing damaged trees, and restoring fire-affected gardens. This grant will be paid when a Certificate of Occupancy is issued for the rebuilt home;
- Community Awareness/Education Package (\$0.511m) - to develop and deliver a Community Awareness and Education Package on bushfire readiness, including the development and distribution of bushfire information kits and advertising;
- Continuing the Bushfire Recovery Effort (\$0.440m) - to provide for the continued bushfire recovery effort into early 2004, including the weekly Community Update newsletter and regular substantial newspaper advertising, and to provide for an automated weather station to be located in the Brindabellas;
- Industrial Relations (\$0.177m) - to provide for an additional senior policy officer to develop occupational health and safety regulations. This reflects the importance that the Government places on occupational health and safety and the regulation of dangerous chemicals and explosives.
- The initiative will also allow for an additional senior policy officer to work on priority industrial relations projects for the Government, including reviews of entitlements established under ACT legislation, such as long service leave and annual leave, and developing child care and work and family initiatives; and
- Occupational Health and Safety Liaison Officer (\$0.065m) - to provide funding for an Occupational Health and Safety Liaison Officer at Unions ACT. The position will be staffed by Unions ACT at an ASO 6 level.

This was a position previously funded by the ACT Government, to improve communication between the Government, unions and employers on OHS issues, and to allow Unions ACT to provide OHS training to ACT businesses and

workers. The former Government discontinued the position. The position has been re-established to reflect the Government's commitment to improving occupational health and safety in the Territory.

Department of Urban Services

Department of Urban Services Departmental Statements

The Department of Urban Services departmental statements have been adjusted for the Appropriation Bill 2003-2004 (No.2) of \$10.572 million.

The Appropriation Bill provides funding of \$9.372m as Government Payment for Output and \$1.200m of Capital Injection for the following:

- Fire Fuel Management (\$1.684m) – to provide for accelerated fire fuel reduction measures. The program of fuel reduction activities planned for this financial year has been expanded in preparation for the next bushfire season. This program includes works identified in the 2002-04 Fire Fuel Management Plan as well as additional works now considered necessary to prepare the city for the coming fire season;
- Landslip Remediation (\$0.900m) - to provide for landslip remediation measures. Geo-technical engineers have provided advice that the impact of the January 2003 bushfires has left several of the Territory's rural roads susceptible to landslips due to the destruction of surrounding vegetation and ground cover. The affected roads include Apollo road, Paddy's River Road and Corin Road;
- Relocation of the Canberra Connect Call Centre (\$0.200m) - to provide for improving the emergency capability of the Canberra Connect Call Centre by relocating it to a building with back-up power facilities;
- Acquisition of Hotel Kurrajong (\$0.350m) - to provide for the acquisition of the crown lease residual over the Hotel Kurrajong site from the Commonwealth, to enable the Territory to have full control over the Hotel Kurrajong assets and allow the Territory to review the ongoing usage and management arrangements of the site;
- Removal of Bushfire Damaged/Dangerous Trees (\$1.250m) - to provide for the removal of damaged or dangerous trees that have not regenerated in the six month period subsequent to the January 2003 bushfire. These fire damaged trees are located adjacent to rural roads, in public access areas such as picnic areas, camp grounds and reserve land adjacent to residential areas;
- Signage (\$0.180m) - a significant amount of signage in all areas administered by Environment ACT has been destroyed or damaged, including signage throughout Canberra Nature Park, Tidbinbilla Nature Reserve, the Murrumbidgee River Corridor and Namadgi National Park. This initiative will provide for the restoration and replacement of these signs;

