

SELECT COMMITTEE ON ESTIMATES 2012-2013

**Appropriation Bill 2012-2013 and  
Appropriation (Office of the Legislative  
Assembly) Bill 2012-2013**

AUGUST 2012

**Report 1, Volume 1 of 3: Main report**

## **Committee membership**

Ms Amanda Bresnan MLA	Chair
Mr John Hargreaves MLA	Deputy Chair
Mr Alistair Coe MLA	Member
Ms Meredith Hunter MLA	Member
Mr Brendan Smyth MLA	Member

## **Participating members**

Mr Steve Doszpot MLA	Member
Mrs Vicki Dunne MLA	Member
Mr Jeremy Hanson CSC MLA	Member
Ms Caroline Le Couteur MLA	Member
Ms Mary Porter AM MLA	Member
Mr Shane Rattenbury MLA	Member
Mr Brendan Smyth MLA	Member
Mr Zed Seselja MLA	Member

## **Secretariat**

Committee Secretary	Ms Sam Salvaneschi
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## Resolution of appointment

On 29 March 2012, the Legislative Assembly for the ACT resolved that:

- (1) a Select Committee on Estimates 2012-13 be appointed to examine the expenditure proposals contained in the Appropriation Bill 2012-2013 and any revenue estimates proposed by the Government in the 2012-2013 Budget and prepare a report to the Parliament;
- (2) the committee be composed of:
  - (a) one Member to be nominated by the Government;
  - (b) two Members to be nominated by the Opposition; and
  - (c) two Members to be nominated by the Greens;to be notified in writing to the Speaker by 4 pm today;
- (3) a non-government Member shall be elected chair of the Committee by the Committee;
- (4) funds be provided by the Parliament to permit the engagement of external expertise to work with the committee to facilitate the analysis of the Budget and the preparation of the report of the committee;
- (5) the committee is to report by Tuesday, 14 August 2012;
- (6) if the Assembly is not sitting when the committee has completed its inquiry, the committee may send its report to the Speaker or, in the absence of the Speaker, to the Deputy Speaker, who is authorised to give directions for its printing, publishing and circulation; and
- (7) the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders.”<sup>1</sup>

On 7 June 2012, the Assembly passed an amendment to this Resolution. The amendment added “,the Appropriation (Office of the Legislative Assembly) Bill 2012-2013” after the words “Appropriation Bill 2012-2013” in paragraph (1), above.<sup>2</sup> Hence, the Assembly resolved that the Committee would examine the Appropriation Bill 2012-2013, the Appropriation (Office of the Legislative Assembly) Bill 2012-2013, and any revenue estimates proposed by the Government in the 2012-2013 Budget.

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<sup>1</sup> Legislative Assembly for the Australian Capital Territory, *Minutes of Proceedings No. 144*, Thursday 29 March 2012, para. 15, pp. 1851-1852.

<sup>2</sup> Legislative Assembly for the Australian Capital Territory, *Minutes of Proceedings No. 153*, Thursday 7 June 2012, para. 32, p. 2026.

APPROPRIATION BILL 2012-2013 AND APPROPRIATION  
(OFFICE OF THE LEGISLATIVE ASSEMBLY) BILL 2012-2013

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## Abbreviations

ACT	Australian Capital Territory
ACTCOSS	ACT Council of Social Service
ACTPLA	ACT Planning and Land Authority
ACTPS	ACT Public Service
ACT LHN	ACT Local Hospital Network Directorate
AMC	Alexander Maconochie Centre
ANU	Australian National University
ATODA	Alcohol, Tobacco and Other Drug Association
CYFSP	Child, Youth and Family Services Program
CIT	Canberra Institute of Technology
CHANCES	Community Helping Aboriginal Australians to Negotiate Choices leading to Employment and Success
CMCD	Chief Minister and Cabinet Directorate
CSD	ACT Community Services Directorate
COAG	Council of Australian Governments
Cth	Commonwealth
DA	Development Application
EDD	Economic Development Directorate
EPC	Exhibition Park Corporation
ESDD	ACT Environment and Sustainable Development Directorate
ETD	ACT Education and Training Directorate
FTE	Full time equivalent
HACC	Home and Community Care

ICRC	Independent Competition and Regulatory Commission
ICT	Information and communication technologies
IT	Information Technology
LCMHC	Little Company of Mary Health Care
LDA	Land Development Agency
MOU	Memorandum of Understanding
NCA	National Capital Authority
NDIS	National Disability Insurance Scheme
NSP	Needle and Syringe Program
PAC	ACT Legislative Assembly's Standing Committee on Public Accounts
PWDACT	People with Disabilities ACT
QON	Question on Notice
QTON	Question Taken on Notice
RSPCA ACT	Royal Society for the Prevention of Cruelty to Animals ACT
SETRA	South East Tuggeranong Residents' Association
SPA	Superannuation Provision Account
SSC	Shared Services Centre
TAMS	ACT Territory and Municipal Services Directorate
TBA	Territory Banking Account
TFM contract	Total Facilities Management contract
UC	University of Canberra

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## RECOMMENDATIONS

### RECOMMENDATION 1

1.10 The Committee recommends that all ACT Government Ministers give consideration to providing, or allowing their directorate staff to provide, more detailed answers at hearings of the Legislative Assembly's estimates committees, including breakdowns of the allocations of funding within Budget output classes.

### RECOMMENDATION 2

1.12 The Committee recommends that the ACT Government ensures that budget accountability indicators in ACT budget papers are useful and relevant.

### RECOMMENDATION 3

1.18 The Committee recommends that all questions taken on notice, or placed on notice during the Inquiry of the Select Committee on Estimates 2012-2013 of the ACT Legislative Assembly be answered before the resumption of the Assembly's debate on the Appropriation Bill 2012-2013 and the Appropriation (Office of the Legislative Assembly) Bill 2012-2013.

### RECOMMENDATION 4

2.2 The Committee recommends that the ACT Budget continue to be presented after the Federal Budget.

### RECOMMENDATION 5

2.12 The Committee recommends that the ACT Government review the process by which capital works projects are scoped as a means of minimising infrastructure project rollovers and delays in completing infrastructure projects.

### RECOMMENDATION 6

2.33 The Committee recommends that section 11(1)(f) of the *Financial Management Act 1996* (ACT) be amended to ensure that Cost of Living Statements take into account all matters in the Budget that will affect the cost of living for people living in the ACT.

