



AUSTRALIAN  
CAPITAL TERRITORY

**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN  
CAPITAL TERRITORY**

**GOVERNMENT RESPONSE TO THE**

**SELECT COMMITTEE ON ESTIMATES 2003-04**

**BUDGET 2003-04**

24 June 03

## **INTRODUCTION**

The Select Committee on Estimates tabled its report on the 2003-04 Budget on Tuesday 17 June 2003.

For the majority of recommendations the Government has either provided additional information within this report or has indicated specific action that is already underway or where specific action will occur in the future.

The Government thanks the Committee for its detailed analysis of the 2003-04 Budget and looks forward to the Committee's future involvement in consideration of issues within the fiscal constraints of the Government.

# RESPONSE TO RECOMMENDATIONS

## Recommendation 1

**1.11. The Committee therefore recommends that the Treasurer provide the Assembly with the most recent budget outcomes for both 2002-03 and 2003-04 and reasons for the changes as a matter of urgency, before the budget is debated.**

### Government Response

Noted.

The Committee was advised, through Questions on Notice, dated 4 June 2003, that there were a number of issues being considered by Treasury in relation to the end of year outcome, and that current indications were that there would be no deterioration in the estimated outcome of \$60.6m. Subsequent to the Committee hearings, the Government announced that the surplus could potentially reach \$100m due to improved revenue from land sales, returns on superannuation investments and higher than expected taxation revenues. This result is still expected.

In relation to the Budget for 2003-04, the budget represents an estimate at a point in time and is a compilation of a great many estimates many of which may vary at any time. For example, since publication, estimates for Commonwealth revenues have changed due to the release of the Commonwealth Budget, and the Government has recently announced the withdrawal of the Bushfire Levy, which was to raise \$5 million in 2003-04.

The Government recognises the Committee's interest in up to date information, however, the fluctuating nature of such estimates makes it inappropriate to publish continuous variances, especially so soon after the release of the Government's major review of the estimates, presented within the 2003-04 Budget Papers.

## Recommendation 2

**1.12. The Committee also recommends that the Treasurer:**

- **provide an explanation as to why he was not forthcoming with any information about the data on economic trends presented on 6 May in the budget when it was already out of date by early June; and**
- **table any documents on these matters that he received from Treasury after the budget was sent to the printer and prior to his appearance before the Estimates Committee.**

### Government Response

As noted in the response to the previous recommendation, the Government was forthcoming about issues which Treasury were investigating in relation to potential movements in the estimated outcome.

Significant movements in the operating result include revenue from land auctions and improvements in returns on superannuation investments. In relation to evidence of these movements prior to appearance before the Committee, the final land auction was not held until 11 June and positive returns for superannuation investments did not occur until early June.

### **Recommendation 3**

**1.15. The Committee recommends that, when an error in Budget papers is discovered, advice of the error should be provided to the Estimates Committee at the earliest opportunity and, subsequently, advised formally to the Committee at the next available hearing of the Committee.**

### Government Response

The Government notes this recommendation.

While every effort is taken to produce accurate Budget Papers, there may be instances where errors are made. Errors may be identified of both a material and immaterial nature. Where material errors are identified prior to the tabling of the Budget Papers, the Government policy is to present these as an erratum to the Budget Papers.

The Government will consider a more structured way of informing the Estimates Committee of material errors for the 2004-05 Budget.

### **Recommendation 4**

**1.49. The Committee recommends that all corrections to information included in the annual Budget be provided to the Committee at least one clear day before the relevant department or agency is scheduled to appear before the Committee.**

### Government Response

Noted. Again the Government will consider a more structured way of informing the Committee of material changes.

It should be noted that there may be instances where errors are discovered at a later stage, which may not allow the Committee's suggested timeframe to be met.

## **Recommendation 5**

**2.9. The Committee recommends that a possible new structure for the Estimates Committee which would give it a continuing existence be referred to the Standing Committee for Administration and Procedure for investigation and report.**

### Government Response

Noted. This is an issue for the Assembly to determine.

## **Recommendation 6**

**2.10. The Committee recommends that hearing dates for the budget Estimates Committee should be included in the schedule of sitting days adopted by the Assembly for each year.**

### Government Response

Noted. This is a matter for the Assembly to consider.

## **Recommendation 7**

**2.20. The Committee therefore recommends that the Chief Minister report regularly to the Assembly on any projections for further increases in the SES and identifies any policy or approach that he is taking to control 'Empire Building' within the Senior Executive Service.**

### Government Response

Not agreed.

The Government does not agree with the Committee's premise that "Empire Building" is occurring in the ACT Public Service. The number of Senior Executive positions is a very poor measure of the overall cost of the Public Service. Senior Executive positions are established in response to workload pressures with each proposal for a new position needing to be supported by an independent assessment of job size of the proposed position. It is common practice for support staff to be shared between two or more Senior Executive positions to minimise the costs to which the Committee has referred.

The Committee's analysis of Senior Executive numbers in 2002-03 failed to acknowledge the impact of the additional temporary positions established to support the Bushfire Recovery. These positions will be abolished as elements of this key task are completed.

## Recommendation 8

**2.27. The Committee recommends that the Government undertake a review of performance measures across the budget so that measures:**

- **are meaningful;**
- **allow for comparison over time;**
- **are consistent with measures in ownership agreements and annual reports; and**
- **take into account the need for triple bottom line reporting.**

### Government Response

Part 1 and Part 2:

Department's outputs will again be reviewed in the formulation of the 2004-05 Budget. Changes to outputs and performance measures are incremental over time as opposed to wide-ranging change. The need for changes needs to be balanced against the desire to have information in budgets that is comparable from year to year – something which is difficult if broad change occurs in one year.

Part 3:

Output performance measures provided in the Budget papers are currently required to be reported on in departments financial statements annual reports and are also audited.

The Ownership Agreement encompasses corporate objectives of the department, main undertakings, business and corporate strategies, and financial objectives. In addition, it contains contextual information in relation to an agency's financial performance. The nature and use of the performance measures in the Ownership Agreement is therefore different, and they do not necessarily duplicate these in the budget papers.

Part 4:

Consideration will be given if possible to some form of sustainability performance measures being produced, however, the appropriateness or otherwise of these in budget papers needs careful consideration.