- Soil Conservation (\$0.200m) - to provide for soil conservation measures and erosion control activities to prevent degradation of water quality in a number of ACT rivers and streams. This is particularly relevant for areas affected by intense fire behaviour within Namadgi National Park, Murrumbidgee River Corridor and Tidbinbilla Nature Reserve, but also applies to areas in Canberra Nature Parks and some areas of unleased rural land;
- DUS Fire Management Unit (\$0.120m) – to provide for the establishment of a fire management unit within the Urban Services to co-ordinate fire management activities and systems development;
- Rapid Response Teams and Rapid Access Equipment (\$1.560m) - to provide for additional fire prevention crews for the Summer period, including plant and equipment to improve the Territory's firefighting capability, particularly for rapid deployment to remote area fires. The crew's duties will include fire access and trail clearance and the construction of firebreaks and containment lines on the urban edge as well as in remote areas;
- Essential Plant and Equipment (\$0.400m) - to provide for the maintenance of an adequate level of plant and equipment for land management, fire fuel reduction and fire suppression within the parks and reserves managed by Environment ACT, including a replacement fire tanker for the protection of the Googong foreshore;
- Reinstatement of Damaged Fences (\$1.100m) - to provide for the costs of the repair and replacement of fences damaged or destroyed by the January 2003 bushfire in rural areas and along park boundaries in land areas managed by Environment ACT; and
- ACTION Authority EBA (\$2.628m) - to provide for costs specifically related to the ACTION Enterprise Bargaining Agreement.

ACTION Authority

The ACTION Authority's financial statements have been adjusted for the Appropriation Bill 2003-2004 (No.2) of \$2.628 million, for the Enterprise Bargaining Agreement.

ACT Planning and Land Authority

ACT Planning and Land Authority Departmental Statements

ACT Planning and Land Authority's departmental statements have been adjusted for both the Appropriation Bill 2003-2004 (No.2) of \$2.158 million and Section 3B Instrument of the *Financial Management Act 1996* to establish the Agency as a Department with a Territorial function.

The Appropriation Bill 2003-2004 (No.2) provides \$0.568m as Government Payment for Output and Capital Injection of \$1.590m. The amount is made up of the following:

- Cotter Tavern Demolition (\$0.125m) - to provide for the demolition, clean up and surrender of the lease of the Cotter Tavern, which was destroyed in the January 2003 bushfire;
- Aerial Photography (\$0.043m) - to provide for the capture of valuable information relating to fire damage resulting from the January 2003 bushfire. The project was specifically commissioned to capture and record the extent of damage caused by the bushfire. The information will be used by various parts of government to assist in planning for the future, including integral input to the Urban Edge review study;
- Management of Unleased Territory Land (\$0.150m) - ACTPLA has assumed responsibility for all unleased Territory land that is not under the direct control of another agency. The initiative will provide for the bushfire hazard management of unleased Territory land under their control in response to bushfire concerns;
- ACT Border Survey Marks (\$0.250m) - to provide for the commencement of a program to reinstate the ACT/NSW border survey marks seriously damaged or destroyed as a consequence of the January 2003 bushfire. The bushfire destroyed a significant section (an estimated 135km of a total length of over 300km) of the original ACT/NSW border survey originally carried out over a 5-year period between 1910 and 1915. The affected area involves some of the most difficult terrain encountered on the border survey, and in some of the most isolated locations; and
- Purchase of Land – Majura (\$1.590m) - to make allowance for the purchase of land from the Commonwealth. The ACT Government is seeking to purchase through a priority sale, land in the district of Majura (and surrounds). The land maybe used for siting of the proposed correctional facility.

ACT Planning and Land Authority Territorial Statements

The establishment of a Territorial Function is reflected in the Territorial financials statements for ACT Planning and Land Authority.

Department of Justice and Community Safety

Department of Justice and Community Safety Departmental Statements

The Department of Justice and Community Safety's departmental statements have been adjusted for the Appropriation Bill 2003-2004 (No.2) of \$10.761 million.

The Appropriation Bill 2003-2004 (No.2) provides funding of \$7.153m as Government Payment for Output and \$3.608m of Capital Injection for the following:

- All Terrain Water Tankers (Capital Injection \$1.340m) - to provide for four additional water tankers to improve operational responses to the urban interface;
- Compressed Air Foam System (CAFS) (GPO \$0.018m and Capital Injection \$1.080m;) – to provide all ACT Bushfire Service tankers with Compressed Air Foam Systems (CAFS) for the delivery of various concentrations of foam. This technology increases the capacity of a bushfire tanker by five fold;
- Broadband Data links to Emergency Services Bureau Suburban and Volunteer Stations (GPO \$0.431m and Capital Injection \$0.229m) - to provide the upgrade of the broadband communications links to the emergency fire, ambulance and volunteer stations to strengthen the existing communications links. This will improve the capacity of emergency services to prepare for emergency operations and manage data and communications during large-scale operations;
- Remote Area Communication Relay Vehicle (GPO \$0.010m and Capital Injection \$0.258m) – to provide for improvements to emergency services radio reception in remote areas during large-scale emergencies through the provision of an all terrain ‘Remote Area Communications Relay Vehicle’. The initiative provides the capability to improve radio coverage in those areas where ordinarily either no or poor radio coverage is experienced;
- Field Command Vehicles for Volunteer Brigades (GPO \$0.018m and Capital Injection \$0.217m) – to provide a command unit capability for each of the volunteer brigades that have an ACT Emergency Service component. The command units will be for the use of both the Bush Fire Service and Emergency Service. The initiative provides for five command units;
- Forward Casualty Treatment and Operations Support Vehicle (GPO \$0.005m and Capital Injection \$0.150m) - to provide for the purchase of a vehicle capable of treating patients and restocking ambulance vehicles at the scene of large-scale incidents. The initiative will provide the Ambulance Service with the capability to respond to disasters or other major incidents, which generate large numbers of injuries;
- Emergency Operations Centre Equipment Upgrade (GPO \$0.057m and Capital Injection \$0.116m;) - to provide for the upgrade of the Emergency Operations Centre (EOC) at the Emergency Services Bureau to maintain the EOC in a state of readiness to commence immediate operations during large-scale emergencies such as bushfires, mass casualty incidents or terrorist attacks;
- Protective lagging of Fire Appliance Components (GPO \$0.100m) – to provide for the retrospective fitting of protective lagging over vulnerable air and fuel lines on the current urban fleet of 13 urban pumpers. The vehicle build specification for all new appliances has been revised to ensure that all future vehicles are suitably protected;
- Additional Fire-Fighting Equipment (GPO \$0.060m) - to increase the amount of essential equipment in stock to ensure that, with any long duration deployment,

stocks of fire-fighting equipment are maintained and are capable of supporting the operation;

- Bushfire Volunteer Personal Protective Equipment (GPO \$0.075m) – to provide Bushfire Service volunteers with a wildfire ‘turn-out coat’ to be included in their issue of Personal Protective Equipment (PPE). This garment will enhance nighttime fire fighter comfort and protection from the elements during highland fire fighting;
- Risk Management and Community Education for Emergencies (GPO \$0.403m) – to provide a Director of Community Education and Risk Management supported by a Risk Analysis Officer and two Community Education Officers, to increase capacity and appropriate leadership. In addition, the initiative provides for the redesign of websites;
- Expansion of the Community Fire Unit (CFU) trial (GPO \$0.079m) - to provide the pilot program of eight community fire units to be maintained. This supplements the \$0.100m provided in 2003-04 Budget to ensure the sustainability of the trial;
- Improved Training Capacity (GPO \$0.352m and Capital Injection \$0.168m) – to provide a significant increase in a variety of bushfire fighting skills training, which requires improved capacity to develop and deliver the training on a regular basis. The training will be developed within the Emergency Services Bureau and delivered to all the services and agencies involved in bushfire fighting;
- Command and Control Capability for Bushfire and Emergency Services (GPO \$0.168m) - to provide increased bushfire control capability to support bushfire, emergency service and volunteer management. The initiative includes the establishment of a permanent Deputy Chief Fire Control Officer and an Operations Support Officer to remedy operational and organisational command and control deficiencies that arose during the December 2001 and January 2003 fires;
- Computer Aided Fire Data Management (GPO \$0.185m and Capital Injection \$0.050m) - to provide the increased capability of the Emergency Services Bureau to analyse risks and effectively plan and support operational decision making during routine operations and large-scale emergencies such as the recent bushfires through the use of geographical information;
- Implementation Team for McLeod Recommendations (GPO \$0.449m) - to provide five additional positions, which comprises a team leader, three project leaders and one administrative officer to implement the McLeod recommendations;
- Ambulance EBA (GPO \$1.460m) - to provide the new certified agreement for ACT Ambulance Officers. The supplementation covers payment of the new agreement effective 1 July 2002 and increases in 2003-04;