#### **RECOMMENDATION 7**

2.47 The Committee recommends that, if the Territory Banking Account balance reaches zero, the ACT Treasurer should immediately advise the Legislative Assembly at its next meeting and detail the measures being taken to address the situation.

#### **RECOMMENDATION 8**

2.57 The Committee recommends that the ACT Government review the implications of the increasing uptake of pension options rather than lump sum options on the unfunded defined benefit superannuation liabilities and report its findings to the Legislative Assembly.

#### **RECOMMENDATION 9**

2.63 The Committee recommends that the ACT Government report to the ACT Legislative Assembly on the expected impact of the *Commonwealth v Cornwell* (2007) High Court of Australia decision on the Government's superannuation liabilities.

#### **RECOMMENDATION 10**

2.68 The Committee recommends that the ACT Government report to the Legislative Assembly on whether it will adopt the revised Accounting Standard AASB 119—Employee Benefits and the implications of any such decision for the 2012–13 Budget.

#### **RECOMMENDATION 11**

2.74 The Committee recommends that the ACT Government determine a threshold for amounts that can be reported against line items of 'other' or 'miscellaneous' in budget papers, above which it will publish disaggregated data of what constitutes those items.

#### **RECOMMENDATION 12**

2.80 The Committee recommends that the ACT Government inform the Legislative Assembly as soon as practicable if the total expected expenditure for the enlarged Cotter Dam construction project exceeds the current budget of \$404.63 million.

#### **RECOMMENDATION 13**

2.90 The Committee recommends that, given the changing nature of the gaming industry and marketplace, the ACT Government should inform the Legislative Assembly about the future of ACTTAB Limited.



**RECOMMENDATION 14**

2.96 The Committee recommends that the Government should, wherever possible, support new social ventures.

**RECOMMENDATION 15**

2.98 The Committee recommends that ACT Government Directorates be required to publish procurement plans that set out all intended procurement processes for the coming financial year.

**RECOMMENDATION 16**

2.103 The Committee recommends that the ACT Government undertake a full review of the delivery of services by the Shared Services Centre, utilising an activity based costing process.

**RECOMMENDATION 17**

2.109 The Committee recommends that the ACT Government report to the Legislative Assembly on its development of risk management and business continuity plans for the Government's information technology systems.

**RECOMMENDATION 18**

2.110 The Committee recommends that the ACT Government review its current approach to information and technology security against the Commonwealth Government's Protective Security Policy Framework.

**RECOMMENDATION 19**

2.112 The Committee recommends that the ACT Government: (a) undertake a verification of the integrity and completeness of data in the ACT Government Contracts Register; and (b) implements a consistent approach to the entering of contractual information into the Register.

**RECOMMENDATION 20**

2.115 The Committee recommends that the ACT Government require Directors-General to provide to the Standing Committee on Public Accounts, within fourteen days of finalisation, the reasons for exempting the purchase of goods and/or services from public tender processes, where the value of the procurement activity is above \$500,000.

**RECOMMENDATION 21**

3.8 The Committee recommends that the Chief Minister and Cabinet Directorate work with all Directorates to improve Accountability Indicators across the ACT Public Service to ensure that they relate to each Directorate's respective objectives and the ACT Government's strategic objectives.

## **RECOMMENDATION 22**

3.10 The Committee recommends that the ACT Government develop a whole-of-government policy on the release of ACT agencies' internal audit reports.

## **RECOMMENDATION 23**

3.15 The Committee recommends that the ACT Government provide the ACT Legislative Assembly with a detailed breakdown of the 180 Full Time Equivalent positions by which the ACT Public Service will be reduced in 2012–13. This should include allocation across directorates, classifications, and anticipated separation dates.

## **RECOMMENDATION 24**

3.16 The Committee recommends that the ACT Government should advise the ACT Legislative Assembly if the forecast reductions in growth in the ACT Public Service for 2012–13 will exceed the targeted 180 Full Time Equivalent positions.

## **RECOMMENDATION 25**

3.26 The Committee recommends that the ACT Government continue to make representations to the Commonwealth Government on behalf of the Territory with a view to obtaining, at a minimum, matched funding from the Commonwealth for the 2013 Centenary of Canberra programme of celebrations.

## **RECOMMENDATION 26**

3.28 The Committee recommends that the ACT Government inform the ACT Legislative Assembly with regard to the ACT Executive's mobile phone policy. This should include detail on policy guidance concerning: allocation—delineating between Ministers and ministerial staff, terms of use, acquittal of conditions attached to use, and payment plans.

## **RECOMMENDATION 27**

3.35 The Committee recommends that the ACT Government review its procurement processes, particularly for civil construction projects, to better preference tenderers that prioritise work safety and fair wages and conditions and other initiatives that will improve the construction industry, such as worker training and employment of disadvantaged workers.

**RECOMMENDATION 28**

4.7 The Committee recommends that the ACT Government consult with Paramedics Australia regarding registration of paramedics as part of the National Health Practitioners Registration Scheme.

**RECOMMENDATION 29**

4.17 The Committee recommends that the ACT Government detail to the Legislative Assembly the scope and timetable for all the e-health initiatives.

**RECOMMENDATION 30**

4.40 The Committee recommends ACT Health develop and report to the Legislative Assembly on the indicators it will use to measure the quality and the outcomes of care provided through the Canberra Hospital Emergency Department.

**RECOMMENDATION 31**

4.45 The Committee recommends that the ACT Government engage with local midwife representatives to further develop an appropriate model for a stand-alone birth centre.

**RECOMMENDATION 32**

4.49 The Committee recommends that the ACT Government continues to grow the proportion of health funding allocated to mental health services towards 12 per cent of the total ACT Budget.

**RECOMMENDATION 33**

4.53 The Committee recommends that the ACT Minister for Health report to the Legislative Assembly on what level of in-patient services the ACT Government provides to adults suffering eating disorders, and where ACT residents go if they need a higher level of service.

**RECOMMENDATION 34**

4.58 The Committee recommends the ACT Government advise the Legislative Assembly which local drug and alcohol services will be reduced as a result of cuts in Commonwealth funding, and what strategies will be implemented to cope with the unmet client need caused by these reductions.

**RECOMMENDATION 35**

4.62 The Committee recommends that all Alexander Maconochie Centre detainees with Hepatitis C have timely access to the Hepatitis C treatment, if they have the gene and body weight that makes them treatable with this treatment.

**RECOMMENDATION 36**

4.63 The Committee recommends that a needle and syringe program be trialled in the Alexander Maconochie Centre so as to prevent further spread of blood borne diseases.