## Recommendation 9

**2.35. The Committee recommends that Ministers ensure that measures on performance evaluation be set to extend the service in their own areas of responsibility leaving no room for complacency and ensuring a focus on increasingly positive outcomes.**

### Government Response

Government's performance evaluation measures are already set at realistic levels to ensure a focus on increasingly positive outcomes. More work may, however, be necessary in relation to the appropriateness and relevance of a number of these measures and the way of capturing this information.

## Recommendation 10

2.36. The Committee recommends that the Assembly should require each Minister to provide detailed information in respect of departments and agencies for which they have responsibility on whether:

- any issues affecting performance have been identified from the survey results and, if so, how have they been addressed?
- management behaviour was changed in any way as a result of the information from the surveys being applied? If so, how and what has been the impact? and
- there has been any change in performance of the department as a result of information from the surveys being applied? If so, what has the change been and how has it been reflected in departmental performance?

### Government Response

Not Agreed.

Performance evaluation is done at many and varied levels across government. Providing detailed information regarding this performance evaluation would create a huge administrative burden with little or no additional value. Key resources would also be taken away from important service delivery areas. The Government considers existing accountability arrangements are adequate.

## Recommendation 11

2.41. The Committee recommends that, in future budgets, new initiatives and significant expenditure increases be identified separately.

### Government Response

Each budget allows the Government to review the use of its financial resources. The Government reaffirms its position that new or increased expenditure on both existing and new projects warrants representation as an initiative.

The Committee is also referred to the precedent set by the previous Government in its 2001-02 Budget in which it described the following 'initiatives':

- **Expansion** of the Out of School Education Program (page 68 2001-02 Budget Paper No. 3);
- Indigenous Youth Centre – “This initiative provides **additional** funding for the **enhancement** of the Indigenous Youth Centre’s services” (page 69 2001-02 Budget Paper No. 3);
- Support of Learning for Life – “This initiative **expands** the work of the successful “Learning for Life” program of the **Smith Family**” (page 70 2001-02 Budget Paper No. 3); and

- Enhanced Indigenous Health Services – “This initiative provides funding to **enhance** indigenous Health services” (page 73 2001-02 Budget Paper No. 3).

## **Recommendation 12**

**2.63. The Committee recommends that the Assembly consider whether Mr Wood’s response to the Committee should be referred to a Privileges Committee to determine whether it constitutes a contempt of the Assembly.**

### Government Response

Not agreed.

## **Recommendation 13**

**2.67. The Committee recommends that the Assembly consider whether Mr Corbell’s response to the Committee should be referred to a Privileges Committee to determine whether it constitutes a contempt of the Assembly.**

### Government Response

Not agreed.

## **Recommendation 14**

**2.75. The Committee recommends that the Chief Minister and the Minister for Health provide an explanation to the Assembly of the following:**

- **the processes that they will put in place to ensure that the Departments for which they have responsibility will abide by the Public Service Code of Ethics; and**
- **the processes that they will put in place to ensure that the Departments for which they have responsibility understand the democratic and governance issues requiring accountability of the executive to the parliament.**

### Government Response

Not Agreed. As stated at the Estimates Committee, the leaked memo was prepared and circulated without the endorsement of the executive of ACT Health or by government. As has been stated at Committee, the memo in no way reflected the attitude of the executive towards the Estimates process. This was clearly evident by the appropriate and professional manner in which officers conducted themselves before the Committee. The Committee has also accepted an apology on behalf of ACT Health for this matter.



The Committee report asserts that some documents requested had been withheld. This is not the case. As requested by the Committee, all documents relating to this matter at the time of the request have been provided. ACT Health has therefore fully complied with the request made by the Committee. This is entirely consistent with ACT Health's commitment to the integrity of the Estimates process.

An investigation into the issues surrounding the leak is being carried out by ACT Health and the Government has stated it is prepared to share the findings. Should issues concerning document security, ethics or governance arise, the Government is confident the new Chief Executive will move to address these matters within ACT Health.

More broadly, the Chief Minister's Department is coordinating an ACT Public Service Executive Leadership Development Program. This program will provide targeted programs for individual development, an induction program, as well as group learning opportunities for Executive staff.

## **Recommendation 15**

**2.76. The Committee recommends that the Assembly consider whether Mr Corbell's response to the Committee should be referred to a Privileges Committee to determine whether it constitutes a contempt of the Assembly.**

### Government Response

Not agreed.

## **Recommendation 16**

**3.4. The Committee recommends that departments and agencies adopt realistic deadlines when undertaking projects running over a number of financial years and appropriate funding for the financial year in which it is genuinely expected to be spent.**

### Government Response

Agreed.

## **Recommendation 17**

**3.15. The Committee recommends that the functions and funding of the Office of Sustainability be strengthened to ensure that it has a central role in government decision making and that it has sufficient independence and appropriate resourcing to discharge that role.**

### Government Response

Noted. The Office develops, facilitates and co-ordinates the implementation of sustainability guidelines, policies and procedures into the business of government. It also provides expert advice to agencies. The Office has already prepared the Government's Policy on Sustainability, People, Place, Prosperity, which was launched in March 2003. This policy identifies decision-makers within agencies as having prime responsibility for achieving sustainability outcomes. The location of the Office of Sustainability within the Policy Group of the Chief Minister's Departments optimises the delivery of its responsibilities across Government.

### **Recommendation 18**

**3.18. The Committee recommends that the ACT Government, in negotiation with the Commonwealth, seek to broaden the basis of ABS data collection to provide the gender specific information required for sound policy making.**

### Government Response

Noted. The ACT Government is represented on the Australian Statistical Advisory Committee (ASAC), which provides advice to the ABS. The ACT representative will continue to raise this issue so as to maximise the information available to the ACT Government.

### **Recommendation 19**

**3.28. The Committee therefore recommends that the Government provide funding for the appointment of health workers in the field of dual diagnosis to work with the indigenous community in the ACT.**

### Government Response

As stated at the Estimates Committee Hearing, the Government will be honouring its election commitment for specific indigenous dual-diagnosis workers. The Government intends to meet all of its election commitments. That means that the specific commitment regarding indigenous dual-diagnosis workers will be addressed in next year's budget.

Should circumstances allow, consideration could be given to an earlier start for this initiative.

### **Recommendation 20**

**3.40. The Committee recommends that this initiative be subject to a reordering of priorities and the funding allocated to it be diverted to areas of genuine need.**

## Government Response

Not agreed.

As demonstrated in the response to the January 2003 bushfires the ability to provide a high quality of coordinated public information is a very important community and Government priority.