- Fire Fighters EBA (GPO \$2.381m) -to provide the new certified agreement for the ACT Fire Brigade. The supplementation covers payment of the new agreement effective 1 October 2002 and increases in 2003-04; and
- Commitment to Aerial Fire Fighting Strategy (GPO \$0.902m) - to provide the ACT's participation in the company established to manage the Commonwealth, State and Territory contributions to the National Aerial Fire fighting Strategy. The Commonwealth Government has provided \$5.5m in its 2003-04 Budget to assist States and Territories to meet their aerial fire fighting needs in the 2003-04 fire season. State and Territory governments will be responsible for meeting the remaining standing charge and all operational costs.

Department of Justice and Community Safety Territorial Statements

The Department's Territorial Statements have been adjusted for the Appropriation Bill 2003-2004 (No.2) of \$0.269 million.

The Appropriation Bill provides funding for Chemical, Biological and Radiological (CBR) basic protective equipment (EBT \$0.269m), the CBR protective equipment will be made available to ACT Policing, the component of the AFP that provides policing services to the ACT. The equipment will be used by up to 37 officers of the Police Tactical Group who provide the first response to a CBR incident. This supplementation is in response a meeting on 6 December 2002, where the Council of Australian Governments (COAG) agreed that each State and Territory would fund the provision of chemical, biological and radiological (CBR) basic protective equipment recommended by the National Counter Terrorism Committee (NCTC).

Department of Education, Youth and Family Services

Department of Education, Youth and Family Services Departmental Statements

The Department of Education, Youth and Family Services' departmental statements have been adjusted for the Appropriation Bill 2003-2004 (No.2) of \$0.150 million. The appropriation relates to Birragai Bushfire Recovery. This initiative provides for the rectification of student safety, environmental and asset reinstatement issues at the Birragai Outdoor School. The costs are associated with landscape assets destroyed or damaged by the January 2003 bushfire that were not covered by insurance.

Department of Disability, Housing and Community Services

The Department of Disability, Housing and Community Services' departmental statements have been adjusted for the Appropriation Bill 2003-2004 (No.2) of \$1.743 million. The Appropriation Bill 2003-04 (No.2) provides Capital Injection of \$1.093m and Government Payment for Output of \$0.650m and for the following:

- Addressing the Capital Requirements for the Griffin Centre (\$1.093m) - increases funding for the Griffin Centre capital project by \$1.093 million to cover increases in building costs, and the requirement for additional space for circulation and mechanical services; and
- Special Needs Support for Clients with Complex Behaviours (\$0.650m) - to provide secure accommodation and appropriate programs that will contribute to client and community safety.

ACT Housing

Amendments have been made to ACT Housing's Output Class 1, Output 1.1 Public Housing Services and Policy. The amended output schedule replaces the information contained in the 2003-04 Budget Papers

ACT Health

Amendments have been made to ACT Health's Output Class 1, Output 1.1 Acute Services. The amended output schedule replaces the information contained in the 2003-04 Budget papers.

Appendix 3 – Interim summary bushfire impact GGS operating result

The following information was provided by the Treasurer for the information of the Committee.

Summary of Bushfire Impact

Impact on the General Government Sector 2002-03 to 2006-07	2003-04 budget	2003-04 revised estimate
	\$m	\$m
total cost of initiatives and non insurance related work*	52.5	81.0
plus: work funded from "self insurance" fund**	8.6	9.0
less: total estimated return from NDRA	17.0	15.2
total revenue from Fire Reconstruction levy	10.0	0.0
Estimated Net cost of event over five years	34.1	74.8

* excludes any reconstruction, clean-up or reinstatement in forests

** this is the insurance which the Territory provides for within its own insurance provision and is not recoverable from reinsurance.