**RECOMMENDATION 37**

4.69 The Committee recommends the ACT Government take greater steps to target anti-smoking campaigns and programs to low income and vulnerable people.

**RECOMMENDATION 38**

4.71 The Committee recommends that the ACT Government develop a men's health plan and appropriate associated literature to improve men's health in the ACT.

**RECOMMENDATION 39**

4.75 The Committee recommends that the ACT Government provide the Legislative Assembly with a copy of the report on the review of Lymphoedema services as soon as it is available.

**RECOMMENDATION 40**

4.81 The Committee recommends the ACT Government establish more timely administration processes for Home and Community Care growth and indexation funds.

**RECOMMENDATION 41**

4.84 The Committee recommends that the ACT Government develop a long-term strategy for the provision of staff for geriatrician services in the ACT.

**RECOMMENDATION 42**

4.87 The Committee recommends that the ACT Government establish a plan in consultation with ACTION to resolve the problems with accessing the Village Creek Centre by public transport.

**RECOMMENDATION 43**

4.103 The Committee recommends the ACT Minister for Health update the Legislative Assembly on how and where funding from the National Partnership on a Commonwealth Dental Program will be targeted, and what changes will occur in delineation of staff roles.

**RECOMMENDATION 44**

4.105 The Committee recommends that the ACT Government report to the Legislative Assembly when the issue of outstanding employee entitlements for Calvary Public Hospital staff is resolved, as soon as that occurs.

**RECOMMENDATION 45**

4.107 The Committee recommends ACT Health proactively establish networks and relationships between medical staff and private midwives at the Canberra Hospital so as to ensure birthing women, in the ACT, can access Medicare benefits for use of a private midwife pre- and post-birth.

**RECOMMENDATION 46**

5.3 The Committee recommends that the ACT Government (a) include, in all future budgets, indicators for current and next year budgeted costs of various activities under the Territory and Municipal Services portfolio output classes; (b) investigate doing this for all Directorates; and (c) investigate providing this information online.

**RECOMMENDATION 47**

5.7 The Committee recommends that, as part of its library strategy, the ACT Government ensures that most ACT residents live no further than three kilometres from an ACT public library.

**RECOMMENDATION 48**

5.13 The Committee recommends that the ACT Government identify new areas in which to build bus priority/transit lanes and significantly increases its goal for new bus priority/transit lanes.

**RECOMMENDATION 49**

5.21 The Committee recommends that the ACT Government present to the Legislative Assembly its current information about, and strategy for, freight movements in the ACT.

**RECOMMENDATION 50**

5.33 The Committee recommends that the ACT Government informs the National Capital Authority of the views of ACT residents before any decision is made to permanently close the western end of Russell Drive.

**RECOMMENDATION 51**

5.35 The Committee recommends the ACT Government maintains funding for walking and cycling infrastructure in future ACT budgets.

**RECOMMENDATION 52**

5.39 The Committee recommends that the different waste streams be reported on separately for the relevant output class in future budget papers.

**RECOMMENDATION 53**

5.40 The Committee recommends that the ACT Government implement a more accurate means of measuring waste generation per head of ACT population for reporting on the ACT NOWaste program.

**RECOMMENDATION 54**

5.44 The Committee recommends that immediate action be taken to reduce the amount of organic waste becoming landfill.

**RECOMMENDATION 55**

5.49 The Committee recommends that the ACT Government investigate including the collection of city recycling bins in future kerbside bin collection contracts.

**RECOMMENDATION 56**

5.50 The Committee recommends that recycling bins be installed in the other town centres apart from Civic.

**RECOMMENDATION 57**

5.55 The Committee recommends that the ACT Government, in its tender evaluations, gives greater weighting to those tendering organisations that encompass social enterprises.

**RECOMMENDATION 58**

5.60 The Committee recommends that the Budget Papers should identify those budget allocations that are in response to recommendations from the ACT Commissioner for Sustainability and the Environment.

**RECOMMENDATION 59**

5.64 The Committee recommends that a review of pest management funding and outcomes be undertaken and appropriate funding be committed as soon as possible.

**RECOMMENDATION 60**

5.67 The Committee recommends that the ACT Government inform the Legislative Assembly about the outcomes of discussions concerning the future of the operations at the Pialligo Stone Quarry.

**RECOMMENDATION 61**

5.73 The Committee recommends the ACT Government consider making additional Budget allocations, along with structural reforms and productivity gains, to the ACTION network to improve its bus frequency, coverage, and patronage, in line with sustainable transport targets.

**RECOMMENDATION 62**

5.78 The Committee recommends that ACTION survey ACTION bus service users to obtain an accurate picture of customer satisfaction with its services.

**RECOMMENDATION 63**

5.81 The Committee recommends that the ACT Government undertake a post-implementation review of the ACTION MyWay ticketing system.

**RECOMMENDATION 64**

5.82 The Committee recommends that the ACT Government outlines what data can be extracted from the ACTION MyWay information technology system and when further information regarding customer use of ACTION buses will be available from it.

**RECOMMENDATION 65**

5.84 The Committee recommends that the ACT Government provides its overarching strategy for the installation, design and maintenance of bus shelters along with the Government's response to this Report.

**RECOMMENDATION 66**

5.88 The Committee recommends that the ACT Government publicly discloses the value of the contract with Bus Advertising Media Pty Ltd within the ACT Contracts Register and, further, provides advice on this along with the Government's response to this Report.

**RECOMMENDATION 67**

5.96 The Committee recommends that the ACT Government report to the Legislative Assembly the timeframe for the establishment of the southern cemetery.

**RECOMMENDATION 68**

6.8 The Committee recommends that the ACT Government provides to the Legislative Assembly further information on how the Government is assured that it will be able to meet the budgeted employee expense targets in the forward estimate years of the ACT Budget 2012-2013.

#### **RECOMMENDATION 69**

6.12 The Committee recommends that the ACT Government ensures that funding for special needs transport is maintained at current levels, at a minimum, plus increased for growth in the Consumer Price Index, and that the arrangements for the provision of this transport are advised to parents prior to the end of the 2012 school year.

#### **RECOMMENDATION 70**

6.15 The Committee recommends that the ACT Government ensures that the savings initiatives required of the Education and Training Directorate are not directed at teaching numbers or school resourcing.

#### **RECOMMENDATION 71**

6.21 The Committee recommends that the ACT Government consider models of targeted funding and support for students with dyslexia, similar to that provided in NSW.