## **Recommendation 21**

**3.42 The Committee recommends that the Government investigate ways of incorporating low-income self-funded retirees in the rate concessions granted to pensioners.**

## Government Response

Noted. The Government is currently reviewing all concessions and rebates available to low income groups. To the extent that the self funded retirees fall within low income groups which are provided Commonwealth Health Care cards, they are already entitled to a range of concessions and rebates. More work will need to be done to ascertain whether it would be feasible to extend the rates concessions to holders of Commonwealth Health Care cards to ensure equity and consistency in the application of concessions. The Government needs also to consider the potential costs and the wider implications of an extension of rates concessions and rebates for other low income groups.

## **Recommendation 22**

**3.44. The Committee recommends that low-income self-funded retirees be exempt from the bush fire levy.**

## Government Response

This is no longer applicable due to the abolition of the Bushfire levy.

## **Recommendation 23**

**3.46. The Committee believes that in both the above cases exemption from the levy should be based on income and therefore recommends that the application of the levy be reviewed to ensure that its application does not discriminate unjustly against private housing tenants or other low income earners, whatever the source of that income.**

## Government Response

This is no longer applicable due to the abolition of the Bushfire levy.

## **Recommendation 24**

**3.47. The Committee recommends that ACT Housing properties that have tenants paying full market rent make a contribution to the bushfire levy.**

### Government Response

This is no longer applicable due to the abolition of the Bushfire levy.

## **Recommendation 25**

**3.51. The Committee recommends that, for public contracts of more than \$250,000, no funds should be paid out until a written contract has been signed by the relevant parties.**

### Government Response

Agreed in Principle.

A draft procurement circular is being prepared for consideration by the Government Procurement Board which would address the concern underlying the Committee's recommendation. In developing the draft circular, consideration is being given to the appropriateness or otherwise of specifying a dollar threshold for any prohibition on payments in advance of execution of a written contract.

The Government recognises the importance of appropriate contractual arrangements being in place to protect the public interest in procurement activities. The Government also recognises that in some circumstance, eg responses to emergencies, it may be necessary for work to commence prior to execution of a written contract.

## **Recommendation 26**

**4.25. The Committee recommends therefore that the Minister explain to the Assembly what action he intends to take to:**

- **ensure that the Department of Health lives within the budget that has been allocated in the Appropriation Bill 2003-2004; and**
- **ensure a reversal of the trend towards reduced health outcomes in the community.**

### Government Response

Part 1

Financial performance of all of ACT Health will be regularly monitored and reported on through the Department's Finance and Performance Committee and in the Whole of Government Report to the Assembly with the aim that the planned budget is met.

In relation to the projected deficit, the Estimated Outcome for ACT Health is a deficit of \$8.638m and this is the sum of the results in Budget Paper Number 4 (at Pages 130, 493 and 496) and not \$18.175m. This position (-\$8.638m) is a movement of \$3.722m from the combined budgeted results (-\$4.916m) for what was up until 31 December 2002 three separate entities.

While the Portfolio's combined deficit has increased this is largely due to technical reasons related to provisions for salary increases for a large component of the workforce, accounting for higher insurance costs and the deferral of equipment purchases offset by the net transactions associated with the 18 January bushfire.

In relation to the January bushfire, the net gain attributed to ACT Health in 2002-03 will be used to fund the replacement of the facility partially destroyed at Holder and the Budget Papers include the capital replacement in the Statement of Financial Position (Page 131) in the Property, Plant and Equipment category.

## Part 2

Not agreed. The Government does not accept that there have been reduced health outcomes in the ACT community. ACT residents continue to enjoy an accessible and responsive health service and have the best health status in the nation. The Committee did not provide any evidence of reduced health outcomes for the people of the ACT.

Hospital services provided 634,000 individual episodes of care in 2001-02 (the latest full year available) in inpatient, outpatient and emergency department services compared to 596,000 in the previous year. Based on the latest available data, hospitals will provide about 645,000 episodes of care this financial year. All up, that is an 8% increase in activity in two years.

Emergency departments continue to provide the national benchmark for waiting times for those in most need of emergency care.

There are now alternatives for people, especially older people, who need transitional and convalescent care after hospital episodes.

The Government accepts that more needs to be done in some areas within the health service, to further increase the effectiveness of the ACT health system and continue the improvements in health outcomes for the people of the ACT.

This commitment is evident in the additional \$2 million provided for elective surgery, to provide access to elective surgery for about 600 more people each year.

The new sub-acute facility funded in the 2003-04 Budget will provide more options for treatment for people with extended care needs that cannot be provided effectively in an acute hospital setting.

## **Recommendation 27**

**4.26. The Committee recommends that the Assembly take further steps to investigate the causes of the large budget failure in the health portfolio, and instigate ongoing action to scrutinise the portfolio's financial and service performance.**

### Government Response

Not Agreed.

There is no large budget failure and the matter is largely a presentational matter which has been explained above and in responses to the Committee's request for a reconciliation of the operating result and a backcast of the movement in expenditure between 2002-03 and 2003-04.

## **Recommendation 28**

**4.45. The Committee recommends that the Assembly require the Government to produce each month all the information on the performance of the public surgical system which was included in the previous reporting regime.**

### Government Response

Not Agreed.

The new report provides trended data over 3 years for all the key indicators which establish how well elective surgery is being managed. The information provided previously was:

- a snapshot on a monthly basis;
- hospital specific and therefore did not look at the system as a whole;
- difficult to interpret by people not familiar with the system; and
- given the very small numbers in some specialties, the statistics were often misleading.

The Government believes the current system provides a comprehensive picture of elective surgery management. Specific queries in relation to information not routinely provided regarding waiting times are able to be dealt with in a timely manner by the Elective Surgery Access Coordinator based at each of the hospitals. Members of the public routinely take advantage of this service and receive information pertinent to their particular needs.

## **Recommendation 29**

**4.54 The Committee recommends that in future new initiatives are funded on the basis of meeting an identified need and the necessary funding to do so is appropriated.**

### Government Response

The need for supported accommodation referred to in this initiative was specified in the Patterson Report. The funds allocated will allow supported accommodation in the community for people with mental health problems and obviate the need for some acute inpatient stays.

### **Recommendation 30**

**4.57. The Committee recommends that all pilot programs, trials and like activities, which are being used to test a particular policy approach or approach to service delivery, include funding for evaluation.**

### Government Response

Agreed.