Table 1. Estimated Bushfire Revenue¹

	2002-03 Revised \$m	2003-04 \$m	2004-05 \$m	2005-06 \$m	2006-07 \$m
Estimated return from NDRA	9.2²	6.0	0.0	0.0	0.0
<i>Interim Claim</i>	3.3	0.0	0.0	0.0	0.0
<i>Estimated Receivable</i>	5.9	0.0	0.0	0.0	0.0
<i>2003-04 estimated return</i>	0.0	6.0	0.0	0.0	0.0
Insurance Revenue³	114.4	0.0	0.0	0.0	0.0
<i>Education</i>	4.5	0.0	0.0	0.0	0.0
<i>JACS</i>	4.0	0.0	0.0	0.0	0.0
<i>Forests - property</i>	8.1	0.0	0.0	0.0	0.0
<i>Health</i>	5.2	0.0	0.0	0.0	0.0
<i>ACT Housing</i>	17.8	0.0	0.0	0.0	0.0
<i>DUS</i>	19.5	0.0	0.0	0.0	0.0
<i>CIT</i>	0.1	0.0	0.0	0.0	0.0
<i>CTEC</i>	0.2	0.0	0.0	0.0	0.0
<i>less work funded from self insurance fund</i>	(5.0)	0.0	0.0	0.0	0.0
<i>Public Trading Enterprise- insurance revenue</i>					
<i>Forests - standing timber</i>	64.0	0.0	0.0	0.0	0.0
<i>less work funded from self insurance fund</i>	(4.0)	0.0	0.0	0.0	0.0
Bushfire Levy⁴	0.0	0.0	0.0	0.0	0.0
Total Bushfire Revenue	123.6	6.0	0.0	0.0	0.0