#### **RECOMMENDATION 72**

6.34 The Committee recommends that greater consultation occurs with the local community and the Duffy Primary School Parents and Citizens Association about the nature of the temporary measures and the longer term strategy for public schooling in the Weston Creek–Molonglo area.

#### **RECOMMENDATION 73**

6.39 The Committee recommends that the ACT Government report to the Legislative Assembly on the strategy and reporting regime for carbon neutrality in ACT Schools during this Assembly.

#### **RECOMMENDATION 74**

6.48 The Committee recommends that non-government schools are provided with ongoing recurrent funding to support students with disabilities.

#### **RECOMMENDATION 75**

6.55 The Committee recommends that WorkSafe ACT undertakes a comprehensive review of the work performed by the Canberra Institute of Technology (CIT) to address workplace bullying within two months of the expiry of the Improvement Notice issued by WorkSafe ACT to CIT and that the ACT Government reports the results of this review to the Legislative Assembly.



**RECOMMENDATION 76**

6.56 The Committee recommends that the ACT Government reports to the Legislative Assembly in its first sitting period after the 2012 Election the outcomes of the ACT Commissioner for Public Administration's investigation into workplace bullying at the Canberra Institute of Technology (CIT).

**RECOMMENDATION 77**

6.57 The Committee recommends that the ACT Government ensures that the ACT Commissioner for Public Administration's report on their investigation into workplace bullying at the Canberra Institute of Technology (CIT) include advice as to whether employees, whose complaints have been upheld, have been satisfactorily compensated for the medical and other costs they incurred due to the events that gave rise to their complaints.

**RECOMMENDATION 78**

6.60 The Committee recommends that the Canberra Institute of Technology (CIT) prepares a detailed strategy for the next four years that addresses how it would meet its 2012-13 priority of expanding and diversifying its revenue base.

**RECOMMENDATION 79**

6.63 The Committee recommends that the ACT Government reviews the approach taken by the Canberra Institute of Technology (CIT) to land valuation to determine whether it is consistent with the requirements of Australian Accounting Standards, and what, if any, impact this may have at a whole of government level.

**RECOMMENDATION 80**

6.64 The Committee recommends that the ACT Government advises the Legislative Assembly on the outcomes of this review of the land valuation approach taken by the Canberra Institute of Technology (CIT), including whether a material write down of land across government is required.

**RECOMMENDATION 81**

7.7 The Committee recommends that the ACT Government provide the results of the University of New South Wales review of the ACT Land Rent Scheme to the Legislative Assembly as soon as possible.

**RECOMMENDATION 82**

7.11 The Committee recommends that the ACT Government detail the timeline for the key deliverables in the Canberra City Area Action Plan 2010–16.

**RECOMMENDATION 83**

7.12 The Committee recommends that the ACT Government outline what role Canberra CBD Limited will have in the development and implementation of the Canberra City Area Action Plan 2010–16.

**RECOMMENDATION 84**

7.18 The Committee recommends that the ACT Government provides accountability indicator targets and outcomes for all those events conducted in the ACT that receive significant funding from the ACT Government.

**RECOMMENDATION 85**

7.26 The Committee recommends that the ACT Government immediately release the Gungahlin Strategic Offsets Package.

**RECOMMENDATION 86**

7.39 The Committee recommends that the ACT Government detail to the Legislative Assembly how it proposes to deliver serviced land to the market in line with its land release targets.

**RECOMMENDATION 87**

7.41 The Committee recommends that the ACT Government assess and report to the Legislative Assembly on whether the current machinery of government arrangements for land releases, infrastructure development and planning approvals in the ACT are delivering optimal outcomes.

**RECOMMENDATION 88**

7.50 The Committee recommends that the ACT Government develop a strategy for long-term tourism needs in respect of accommodation, attractions and events and in doing so consider the Western Australian Government-Tourism WA strategies addressing the same needs.

**RECOMMENDATION 89**

7.70 The Committee recommends that the ACT Gambling and Racing Commission, as part of its review of the Code of Practice, consider excluding staff of newsagents from the general restriction on staff of gambling facilities taking part in gambling at those facilities.

**RECOMMENDATION 90**

8.24 The Committee recommends that the ACT Government develop a plan to address the long-term accommodation needs of community legal centres.

**RECOMMENDATION 91**

8.60 The Committee recommends that the ACT Government publish summaries of the statistics produced from the ACT crimes sentencing database once it is operational.

**RECOMMENDATION 92**

8.66 The Committee recommends that before making significant changes to court fees in the future, the ACT Attorney General consult with the legal profession.

**RECOMMENDATION 93**

8.91 The Committee recommends that the ACT Government present to the Legislative Assembly the records on the number of times that fire brigade and ambulance stations have been closed over the last two financial years due to there being insufficient staff because the staff are on leave and/or training exercises.

**RECOMMENDATION 94**

8.92 The Committee recommends that the ACT Government present to the Legislative Assembly the policy on closures of fire brigade and ambulance stations, including what provisions are made for fire and ambulance call-outs during these closures.

**RECOMMENDATION 95**

8.114 The Committee recommends that the ACT Government provide information on the planning being undertaken to ensure that there are sufficient numbers of police now and in future years.

**RECOMMENDATION 96**

8.154 The Committee recommends that the ACT Government report in annual reports (a) the number of detainees held in the Crisis Support Unit at the Alexander Maconochie Centre for longer than two weeks; and (b) a breakdown of the numbers of detainees in terms of gender, identification as Aboriginal and/or Torres Strait Islander, and other pertinent socio-demographic categories.

**RECOMMENDATION 97**

8.193 The ACT Government commission an independent review of the procurement process that led to the acquisition of the Radio Frequency Identification (RFID) system at the Alexander Maconochie Centre.

**RECOMMENDATION 98**

8.197 The Committee recommends the ACT Government provide a date by which the gymnasium, chapel and quiet place facilities will be constructed and available to detainees at the Alexander Maconochie Centre.

**RECOMMENDATION 99**

8.201 The Committee recommends that the ACT Government report to the Legislative Assembly what generic counselling is currently available to detainees at the Alexander Maconochie Centre, and what future counselling will be made available and by what date.

**RECOMMENDATION 100**

9.14 The Committee recommends that the ACT Government not impose a co-contribution on the community sector to fund the Community Sector Reform Program.

**RECOMMENDATION 101**

9.36 The Committee recommends that the ACT Government determine and report to the ACT Legislative Assembly the number of people with disabilities who will need training in self-advocacy and decision-making to make optimal use of the National Disability Insurance Scheme, and the ACT Government's plans to fund and implement that training.