### **Recommendation 31**

**4.61. The Committee recommends that speculative figures which bear no relationship to actual or proposed expenditure are not included in out year estimates.**

### Government Response

It should be noted that it is not the practice to do so.

### **Recommendation 32**

**4.64. The Committee understands that agreement has been reached on siting arrangements, and therefore recommends that the Government takes all possible steps to ensure this aged care facility is operational in the 2003-04 financial year.**

### Government Response

The Land Group of the Department of Urban Services is currently negotiating the detail of siting the development footprint and issues relating to the environmental and land use constraints. This process is being fast tracked within the overall constraints of the need to obtain Government approval to the allocation of land and the planning approvals necessary for the development to proceed. Given these constraints, it is not likely that Calvary Healthcare will be able to have this facility operational in the 2003-04 financial year.

### **Recommendation 33**

**4.66 The Committee recommends given the delays with the 65 bed aged care facility at Calvary, every endeavour be made to adhere to, or improve upon, the December 2004 completion date.**

#### Government Response

The design for this project will be commenced in the first quarter of the 2003-04 financial year. The project should be completed by the end of 2004.

However, the sub and non-acute facility is not an aged care facility. It will contain 20 psycho geriatric beds and 40 rehabilitation beds. The purpose of the facility is to provide rehabilitation services to people who no longer require "acute" rehabilitation that is provided in the Rehabilitation ward at The Canberra Hospital or the services provided at the Rehabilitation Independent Living Unit (RILU) at Gaunt Place. It will not be a long-term accommodation option.

### **Recommendation 34**

**4.85 The Committee recommends that the Government provide a full reconciliation of all extraordinary transactions related to the bushfires against the figures used in the budget papers.**

#### Government Response

This will be provided as part of the Territory's Financial Statements.

### **Recommendation 35**

**4.93. The Committee recommends that the Government provide an acquittal of the use of all Growth In Needs Initiative funds to date.**

#### Government Response

Agreed. The Committee should note it was also the practice of the previous government to allocate components of the growth funds to cover price pressures in The Canberra Hospital. The annual budget process allows for the Government of the day to reconfirm or change the purpose of base funding as demands for services or the cost in providing services change .

### **Recommendation 36**

**5.5. The Committee recommends that, a final decision on the construction of GDE having been taken, that it is presented as a single project in future budgets**



**and that necessary off-site works, for example relating to access to the Australian Institute of Sport, are included in the total funding figure.**

Government Response

Agreed.

**Recommendation 37**

**5.12 The Committee therefore recommends that the transactions in relation to the development of the Horse Park Estate be referred to the Auditor General for investigation and report.**

Government Response

Noted. The role of the Auditor General to investigate and report on any matter of his choosing is acknowledged but there are inaccuracies in the report which should be addressed.

There were only 10 blocks directly sold to the developer, not 28 as stated in the report.

The condition of sale of Horse Park Estate, which allowed the developer to develop 470 blocks, was not changed and the developer's plans for the estate provide for the development of 470 blocks. Thus the developer achieved the development rights purchased. Compensation for the loss of development rights was not paid to the developer, nor was the lease of the additional land granted as compensation to the developer.

Changes to the *layout* of the estate were required to retain some remnant trees. The requirement to retain these trees was not known before the auction.

The changes in layout resulted in an undesirable situation on the western boundary of the estate where several roads and a park were left uncompleted. The Deed of Agreement (clause 6.19.1) for the estate (and the conditions of sale) state:

*Other Variations Deemed Necessary by the Authority*

*If at any time during the currency of the project the Authority is of the opinion that, for the reasons of good planning and land management, other variations, not elsewhere provided for within this Deed, should be made, the Authority may deem these variations as necessary and by written notice delivered to the Developer specify in detail the nature of the variation and the consequential alterations in the content of the Annexures to the Deed.*

Accordingly, the Authority initiated discussions with the developer "for reasons of good planning and land management," to complete this infrastructure and provide development rights for 10 blocks. It would have been considerably more expensive and inefficient for the Authority to arrange another contractor to complete these

infrastructure works, particularly when the Deed of Agreement for the development of the estate specifically made provisions for such a situation.

An independent valuation by the Australian Valuation Officer was obtained for the transaction. The cost of servicing the additional land together with an allowance for profit and risk exceeded the gross realisations for the 10 blocks by \$40,000. It should be noted that the infrastructure assets to the value of \$909,865 will be returned to the Authority.

The above information was provided to the Committee in response to a question on notice.

### **Recommendation 38**

**5.18 The Committee recommends that the Planning and Land Authority and the Land Agency be required to report according to the requirements of the Financial Management Act.**

#### Government Response

Agreed.

### **Recommendation 39**

**6.7. The Committee therefore recommends that the funding for the Commissioner for the Environment be increased to enable that position to be filled on the basis of at least twelve days per month.**

#### Government Response

The Government is undertaking a review of the role and functions of the Office of the ACT Commissioner for the Environment. A review is considered opportune at this time. The current incumbent, Dr Jo Baker is to retire at the end of 2003. There have also been a number of legislative and administrative changes since the *Commissioner for the Environment Act* commenced in 1993.

The Minister is currently considering the terms of reference and composition of the community/government steering committee for the review. Subject to ministerial endorsement, the review will be completed in 2003. It will involve consultation with key government and community stakeholders.

The question of the number of days per month that a Commissioner will be engaged for will be considered in the context of this review.

## **Recommendation 40**

**6.10. The Committee recommends that Environment ACT renews its efforts to ensure that only appropriately licensed merchants are able to sell firewood in the ACT.**

### Government Response

Noted. Once Environment ACT becomes aware of a person selling firewood without an authorisation they are contacted immediately and directed to cease operating until they are authorised by the EPA. This applies equally to commercial operators as well as individual householders who attempt to sell timber that has resulted from tree pruning or removal operations.

If a merchant continued to sell firewood without an authorisation Environment ACT would take appropriate action in line with its enforcement policy. The policy is based around an education philosophy, that is first offence - education, second offence – education and a warning of legal action and third offence – a brief of evidence is prepared and the matter is referred to the ACT Government Solicitor for possible legal action. This process is varied if the particular circumstances warrant. In response to the only formal complaint Environment ACT has received an investigation was undertaken and the merchant informed of the need to comply with the conditions of their authorisation.

In terms of advertising Environment ACT has contacted the Canberra Times who have agreed not to take any advertisements from unauthorised merchants. Prior to this Environment ACT used to audit the For Sale section of the Canberra Times to ensure that there were no unauthorised merchants advertising firewood for sale.