1. Figures contained in the above table are unaudited and represent a best estimate

2. Estimated NDRA receipts have reduced from the 2003-04 budget papers estimate of \$11.0m

3. Provided by ACTIA.

4. The bushfire levy has been withdrawn.

Table 2. Bushfire Appropriation and Expenditure^{1,2}

	Portfolio	Appropriation					TOTAL	Estimated Expenditure
		2002-03 \$000	2003-04 \$000	2004-05 \$000	2005-06 \$000	2006-07 \$000	\$000	2002-03 \$000
Previous Initiatives*								
Demolition Material Disposal Facility - Site Closure	DUS	0	150	0	0	0	150	0
Free Plant Issue	DUS	25	75	100	0	0	200	25
Removal of Pines and Casuarinas	DUS	210	600	0	0	0	810	183
Fire Fuel Management - Accelerated Works	DUS	250	500	250	250	0	1,250	136
Re-greening Fire Affected Areas (CUPP)	DUS	659	2,600	1,455	51	0	4,765	1,207
Replacement of Gutters, Footpaths and Associated Works	DUS	0	100	400	0	0	500	0
Rural Road Verges and Fire Fuel Management Plan	DUS	0	150	150	150	150	600	0
Bushfire Recovery Program - ACT Heritage Places	DUS	100	200	0	0	0	300	94
Bushfire Memorial	DUS	0	25	0	0	0	25	0
Increase Bushfire Fuel Management Planning Resources	DUS	0	80	0	0	0	80	0
Weed Suppression	DUS	50	250	300	300	0	900	56
Spatial Data Acquisition - Interpretation of Recovery Plans	DUS	0	130	40	40	40	250	0
Fire Suppression Trails and Walking Tracks	DUS	100	700	700	600	0	2,100	113
Completion of Recreation Recovery Strategy	DUS	0	100	30	0	0	130	0
Rural Assistance Recovery Program	DUS	170	150	0	0	0	320	85
Community Engagement in Restoration of Murrumbidgee	DUS	100	200	100	0	0	400	0
Landslip Rectification	DUS	300	200	0	0	0	500	141
Removal of Trees and Debris from Road Verges	DUS	1,500	0	0	0	0	1,500	1,635
Replacement of Garbage and Recycling Bins	DUS	80	0	0	0	0	80	17
Immediate Response	DUS	1,265	0	0	0	0	1,265	1,794
Waste Disposal	DUS	740	0	0	0	0	740	1,034
Restoration Works	DUS	948	0	0	0	0	948	826
Reconstruction and Assessment	DUS	369	0	0	0	0	369	153
Cleanup of Burnt Trees and Duffy	Forests	720	0	0	0	0	720	N/A
Aerial Grass Seeding in Burnt Areas	Forests	330	0	0	0	0	330	N/A
Development Application Processing in Response to Canberra	APLA	0	215	0	0	0	215	0
Bushfire Business Assistance Package - Grant Component	CMD	270	30	0	0	0	300	483
Bushfire Business Assistance Package - Interest Subsidy	CMD	65	189	189	189	189	821	0
Bushfire Recovery Taskforce Secretariat	CMD	2,451	1,600	0	0	0	4,051	3,013
Recovery Centre	CMD	1,054	2,000	0	0	0	3,054	1,097
Study into Non - Urban Bushfire Affected Areas	CMD	250	250	0	0	0	500	227
Inquiry into the Operational Response to the January 2003 bushfires	CMD	400	100	0	0	0	500	353
Demolition Costs	CMD	3,230	0	0	0	0	3,230	2,518
CTEC Marketing Campaign	CMD	100	0	0	0	0	100	100
Counselling Services	HLTH	407	250	0	0	0	657	407
Bushfire Coronial Inquest	JCS	150	1,500	0	0	0	1,650	224
Community Fire Units Trial	JCS	0	100	0	0	0	100	0
Immediate Response (including estimate)	JCS	3,783	0	0	0	0	3,783	3,497
Enhancement of the Student Transport Program (Bushfire)	DDHCS	22	22	0	0	0	44	22
Evacuation and Recovery Centres	DDHCS	40	0	0	0	0	40	10
Counselling and Outreach Services	DDHCS	100	0	0	0	0	100	144
Destroyed Disability Group House	DDHCS	65	0	0	0	0	65	44
Emergency Assistance	DEYFS	159	0	0	0	0	159	160
Bushfire Relief	DEYFS	1,000	0	0	0	0	1,000	1,000
Emergency Short-Term Accommodation	DEYFS	37	0	0	0	0	37	37
Financial Assistance Grants	DEYFS	2,351	0	0	0	0	2,351	2,351
Evacuation and Recovery Centres	DEYFS	204	0	0	0	0	204	129
Repairs and Maintenance	DEYFS	45	0	0	0	0	45	120
St Vincent de Paul clothing vouchers etc	DEYFS	380	0	0	0	0	380	380
Department of Human Services - VIC assistance	DEYFS	8	0	0	0	0	8	8
Department of Community Services - NSW assistance	DEYFS	131	0	0	0	0	131	131
Bushfire Recovery Donation	DT	100	0	0	0	0	100	100
Capital								
Replacement of Rural Properties	Housing	4,400	4,400	0	0	0	8,800	4,678
Destroyed Disability Group House	DDHCS	35	0	0	0	0	35	39
TOTAL Previous Initiatives		29,153 **	16,866	3,714	1,580	379	51,692	28,771

(continued next page)

*Included are the 2nd and the 3rd Appropriations 2002-03, and the 2003-04 Budget Initiatives

**\$29 694 million in the 2003-04 Budget Paper. Difference relates to savings identified in DEYFS (\$0 089m), DUS (\$0 100m), Health (\$0 316m) and Forests (\$0 035m)