**RECOMMENDATION 102**

9.47 The Committee recommends that the ACT Government make the pilot Therapy Assistance Program an ongoing program, with a view to increasing the number of schools, including non-government schools, who can access this program.

**RECOMMENDATION 103**

9.60 The Committee recommends that a list of childcare providers granted temporary and permanent waivers from staff qualification, space or other requirements are made accessible on the Community Services Directorate website.

**RECOMMENDATION 104**

9.77 The Committee recommends that the ACT Minister for Aboriginal and Torres Strait Islander Affairs not make decisions about whether organisations are Aboriginal and/or Torres Strait Islander on the basis of unsubstantiated statements.

**RECOMMENDATION 105**

9.79 The Committee recommends that the ACT Government work with the Aboriginal community in the ACT to foster the development of capacity for Aboriginal organisations to provide housing and housing support services to Aboriginal people.

**RECOMMENDATION 106**

9.82 The Committee recommends that the ACT Government open discussions with Billabong Aboriginal Development Corporation about whether it is interested in once again providing a social housing service to Aboriginal people in the ACT with ACT Government support.

**RECOMMENDATION 107**

9.84 The Committee recommends the ACT Government review the current secretariat support offered to the ACT Aboriginal and Torres Strait Islander Elected Body.

**RECOMMENDATION 108**

9.85 The Committee recommends that the ACT Government engage and consult with the ACT Aboriginal and Torres Strait Islander Elected Body on a more frequent and regular basis.

**RECOMMENDATION 109**

9.87 The Committee recommends that the Community Helping Aboriginal Australians to Negotiate Choices leading to Employment and Success program (CHANCES) be provided with at least two-yearly recurrent funding, with appropriate evaluation mechanisms, to provide some certainty to staff, partner agencies, and clients.

**RECOMMENDATION 110**

The Committee recommends the Community Services Directorate develop indicators for the Office for Ageing which show how the ACT Government is meeting its key plans in policy and programs for ageing.

**RECOMMENDATION 111**

9.103 The Committee recommends that the ACT Government commence a master planning process for the Kingston Arts Precinct that considers all options for the Fitters' Workshop.

**RECOMMENDATION 112**

9.104 The Committee recommends that the ACT Government release all documents connected with existing Kingston Arts Precinct planning and consultation processes.

**RECOMMENDATION 113**

9.106 That the ACT Government investigate the suitability of existing accountability indicators for the Arts portfolio and amend or remove indicators as necessary.

**RECOMMENDATION 114**

9.115 The ACT Government consider supporting the community group proposal it has received to develop a rural fire service museum that would be housed in the former Nolan Gallery.

**RECOMMENDATION 115**

9.121 The Committee recommends that the ACT Government commence the tender process for a therapeutic protection facility.

**RECOMMENDATION 116**

9.124 The Committee recommends that the ACT Government ascertain the number of informal kinship carer arrangements in the ACT to understand the total scale of kinship care arrangements and their support needs.

**RECOMMENDATION 117**

9.130 The Committee recommends that the ACT Government report as part of the Government's response to this Inquiry report the extent of the involvement of the Expert Advisory Panel in the development of the Blueprint for Youth Justice.

**RECOMMENDATION 118**

9.145 The Committee recommends that the ACT Government outline their strategy for increasing public housing stock.

**RECOMMENDATION 119**

9.150 The Committee recommends that the ACT Government clearly inform community sector organisations about the procedures and guidelines for minimum rental debt repayments by ACT public housing tenants.

**RECOMMENDATION 120**

9.154 The Committee recommends that the ACT Government implement the recommendation from the Targeted Assistance Panel that the ACT Government use debt waiver and partial debt waiver as a form of assistance where people have little or no capacity to pay, and where the debt would prolong or compound financial hardship.

**RECOMMENDATION 121**

9.159 The Committee recommends that the ACT Government (a) provide updates, in Annual Reports, on the performance of the ACT Government's Total Facilities Management contract in respect of employment of young people, people with disabilities, public housing tenants, and people with an Aboriginal or Torres Strait Islander background; and (b) consider whether the Government should contract a specialist provider of employment support services to people experiencing disadvantage to discharge this component of the Total Facilities Management contract.

**RECOMMENDATION 122**

9.164 The Committee recommends the ACT Government ensure Firstpoint is provided on a 24 hour, seven days a week basis.

**RECOMMENDATION 123**

10.5 The Committee recommends that the ACT Minister for the Environment and Sustainable Development create a new restricted plumbing licence for landscapers under the *Construction Occupations (Licensing) Act 2004* (ACT).

**RECOMMENDATION 124**

10.14 The Committee recommends that the ACT Government advise the Legislative Assembly, by the last sitting day of this Assembly, how it will improve the timeliness of the ACT's Development Application processes.

**RECOMMENDATION 125**

10.21 The Committee recommends that the ACT Government provide the Legislative Assembly by the last sitting day of this Assembly with the list of

master planning processes to be undertaken during the 2012-13 financial year.

**RECOMMENDATION 126**

10.27 The Committee recommends that the ACT Government immediately prepare specific guidelines for the conservation and management of the Tralee and Couranga Homesteads.

**RECOMMENDATION 127**

10.28 The Committee recommends that the ACT Government publish criteria for use in determining when a conservation management plan should be prepared for heritage listed properties.

**RECOMMENDATION 128**

10.30 The Committee recommends that the ACT Government (a) expedite current discussions between the Heritage Unit in the Environment and Sustainable Development Directorate and the ACT Planning and Land Authority to clarify how work in heritage areas which is exempt from development approval will be better managed and monitored, and (b) publish the outcomes of these discussions.

**RECOMMENDATION 129**

10.42 The Committee recommends that the ACT Government announce a timeframe for finalising *Weathering the Change: Draft Action Plan 2 Pathway to a sustainable and carbon neutral Canberra 2011 – 2060* (2011).

**RECOMMENDATION 130**

10.62 The Committee recommends that all ACT Government Directorates be required to finalise their respective Resource Management Plans by no later than 30 June 2013.

**RECOMMENDATION 131**

10.70 The Committee recommends that finalisation of the review of the *Nature Conservation Act 1980* (ACT) should be assigned high priority status and additional resources allocated to it to avoid further delay.

**RECOMMENDATION 132**

10.74 The Committee recommends that the biodiversity offsets policy be subject to community consultation before it is finalised and that greater transparency be adopted in the policy development process.



**RECOMMENDATION 133**

10.75 The Committee recommends that until the biodiversity offsets policy is agreed to by the Council of Australian Governments, interim ACT biodiversity offsets guidelines be developed and adopted on the basis of the results of Government's consultations with the community.