## **Recommendation 41**

**6.11. The Committee further recommends that Environment ACT, in consultation with firewood merchants and conservation groups look at further strategies to reduce community demand for timber species, such as red and yellow box, which are under ecological pressure.**

### Government Response

Noted. The Government acknowledges that the continued use of firewood sourced from remnant vegetation is still a significant issue and it recently sponsored a workshop on achieving an ecologically sustainable firewood industry in the ACT. The aim of the workshop, which was run by the Conservation Council of Canberra and the South East Region and attended by government, industry, merchants and conservation groups, was to identify opportunities and constraints in achieving a more ecologically sustainable firewood industry.

One option raised at the workshop is the State Forests of NSW proposal to use logging residue to replace sourcing firewood from remnant vegetation in western NSW.

Given this timber comes from sustainably managed forests and is consistent with both the ACT Firewood Strategy and the Australian and New Zealand Environment Conservation Council endorsed National Approach to Firewood Collection and Use in Australia (2001), the Government is fully supportive of the proposal.

## **Recommendation 42**

**6.13. The Committee therefore recommends that the study into non-urban land uses following the bushfire consider the appropriateness of firewood plantations.**

### Government Response

The Government will draw the attention of the Bushfire Recovery Taskforce to the Committee's recommendation for consideration in the context of the non-urban land use study.

## **Recommendation 43**

**6.15. The Committee recommends that the Government explore ways to make it more financially attractive to install solar hot water systems.**

### Government Response

Noted. The Government introduced the subsidy in 2002 to operate for a period of three years. The scheme has only been operational since April 2002 and there is still scope for the uptake of the rebate to increase over time without the need to increase the rebate. The scheme already provides a scale of rebates from \$500 to \$1600, depending on the size of the system and the greenhouse gas savings generated by the particular type of solar water heater.

The most common rebate paid is \$750 for a 2 panel electric-boosted system. An equivalent gas-boosted system receives a \$1250 rebate. These rates are generally higher than rebates available in other States, eg the equivalent NSW Government rebate is \$500 for electric-boosted systems and \$700 for gas-boosted systems. The Victorian Government rebate is \$800-\$1,000 depending on the particular model. The South Australian Government rebate is \$700 for gas or electric boosted.

The rebates for gas-boosted systems were increased by around 25% last April in recognition of their high greenhouse efficiency and the fact that they are more expensive to purchase than electric-boosted systems. More time is needed to assess the effect of this rebate increase on sales of gas-boosted systems.

The Greenhouse Strategy as a whole is currently being reviewed, with a discussion paper to be released for public comment in August. It would be more appropriate to consider any changes to the rebate scheme in the context of this review.

#### **Recommendation 44**

**6.16. The Committee further recommends that the unexpended funds in the solar hot water rebate scheme be diverted to the provision of solar hot water systems in public housing so as to give life to the Assembly resolution of 15 May 2002.**

#### Government Response

Not agreed.

The rebate scheme is a three year program that has only been operational for a little over one year. Consequently, it is not yet possible to determine whether at the end of the program there will be any unexpended funds.

The rebate scheme is primarily targeted at homeowners who are replacing their hot water heaters as this has the highest potential to convert a significant number of hot water heaters in Canberra to solar systems.

#### **Recommendation 45**

**6.21. The Committee recommends that payments from the Treasurer's Advance unused by 30 June 2003, and any interest that may have been earned by their investment, be returned to general revenue. It also recommends that any funds needed to complete the project be appropriated in the normal way.**

#### Government Response

Not Agreed.

The Government's continuing position is that the \$10m Treasurer's Advance to modernise fire safety standards in public housing large flat complexes was issued legally in accordance with the *Financial Management Act 1996* (FMA). The FMA (section 34(b)) also allows that unspent appropriations may be carried forward to the next financial year. The Government maintains that it is a very sensible precaution to bring ACT Housing's large flat complexes up to modern fire safety standards.

Consequently, the Government does not consider that there is any need to return payments from the Treasurer's Advance unused by 30 June 2003, nor is there any need to return any interest earned on its investment.

#### **Recommendation 46**

**6.23. The Committee recommends that the Minister for Housing, make a decision within the next 3 months as to the future of the Currong Apartments in the best interests and well-being of the current tenants.**

### Government Response

Not Agreed. The Minister for Disability, Housing and Community Services will make a decision as to the future of Currong Apartments prior to the end of December 2003, as he stated at the Estimates Committee hearing.

### **Recommendation 47**

**6.32. The Committee therefore recommends that the Government not proceed with the reintroduction of continuous registration.**

### Government Response

Noted. The Government will carefully consider implementation arrangements over the next few months to ensure that the policy intent can be achieved in an equitable and consistent manner.

### **Recommendation 48**

**6.35 The Committee recommends sufficient free parking be provided to students at Lake Tuggeranong College.**

### Government Response

Not agreed.

Substantial parking is to be provided on site for teachers and students of Lake Tuggeranong College. In addition, as part of the introduction of pay parking to the Tuggeranong precinct, "3 for FREE" spaces will be available in the ACT Government car park opposite the College. The "3 for FREE" scheme will allow motorists with 3 or more people in a vehicle to park free of charge. College representatives have indicated that this will be of particular benefit to College students, many of whom drive to school with their friends, and will encourage sustainable transport practices.

The normal hours of operation of "3 for FREE" parking within pay parking precincts are 7.30 am to 9.00 am. It has been agreed however, to extend operation times at Tuggeranong from 7.30 am to 10.00 am. This will assist staff and students with staggered class commencement times.

There will also be free, short stay parking along Anketell Street, north of Collishaw Street. This may assist students who come and go during the day.

## **Recommendation 49**

**7.10. The Committee recommends that the government initiate a well-funded research project into the factors influencing parental choice of school at the transition from primary to high school.**

### Government Response

Not Agreed.

The Government currently utilises a number of processes for consulting with parent and students. These provide a good deal of information about community expectations and satisfaction with schooling. The 2002 School Development Report findings are that 95% of parents of primary school students and 92% of high school students expressed strong overall satisfaction with the education provided at their school. There are multiple factors influencing parent and student choices in relation to schooling. The Government recognises and supports parents and students having the opportunity to select from a range of schooling options as they progress through the schooling. The best method of support in this regard, is to ensure a range of quality options are available.