	Portfolio	Appropriation					Estimated Expenditure	
		2002-03 \$000	2003-04 \$000	2004-05 \$000	2005-06 \$000	2006-07 \$000	TOTAL \$000	2002-03 \$000
<i>(continued from previous page)</i>								
2003-04 2nd Appropriation								
Bushfire Rebuilding Grant	CMD		1200	250	0	0	1,450	
Community Awareness/Education Package	CMD		511	0	0	0	511	
Continuing the Bushfire Effort	CMD		440	0	0	0	440	
Fire Fuel Management	DUS		1684	0	0	0	1,684	
Landslip Remediation	DUS		900	0	0	0	900	
Relocation of Canberra Connect Call Centre	DUS		200	0	0	0	200	
Removal of Bushfire Damaged/Dangerous Trees	DUS		1250	0	0	0	1,250	
Signage	DUS		180	0	0	0	180	
Soil Conservation	DUS		200	0	0	0	200	
DUS Fire Management Unit (FMU)	DUS		120	123	126	129	498	
Rapid Response Teams and Rapid Access Equipment	DUS		760	767	773	781	3,081	
Reinstatement of Damaged Fences	DUS		1100	0	0	0	1,100	
Cotter Tavern Demolition	ACTPALA		125	0	0	0	125	
Aerial Photography	ACTPALA		43	0	0	0	43	
ACT Border Survey Marks	ACTPALA		250	0	0	0	250	
Management of Unleased Territory Land	ACTPALA		150	153	156	160	619	
All Terrain Water Tankers	JACS		0	16	16	17	49	
Compressed Air Foam System	JACS		18	24	25	25	92	
Volunteer Stations	JACS		431	442	452	464	1,789	
Remote Area Communication Relay Vehicle	JACS		10	20	21	21	72	
Field Command Vehicles for Volunteer	JACS		18	18	18	19	73	
Forward Casualty Treatment and Operations	JACS		5	10	11	11	37	
Emergency Operations Centre Equipment Upgrade	JACS		57	42	43	44	186	
Protective Lagging of Fire Appliance Components	JACS		100	0	0	0	100	
Additional Fire-Fighting Equipment	JACS		60	10	10	11	91	
Bushfire Volunteer Personal Protective Equipment	JACS		75	15	15	16	121	
Risk Management and Community Education for Emergencies	JACS		403	402	416	431	1,652	
Expansion of the Community Fire Unit (CFU)	JACS		79	99	100	102	380	
Improved Training Capacity	JACS		352	477	487	492	1,808	
Command and Control Capability for Bushfire and Emergency Services	JACS		168	224	228	233	853	
Computer Aided Fire Data Management	JACS		185	245	250	256	936	
Implementation Team for McLeod Recommendations	JACS		449	0	0	0	449	
Commitment to Aerial Fire Fighting Strategy	JACS		902	732	732	732	3,098	
Birrighai Bushfire Recovery	DEVFS		150	0	0	0	150	
Capital								
Essential Plant and Equipment	DUS		400	0	0	0	400	
Rapid Response Teams and Rapid Access Equipment	DUS		800	0	0	0	800	
All Terrain Water Tankers	JACS		1340	0	0	0	1,340	
Compressed Air Foam System	JACS		1080	0	0	0	1,080	
Broadband Data Links to Emergency Services Bureau Suburban and								
Volunteer Stations	JACS		229	0	0	0	229	
Remote Area Communication Relay Vehicle	JACS		258	0	0	0	258	
Field Command Vehicles for Volunteer	JACS		217	0	0	0	217	
Forward Casualty Treatment and Operations	JACS		150	0	0	0	150	
Emergency Operations Centre Equipment Upgrade	JACS		116	0	0	0	116	
Improved Training capacity	JACS		168	0	0	0	168	
Computer Aided Fire Data Management	JACS		50	0	0	0	50	
TOTAL 2003-04 2nd Appropriation			17,383	4,069	3,879	3,944	29,275	0
GRAND TOTAL			29,153	34,249	7,783	5,459	4,323	80,967
								28,771

1. Figures contained in the above table are unaudited and represent a best estimate.

2. It should be noted that this table only includes budget-funded initiatives. It is expected that the majority of other bushfire-related expenditure in agencies will be covered by insurance.

Table 3. Potential Contingencies

1. Establishment of Emergency Services Authority
 - Transition Costs
 - Capacity
 - Infrastructure (eg new headquarters)
2. Possible base capacity issues for the Department of Urban Services
3. Revegetation of burnt areas
 - Insurance only covers the timber losses; Cost of any revegetation, whether natives or pines, will need to be covered from within the budget.
4. Creation of Urban Edge and Fire Abatement Zone
5. Re-establishment of uninsured assets (eg fences)
6. Impact of possible infrastructure improvements by ACTEW on the dividend.
(Capital costs are covered from cash reserves; impact of depreciation)
7. Cost of adoption of any recommendations from the Non-Urban Study.
8. Support to the local timber industry (direct grants and tax waivers)
9. Increased Coroner's Report