**RECOMMENDATION 134**

10.76 The Committee recommends that there be a specific budget allocation for biodiversity monitoring and reporting, and strategic and accountability indicators for biodiversity outcomes, in appropriate ACT government documents, including forthcoming ACT Budget Papers.

**RECOMMENDATION 135**

10.79 The Committee recommends that the ACT Government make public the Environment and Sustainable Development Directorate report on the roles and functions of the Conservator of Flora and Fauna.

**RECOMMENDATION 136**

10.86 The Committee recommends that the ACT Government make public the report on the review of the operations of the Environment Protection Authority.

**RECOMMENDATION 137**

10.94 The Committee recommends that appropriate staffing resources should be allocated to develop and report on the review of the *Nature Conservation Act 1980* (ACT) and finalise the ACT *Weathering the Change: Draft Action Plan 2 Pathway to a sustainable and carbon neutral Canberra 2011 – 2060* (2011).

**RECOMMENDATION 138**

10.98 The Committee recommends that the Minister for the Environment and Sustainable Development promptly progress plans for the appointment of an ongoing Commissioner for Sustainability and establish a deadline for the appointment.

**RECOMMENDATION 139**

10.126 The Committee recommends that the Government review how the *Commissioner for Sustainability and the Environment Act 1993* (ACT) can provide for circumstances where there is no Commissioner for Sustainability and the Environment and no Acting Commissioner has been appointed.

**RECOMMENDATION 140**

10.132 The Committee recommends that the Minister appoint an acting commissioner for sustainability and the environment when the commissioner or acting commissioner is on leave or legislate for which position in the Office of the Commissioner for Sustainability and the Environment becomes the acting commissioner, when the commissioner or acting Commissioner is unavailable.

**RECOMMENDATION 141**

11.5 The Committee recommends that the Office of the Legislative Assembly institute, as soon as possible, an electronic system by which the general public can lodge petitions with the ACT Legislative Assembly.

**RECOMMENDATION 142**

12.9 The Committee recommends that all ACT Government documents, including the Budget papers each year, be available online in a format that is accessible for people who are blind or vision impaired.

**RECOMMENDATION 143**

12.10 The Committee recommends that the ACT Government promote its services in written formats that are accessible to people who are blind or vision impaired.

**RECOMMENDATION 144**

12.20 The Committee recommends that the ACT Government commission an independent review of stages I and II of the ACT Affordable Housing Action Plan.

**RECOMMENDATION 145**

12.24 The Committee recommends that (a) all first home buyers, with incomes below a reasonable limit, receive the same stamp duty concessions for the purchase of their first homes whether they are existing, new, or substantially renovated properties; and (b) that the Government consider extending this concession beyond 31 August 2012.

**RECOMMENDATION 146**

12.33 The Committee recommends that the ACT Government report to the Assembly on ongoing funding for the Child, Youth and Family Services Program and why the Youth Coalition of the ACT Budget proposal was not supported.

**RECOMMENDATION 147**

12.37 The Committee recommends that the ACT Government monitor and report regularly on (a) the rate of ACT juvenile detainees who are later imprisoned as adults in the Alexander Maconochie Centre; and (b) the rate of ACT juvenile detainees who are later imprisoned as adults in other Australian jurisdictions, if it is possible to obtain the relevant data.

**RECOMMENDATION 148**

12.49 The Committee recommends that the ACT Government adequately fund the RSPCA ACT for the services that they deliver.

**RECOMMENDATION 149**

12.50 The Committee recommends that the ACT Government detail the funding it has provided RSPCA ACT for RSPCA ACT's delivery of town cat control services.

**RECOMMENDATION 150**

12.53 The Committee recommends that the ACT Government provide a timeline to the Legislative Assembly for the relocation of the RSPCA.

**RECOMMENDATION 151**

12.70 The Committee recommends that the ACT Government (a) report to the Legislative Assembly on its proposed expenditure during the 2012-2013 financial year for alcohol and other drug services; and (b) clearly state its proposed expenditure for alcohol and other drug services in the budget papers for all future ACT Budgets.



# 1 INTRODUCTION

- 1.1 On 29 March 2012, the Legislative Assembly of the ACT (the Assembly) established the Select Committee on Estimates 2012–2013 to examine the expenditure proposals contained in the Appropriation Bill 2012–2013 and any revenue estimates proposed by the Government in the 2012–2013 Budget.<sup>3</sup> On 7 June 2012, the Assembly amended this resolution to state that the Committee would also examine the Appropriation (Office of the Legislative Assembly) Bill 2012-2013.<sup>4</sup>
- 1.2 The Appropriation Bill 2012–2013<sup>5</sup> and the Appropriation (Office of the Legislative Assembly) Bill 2012-2013<sup>6</sup> were introduced to the Assembly on 5 June 2012. Immediately after presenting the Appropriation Bill 2012–2013, the Treasurer presented to the Assembly papers on the bills,<sup>7</sup> as is required by the *Financial Management Act 1996* (ACT).<sup>8</sup>

## Conduct of the public hearings

- 1.3 The Committee held public hearings over 12 days between 15 June and 5 July 2012, inclusive, and deliberated on the Committee’s report in five days of private meetings.
- 1.4 In the hearings, the Committee heard evidence from the Ministers of all the ministerial portfolios; the officers of all the Territory Owned Corporations, such as ACTEW, the operator of water and sewerage business in the ACT; all ACT statutory offices, such as the office of the Commissioner for Sustainability and the Environment; and the Speaker of the Assembly and the Assembly

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<sup>3</sup> Legislative Assembly for the Australian Capital Territory (ACT Legislative Assembly), *Minutes of Proceedings No. 144*, Thursday 29 March 2012, para. 15, pp. 1851-1852.

<sup>4</sup> Legislative Assembly for the Australian Capital Territory, *Minutes of Proceedings No. 153*, Thursday 7 June 2012, para. 32, p. 2026.

<sup>5</sup> Legislative Assembly of the ACT, *Minutes of Proceedings No. 151*, Tuesday 5 June 2012, para. 9, p.1994.

<sup>6</sup> Legislative Assembly of the ACT, *Minutes of Proceedings No. 151*, Tuesday 5 June 2012, para. 10, p.1995.

<sup>7</sup> Legislative Assembly of the ACT, *Minutes of Proceedings No. 151*, Tuesday 5 June 2012, para. 9, p.1995

<sup>8</sup> *Financial Management Act 1996* (ACT), section 10.