The Government will continue to maintain support to schools and school programs to ensure there is a range of viable options for ACT families making decisions about schools. The Government is committed to ensuring that government schools in the ACT are supported with the provision of a variety of programs that promote continuous school improvement. This includes the Curriculum Renewal, Schools Equity and Schools Excellence initiatives that will expand the current school development program.

## **Recommendation 50**

**7.13 The Committee therefore recommends that the Government provide a clear statement on the distribution of the \$42 million allocated for the EBAs.**

### Government Response

Detail at pages 305 and 306 of the 2003-04 Budget Paper Number 4 show that over the five years 2002-03 to 2006-07 funding of \$42m is provided for recently negotiated clerical staff EBAs for the Department of Education, Youth and Family Services and the CIT and the impact of the 27<sup>th</sup> pay in 2003-04. It is assumed that this is the amount to which the Committee refers. There is no provision in the Department's budget for the yet to be negotiated teachers' EBA.

The CIT clerical staff EBA accounts for \$6.451m of the five-year total at \$1.426m per annum and a half-year effect in 2002-03. The clerical staff EBA accounts for \$25.333m at \$5.685m per annum and a half-year effect in 2002-03. The 27<sup>th</sup> pay, which occurs each eleven years, accounts for the remaining \$10m in 2003-04.

Approximately 46% (\$11.6m) of the Department's clerical staff EBA provision will be applied to meeting wage increases for schools' clerical staff.

## **Recommendation 51**

**8.5 The Committee recommends that, in future, the costs and workload details for each of the courts within the ACT system are provided separately.**

### Government Response

The recommendation is supported in respect of outputs of the ACT Court of Appeal.

It is not agreed for inputs of the Court of Appeal.

It would be artificial and/or misleading to make gross estimates of the proportions of the total cost of the operations of the Supreme Court that are attributable to the Court of Appeal. This is because Judges of Appeal are drawn from both resident Judges of the Supreme Court and visiting Judges, and common support services such as court reporting, security and facilities management and other corporate service costs are provided from aggregated service providers. Disaggregating those services to better define the constituent costs could be counter productive, as the efficiencies and flexibility of current service delivery strategies would be sacrificed.

## **Recommendation 52**

**8.11 The Committee recommends that the Auditor General investigate and report on:**

- **the reasons for the delay in acquiring the CAD system;**
- **whether the funds were expended only for the purpose for which they were appropriated; and**
- **the legality of the appropriated funds being spent for any other purpose.**

### Government Response

The recommendation is noted.

Investigation by the Auditor General is a matter for that office.

## **Recommendation 53**

**8.15. The Committee recommends that funding be provided for the Sexual Offences Response Program in the out years.**



### Government Response

The recommendation is noted.

Funding provided in the 2003-04 Budget is for a trial program and funding in future years would be considered by the Government in the context of the 2004-05 Budget.

### **Recommendation 54**

**8.18. The Committee recommends that the human rights education program be funded from internal resources.**

### Government Response

Not agreed.

Given the Government's commitment to the introduction of some form of legislation to acknowledge and promote human rights, there will be a need for developing public sector awareness across all agencies of the initiative and its operation, as this knowledge will be integral to the development of policy and legislation and in administrative decision-making. The success of the Government commitment to the recognition of human rights depends on an effective and comprehensive education program.

As the recognition of human rights will require an understanding by the judiciary of the body of developing international human rights case law and instruments that is not currently referred to in domestic Australian law, orientation programs for the judiciary and court personnel will also be required.

Lack of understanding of the Bill of Rights would lead to failure to identify potential breaches of human rights in service provision by the Government, lack of action in dealing with breaches, and unawareness of avenues of redress by those adversely affected by such breaches.

A much larger education program than normally accompanies legislative initiatives will thus be necessary and will require greater financial resources than presently available in the Departmental budget.

### **Recommendation 55**

**9.5. The Committee recommends that the ACT government establish a working party with peak community bodies to reach an agreed basis for government support for wage and salary costs.**

### Government Response

In 2003-04, a tripartite consultative committee is already planned to be established to provide advice to Government on industrial relations issues in the private and

community sectors (see 2003-04 Budget Paper No. 4, page 44). The Committee's inaugural meeting will be held in July 2003.

The Committee includes a nominee of ACTCOSS (representing employers in the community sector) and a Unions ACT nominee from unions representing employees working in the community sector. The Committee will be chaired by the Minister for Industrial Relations.

The Government will ask this Committee to examine Government funding of community sector wage and salary costs.

## **Recommendation 56**

**9.9. The Committee recommends that the ACT Government immediately undertake a survey to identify the inadequacies in community sector accommodation and set up a rolling program of funding for works to address the occupational health and safety needs of the sector.**

### Government Response

Agreed in Principle.

The Government has increased the funds available to improve the condition of the Department of Disability, Housing and Community Service's 40 community facilities by \$0.9m over four years. In addition, the Government has provided \$0.415m for these facilities in the 2003-04 Capital Works Program.

A building condition assessment has also been undertaken of the Department's community facilities buildings. The Department also has in place an annual process to incorporate community facility managers' input into the allocation of available funds for repairs, maintenance and capital works. A standard risk analysis process is used to direct funds towards facilities requiring repairs or capital works on a priority needs basis.

The Department of Disability Housing and Community Services is currently preparing an Asset Management Strategy which will provide a framework for the ongoing management of community assets within its portfolio responsibility.

## **Recommendation 57**

**9.11. The Committee recommends that the ACT Government seek the views of the community sector with regard to budget priorities early in the annual budget cycle to ensure that those views can be properly addressed in the budget process.**

## Government Response

In developing a budget process, consideration of the timing of consultation is always taken into consideration. It should be noted that consultation was brought forward three months, with an invitation for submission being released in December 2003.

The Government would like to restate the value provided by community submissions as part of the development of the 2003-04 Budget Papers and reiterate its disappointment with the lack of participation of Standing Committees.

Consideration again will be taken in the development of the 2004-05 Budget cycle, including the potential early invitation for submissions into the development of the Budget.

## **Recommendation 58**

**9.16. The Committee recommends that the ACT Government immediately outline what initiatives it will take to address housing affordability in the ACT.**

### Government Response

Noted. The Affordable Housing Taskforce, which was established by the Government, has recommended a range of strategies to address the problem of housing affordability.