Clerk and other senior officers of the Office of the Legislative Assembly. The Committee also heard from organisations and groups from the ACT community. Chapter 12 outlines the evidence given by these groups and the process by which they were invited to hearings and gave evidence.

- 1.5 Appendix A in Volume 3 of this Report provides a list of the Ministers, directorate officials, and all other witnesses who appeared before the Committee.
- 1.6 All the Hansard transcripts of evidence given at the hearings, and responses to questions on notice and questions take on notice are available on the Inquiry webpage. The exhibits and submissions provided to the Committee are also available on the webpage.<sup>9</sup> Public Hearings are available to view on *Committees on Demand*, a portal of audio-visual recordings of the hearings accessible on the home page of the Assembly's website.<sup>10</sup>
- 1.7 In some cases, when the Committee asked Ministers and directorate officials at hearings for a breakdown of large items of expenditure listed in the Budget Papers for the ACT Budget 2012-2012,<sup>11</sup> they were unable to provide them except to specify very broad categories of causes of the expenditure. Sometimes they were unable to attribute approximate percentages or whole figures to these broad categories. In these cases, the Ministers took the questions on notice.
- 1.8 For example, the Treasurer took on notice the Committee's question about the breakdown of the growth in employee expenses by \$80.2 million or 5.5 per cent in 2012-13 from the 2011-12 estimated outcome.<sup>12</sup> The Treasurer also took on notice the Committee's question about what proportions of the \$267.9 million estimate for conveyance duties in 2011-12, and of the estimates

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<sup>9</sup> ACT Legislative Assembly Select Committee on Estimates 2012-2013 webpage <<http://www.parliament.act.gov.au/committees/index1.asp?committee=177>>, accessed 2 July 2012.

<sup>10</sup> ACT Legislative Assembly *Committees on Demand* web portal <<http://committees.parliament.act.gov.au/>>, accessed 2 July 2012.

<sup>11</sup> All Budget Papers of the ACT Budget 2012-2013 were presented to the Legislative Assembly by the ACT Treasurer on 5 June 2012 and are available on the ACT Treasury website <[http://www.treasury.act.gov.au/budget/budget\\_2012/](http://www.treasury.act.gov.au/budget/budget_2012/)>, accessed 6 July 2012.

<sup>12</sup> *Transcript of evidence*, 18 June 2012, p. 92; 2012-13 Budget Paper No. 3, p. 98.

for the same duties in the four following financial years, would be paid in respect of commercial, residential and rural properties.<sup>13</sup>

- 1.9 Similarly, the Minister for Health took on notice the Committee's question about what proportions of the expenditure for Output 1.2 Mental Health, Justice Health and Alcohol and Drug Services were for mental health services, justice health services, and alcohol and drug services, respectively.<sup>14</sup> The Minister for Health also took on notice a Committee question about how much of the funding for Output 1.3 Public Health Services,<sup>15</sup> and for the whole of Output Class 1 Health and Community Care,<sup>16</sup> has been allocated to the primary prevention of disease.<sup>17</sup>

## RECOMMENDATION 1

- 1.10 **The Committee recommends that all ACT Government Ministers give consideration to providing, or allowing their directorate staff to provide, more detailed answers at hearings of the Legislative Assembly's estimates committees, including breakdowns of the allocations of funding within Budget output classes.**
- 1.11 The Committee is concerned that many of the Budget output accountability indicators in the Budget Papers give an indication only of a broad quantity of workload regarding the Budget Output, not numbers of kinds of services, events, or other deliverables delivered<sup>18</sup> or the quality of those deliverables<sup>19</sup>. Further, in the case that it is a quantitative indicator only, it is sometimes

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<sup>13</sup> *Transcript of evidence*, 18 June 2012, p. 96; 2012-13 Budget Paper No. 3, p. 76.

<sup>14</sup> *Transcript of evidence*, 21 June 2012, p. 517; 2012-13 Budget Paper No. 4, pp. 65 and 68.

<sup>15</sup> 2012-13 Budget Paper No. 4, pp. 66 and 69.

<sup>16</sup> 2012-13 Budget Paper No. 4, pp. 55-98.

<sup>17</sup> *Transcript of evidence*, 18 June 2012, p. 529.

<sup>18</sup> For example, see *Transcript of evidence*, 28 June 2012, p. 1193, for discussion between Ms Caroline Le Couteur MLA and Community Services Directorate officials about what is covered by Accountability Indicator m. of Output 3.3 Arts Policy, Advice and Programs on p. 354 of 2012-13 Budget Paper No. 4.

<sup>19</sup> For example, see *Transcript of evidence*, 29 June 2012, p. 1290, for discussion between Ms Amanda Bresnan MLA and Ms Joy Burch, in her capacity as Minister for Community Services, about Accountability Indicator c. of Output 3.2 Community Affairs on p. 352 of 2012-13 Budget Paper No.4.

unclear what is being quantified.<sup>20</sup> Also, it was difficult to understand what some accountability indicators were intended to mean.<sup>21</sup>

## RECOMMENDATION 2

- 1.12 **The Committee recommends that the ACT Government ensures that budget accountability indicators in ACT budget papers are useful and relevant.**
- 1.13 For this Inquiry, there were 294 questions taken on notice and 335 questions on notice, making a total of 629 questions. The relevant Inquiry records show that:
- for the Inquiry of the Select Committee on Estimates 2011-2012, there were 255 questions taken on notice and 641 questions on notice, making a total of 896 questions; and
  - for the Inquiry of the Select Committee on Estimates 2010-2011, there were 342 questions taken on notice and 469 questions on notice, making a total of 811 questions.
- 1.14 In summary, this means that:
- the questions taken on notice this year were 33.0 per cent of all the questions taken on notice asked during the 2012-2013, 2011-2012, and 2010-2011 Inquiries. By way of comparison, 28.6 per cent of all three years' questions taken on notice were asked in the 2011-2012 Inquiry and 38.4 per cent of them were asked in the 2010-2011 Inquiry.
  - the questions on notice this year were 23.2 per cent of all the questions on notice asked during the 2012-2013, 2011-2012, and 2010-2011 Inquiries. By way of comparison, 44.4 per cent of all of the three years' questions on notice were asked in the 2011-2012 Inquiry and 32.5 per cent of them were asked in the 2010-2011 Inquiry.