As outlined in the Government Response to the Report of the Affordable Housing Taskforce tabled in the Legislative Assembly on 8 May 2003, the Government is committed to undertake further work to achieve its long-term objectives for the provision of a sustainable affordable housing sector. However, there are no simple quick fixes. Furthermore, housing affordability is not simply a factor of housing costs but is also affected by general economic conditions, employment and overall living costs. Many of the factors that impact on affordability require medium to longer term planning and need to be recognised within broader social, economic and planning issues currently being addressed in the Social Plan, the Spatial Plan, the Economic White Paper and the Sustainability Plan.

With the heightened pressure on housing affordability in the Territory due to the bushfires, the Government has already made the following commitments in the 2003-04 Budget:

- \$3.0m will be made available for affordable housing initiatives, comprising community housing projects, head-leasing schemes, innovative affordable housing projects and ventures involving private and community sector finance and resources;
- \$13.4m over four years will be made available to provide increased short-term supported accommodation for families and single men in services for homeless people, and to more effectively respond to issues of homelessness in the ACT;

- \$8.8m will be used for the replacement in urban areas of rural public housing properties destroyed in the January 2003 Bushfires;
- the 2003-04 Land Release Program provides for the Government to release land for approximately 2,400 residential dwellings, and estimates that redevelopments will provide an additional 1,000 dwellings, to assist in meeting demand, providing stability and affordability, and meeting housing affordability objectives;
- the Government will commence a rental bonds assistance program for low-income earners; and
- property value thresholds for stamp duty concessions to low-income households purchasing their homes will be broadened to take into account increasing prices in residential property values.

In its response to the Taskforce Report the Government has agreed with 23 of the recommendations, agreed in principle with 17, and recommended that a further 6 be investigated. The Government will be releasing an Affordable Housing implementation plan in the second half of 2003 to accompany this response, and will be consulting with the business and community sectors concerning options. In the process of producing this plan the Government will be:

- examining the suitability of providing affordable housing using various mechanisms at particular sites throughout the ACT;
- further investigating mechanisms to increase affordable housing in the ACT, including the recommended 3-4% handback option in new multi-unit development sites;
- considering the options for cash equivalent payments by developers to be made in lieu of physical provision of affordable housing in multi-unit/block residential developments, as suggested by the Taskforce;
- through the recently released Community Housing Framework, developing policy options for the land release program for affordable housing development by community housing organisations; and
- investigating the possibility that as part of large-scale redevelopments being undertaken, that there be a requirement for affordable housing.

## **Recommendation 59**

**9.18. The Committee recommends that the Corrections supported accommodation facility receive continued funding.**

### Government Response

Not agreed.

In July 2002, Corrective Services developed, and internally funded, a supported accommodation program for adult offenders in recognition that accommodation is one of the elements that facilitates successful integration into the community.

The continuation of the accommodation program was seen as no longer viable within the existing budget and priorities and the program ceased operation on 27 February 2003.

The Government is currently developing a whole-of-government approach to the issue of homelessness in the ACT community, and offenders have been identified as one of the high needs groups requiring special consideration.

## **Recommendation 60**

**9.22. The Committee recommends that the government, as a matter of urgency meet with Volunteering ACT and clarify the situation with regard to its funding. The Committee calls on the Government to restore funding to Volunteering ACT.**

### Government Response

Noted.

Officers within the Chief Minister's Department who have whole-of-government responsibility for volunteering activity in the ACT, have already met with the President and Chief Executive Officer of Volunteering ACT to discuss future funding arrangements and a new contract for the next three years.

Not Agreed. In the 2002-03 Budget, the Government resolved to provide Volunteering ACT with a more secure funding regime through triennial funding of \$50,000 per annum. This approach to funding is a considerable advance on the ad hoc arrangements of previous years.

To supplement this base level funding, Volunteering ACT has been encouraged to apply to other ACT Government grants programs to seek support for specific projects and services. This approach is consistent with that of similar peak community organisations.

## **Recommendation 61**

**9.24. The Committee recommends that the Chief Minister appoint a senior official to coordinate the provision of services to the elderly and to liaise with government and community organisations in developing a strategic plan for managing the implications of an aging population.**

## Government Response

The Government has recognised the need to put in place appropriate strategies to meet the needs of an ageing population. It went to the last election with its “Plan for Older Canberrans”, which provides a wide range of strategies that seek to create an inclusive community where all older people feel safe and valued, and where adequate services are available to meet their needs. Priorities in the Plan include housing, transport, community facilities, mature age employment, health and community care, elder abuse, the knowledge capital, and concessions.

To ensure that the Plan is effectively implemented, the Government has established the ACT Office for Ageing in the Multicultural and Community Affairs Group within the Chief Minister’s Department. The Office ensures that a whole-of-government approach is adopted when dealing with issues associated with older people. It consults widely with a broad spectrum of older people to ensure their interests and needs are identified and catered for. A Senior Official has been appointed to manage the Office.

The Office is also represented on the national Positive Ageing Taskforce (PATF), which comprises representatives from each State and Territory and the Commonwealth. PATF is responsible for strategies in respect of positive ageing and reports to the Community Services Ministers’ Conference (CSMC).

The Office also coordinates the Positive Ageing Interdepartmental Committee, which has been established to ensure that a whole-of-government approach is adopted when dealing with ageing issues. Representatives from the Commonwealth Government and the ACT Ministerial Advisory Council on Ageing are also on the Committee.

The Government has also established the Ministerial Advisory Council on Ageing, which is chaired by Rev’d Dr Elizabeth McKinlay. The Council has taken a broad focus and provides the Government with advice about the effectiveness of our policies, programs and services and advises on issues such as: age friendly communities, mature age employment, and health and meaningful ageing. The Council has broad representation from the ACT aged community, and values the contribution provided by members representing the Council on the Ageing who occupies the standing position on the Ministerial Council.

## **Recommendation 62**

**9.27. The Committee therefore recommends that the ACT Government initiate discussions with the Commonwealth with the object of developing streamlined pre-approval systems for the provision of aged care accommodation.**

## Government Response

The Government acknowledges the vital role aged care facilities play in the provision of accommodation and services for the elderly and frail, especially while Canberra, as with most Australian cities, is experiencing growth in our aged population. The

Department of Urban Services currently participates in the Aged Care Planning Advisory Committee convened by the Department of Health and Aged Care to assist the Commonwealth Government plan for residential aged care within the ACT. There are a number of complexities however, and considerations in the planning process that may delay the development of residential aged care facilities. In acknowledgement of this, the Department has recently responded to a request from Kevin Andrews MP, to participate in the establishment of a forum to consider applications for new or expanded aged care facilities. The forum aims to improve dialogue among relevant stakeholders in the context of existing Planning and Appeals processes and to identify strategies to facilitate improved planning outcomes for such developments.

The Territory Plan has been amended to allow Supportive Housing for people who have special needs for reasons of infirmity (due to age) or disability, on land with a Community Facility land use policy. This use is permitted where it can be demonstrated that the land is no longer needed to meet the needs for other community facilities.

### **Recommendation 63**

**9.29. The Committee recommends that the ACT Government initiate a study to ascertain the extent of the problem of patients being housed in inappropriate facilities and report on the matter publicly.**

#### Government Response

Noted.

The Government interprets this recommendation as relating to the following:

- Older people in hospital waiting nursing home placement;
- Long stay patients in hospital, such as people with acquired brain injuries; and
- Young people with disabilities residing in residential aged care facilities.

The Government acknowledges that there are a number of older people waiting in the acute hospital system for nursing home placement. The pressure across the public health system is on the agenda of all States and Territory Governments. The need to also ensure that long stay patients in acute care hospitals receive appropriate care is an issue nationally.

The Government is working to operationalise aged care places in the ACT in order for older people to move into more appropriate care for their needs. There are also activities being undertaken through the Residential Aged Care Liaison Nurse position to streamline the process for accessing residential aged care facilities.

In addition to this ACT Health is refining its policy on nursing home patients in public hospitals, and is also looking internally at possible management strategies to deal with long stay patients.

Disability ACT is working actively with families and community agencies to prevent people with a disability, who are at risk of placement in a nursing home, from being placed in that arrangement. Currently there are 4 individuals in this situation of which the Government is aware. Additional funding of \$400,000 was provided by the Government in 2002-03 to assist with preventing new admissions of younger people with a disability to nursing home settings. This funding was provided to individuals in need of community support.

Disability ACT is aware that there were 11 individuals aged under 55 years in ACT nursing homes in October 2002, and that this number is unlikely to have changed.

## **Recommendation 64**

**9.33. The Committee recommends that the Government undertake a study of support services available to men and women with mental health issues to ensure that the resources provided, the availability of, and access to, services fairly reflects the needs of both men and women.**

### Government Response

The Government has undertaken a gender breakdown study of all services funded by Mental Health ACT (MHACT). The study reflects the period July 02 – June 03.

The study found that 49.5% of public mental health services (including Calvary) were delivered to female consumers and that 60.8% of beds in group homes were occupied by women. The study also revealed that 46.2% of MHACT funded Community Sector agencies were directed to women.

MHACT is developing a supported accommodation network providing service to both men and women. The scope and range of accommodation will be a key area to be addressed in the development of the procurement strategy over the next 12 months.

## **Recommendation 65**

**9.41. The Committee recommends that the budget funding for youth workers in high schools be directed to the existing community based youth workers who, in this new role, must be based in the high schools.**

### Government Response

Not Agreed. The provision of youth workers within a multidisciplinary model within schools is consistent with the findings of the review of counselling services. The aim of the initiative is to increase counselling and welfare support services for high school students. Youth workers will be a part of a school based team approach. It is important that youth workers have an employment relationship consistent with this approach.



The employment of the youth workers in this way will enable the staff identified to be selected and inducted with suitable training consistent with DEYFS procedures. This will also recognise that the youth workers will be working essentially with students, generally within schools, but at risk of non completion of schooling due to a range of school, home and family factors. It also recognises the vital working relationship with counselling and teaching staff within schools.

A set of protocols and procedures for the use of youth workers will be discussed with the youth sector, including how this program will be complemented by existing services outside the government and how youth workers will be utilised in the stand down period that applies to teaching staff.

### **Other Comments:**

#### **Non-government School Funding made outside recommendations**

Government notes with disappointment the Committee's critical comment about the apportioning of ACT funding between the government and non-government school sectors and the distribution of the \$27m school bus funding. It is clear that the committee has neither accepted nor perhaps understood the point made during Estimates Committee hearings regarding the three way funding partnership.

The non-government schools three way funding partnership is of long standing within the Territory, including during periods of government by the Opposition. The ACT's arrangements are broadly consistent with those in place in the states and territory.

The Commonwealth, the Territory and parents/school communities are involved in the funding of non-government schools. The Commonwealth is the major funding partner for non-government schools, the Territory provides around 17% of the average government school cost.

The non-government school sector's share of the \$27m is consistent with its enrolment share and the Territory's 17% contribution towards the funding of non-government schools. The contribution is made up of \$1m in 2002-03 to the Catholic systemic schools plus the \$1.2m announced in the 2003-04 Budget and the non-government school sector's share of the career education support service initiative.

It is a matter for individual non-government schools as to whether to contribute the increased funding being received from the Commonwealth to complement the Territory's 2003-04 Budget initiative to enable the intent of the initiative to be realised.

In addition, all non-government schools will receive additional funding as it becomes available from the closed Interest Subsidy Scheme. This additional per capita funding will be redirected to all non-government schools rather than just the well-resourced schools that are the major recipients of the Scheme over the next fifteen years.

### **Paragraphs 1.35 and 1.36 of the Report**

The approach is the same as under the previous government which allows for salary safety net funding of 1.3% and administrative funding indexed at 2.5%. This results in a composite rate of less than 2%. Funding for new or increased services and abnormal price increases e.g. insurance is dealt with annually and that explains the higher percentage increases in the prior years.

### **2.43.Regarding ACT Health's Performance in Responding to Questions on Notice**

ACT Health is aware of its obligations to the Estimates Committee regarding questions on notice and regrets those instances where information was not provided on time.

In 2002 the Estimates Committee generated 3 questions on notice. In comparison, in 2003 74 were received, 60 on the same day (the last day of Committee deliberations). Of the initial batch of questions, all fourteen were answered within the required timeframe.

Regarding the second batch of 60 questions, ACT Health contacted the Committee Secretariat to discuss timelines for responses and was told that the usual timeframe would not be strictly applied.

### **Paragraphs 4.46 and 4.47 of the Report**

The Note in Budget Paper Number 4 (Page 153) refers to a reduction in funding because of changed funding arrangements for blood transfusion services. This means that the Commonwealth will be funding the National Blood Authority direct rather than through ACT Health. There is no impact on services to the ACT community.