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<sup>20</sup> For example, see *Transcript of evidence*, 29 June 2012, p. 1311, for discussion between Ms Amanda Bresnan MLA and Ms Joy Burch, in her capacity as Minister for Gaming and Racing, about Accountability Indicator b. of Output 1.1 Gambling Regulation and Harm Minimisation on p. 437 of 2012-13 Budget Paper No. 4.

<sup>21</sup> For example, see *Transcript of evidence*, 20 June 2012, p. 440, for exchange between Ms Caroline Le Couteur MLA and Mr Barr MLA in his capacity as Minister for Economic Development, on Accountability Indicator a. of Output 1.2 Business Development on p.236 of 2012-13 Budget Paper No. 4.



- 1.15 Appendix D in Volume 3 of this Report lists, as at 12.00 noon on 9 August 2012, the topics of all the questions; the Ministers to whom they were put; whether each question was answered; and if it was answered, when. At that time, the answers to six questions taken on notice and four questions on notice were outstanding.
- 1.16 In previous inquiries of select committees on estimates of the Legislative Assembly, not all questions taken on notice or placed on notice have been answered before the Assembly has recommenced debate on the appropriation bills. Indeed, many answers were still outstanding when the Assembly has passed the appropriation bills.<sup>22</sup>
- 1.17 Consequently, the Committee considers that all questions should be answered by Ministers before the resumption of the Assembly's debate on the Budget 2012-2013.

### RECOMMENDATION 3

- 1.18 **The Committee recommends that all questions taken on notice, or placed on notice during the Inquiry of the Select Committee on Estimates 2012-2013 of the ACT Legislative Assembly be answered before the resumption of the Assembly's debate on the Appropriation Bill 2012-2013 and the Appropriation (Office of the Legislative Assembly) Bill 2012-2013.**
- 1.19 The Committee notes that Standing Order 253A of the Legislative Assembly

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<sup>22</sup> The report for the Inquiry of the Select Committee on Estimates 2011-2012 was presented to the Legislative Assembly on 21 June 2011. According to that Inquiry's records, before that presentation, the Committee received the answers for 452 questions on notice (QON) out of 641 and 213 questions taken on notice (QTON) out of 255. That is a total of 665 answers out of a total of 896 questions or 74.2 per cent. Before the detail stage of the Assembly's debate on the 2011-2012 Budget, which occurred on 28 June 2011, the Committee had received the answers for 587 QONS and 233 QTONS. That is a total of 820 answers out of a total of 896 questions or 91.5 per cent.

The report for the Inquiry of the Select Committee on Estimates 2010-2011 was presented to the Legislative Assembly on 22 June 2010. According to that Inquiry's records, before that presentation, the Committee received the answers for 419 QON out of 469 and 319 QTON out of 342. That is a total of 738 answers out of a total of 811 questions or 91.0 per cent. Before the detail stage of the Assembly's debate on the 2010-2011 Budget, which occurred on 29 June 2010, the Committee had received the answers for 446 QONS and 328 QTONS. That is a total of 774 answers out of a total of 811 questions or 95.4 per cent.

states:

When presenting its report, the Chair of the Select Committee on Estimates will present to the Assembly a schedule listing questions on notice for which answers were not provided during the annual estimates inquiry. Outstanding questions on notice will be provided to the Clerk within 30 days from the tabling of the estimates report. The Speaker will present to the Assembly the answers received after the report has been tabled and a schedule of questions on notice outstanding after the 30-day period.

## Specialist Budget Adviser

- 1.20 As is permitted by Standing Order 238 of the Assembly, the Committee was advised by a specialist adviser on the technical aspects of the ACT Budget 2012-2013 and its framework.<sup>23</sup>
- 1.21 The Centre for International Economics (CIE) was selected to provide independent economic and financial analysis of the Budget. CIE provided the Committee with a report on the Budget entitled *ACT Budget review 2012-13*.
- 1.22 CIE also furnished the Committee with five additional briefing notes the Committee requested. These briefing notes are entitled:
- *ACT health workforce: An overview of strengths and shortages in the ACT;*
  - *ACT Building Sector: The current state of the market in the ACT;*
  - *The economics of budget surplus versus deficit;*
  - *Efficient pricing principles for shared services; and*
  - *Impacts of Commonwealth public sector job cuts on the ACT.*
- 1.23 All of these documents are provided in full in Appendix C in Volume 3 of this Report and on the Inquiry webpage on the Legislative Assembly's website.<sup>24</sup>

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<sup>23</sup> ACT Legislative Assembly (2012) *Standing Orders and Continuing Resolutions of the Assembly*, May 2012. Also see ACT Legislative Assembly (2009) *Companion to the Standing Orders of the Legislative Assembly for the Australian Capital Territory*, p. 301.

<sup>24</sup> ACT Legislative Assembly Select Committee on Estimates 2012-2013 webpage <<http://www.parliament.act.gov.au/committees/index1.asp?committee=177>>, accessed 2 July 2012.

## Statement to Committee

- 1.24 The Committee notes that during the Inquiry, Mr John Hargreaves MLA, Deputy Chair of the Select Committee on Estimates, stated to the Committee that:
- his wife is the group head of a business unit of the Australian Institute of Health and Welfare (AIHW);
  - the AIHW is the organisation that, on 5 April 2012, notified the ACT Health Directorate of some apparent anomalies in the Canberra Hospital Emergency Department data provided to the Australian Institute of Health and Welfare;
  - Mr Hargreaves has not seen an AIHW publication or other document on any of that data or any related data or related other matter; and
  - Mr Hargreaves has not discussed anything related to this matter with his wife or anyone else connected to the AIHW.
- 1.25 Mr Hargreaves made this statement because the Committee covered matters flowing from the above AIHW notification to the Health Directorate in the Committee's hearings of the Minister of Health, Ms Katy Gallagher on 21 June 2012 and on 5 July 2012 and in this Report. These hearings are discussed in *Chapter 4 Health Directorate and Related Agencies* of this Report.

## Acknowledgements

- 1.26 The Committee thanks everyone who participated in, or otherwise assisted during, this Inquiry.
- 1.27 These include, among others, representatives of ACT non-government organisations, the Ministers, the Members of the Assembly, the Members' staff, ACT government officials, and the staff of the Office of the Legislative Assembly.



## 2 TREASURY DIRECTORATE AND RELATED AGENCIES

### Timing of the delivery of the ACT Budget

- 2.1 The 2012–2013 Budget was tabled on 5 June 2012. The Committee notes that this Budget was presented after the Federal Budget and given the importance of the Federal Budget to the ACT economy, agrees that delaying the finalisation of the ACT Budget improves the reliability, transparency and scrutiny of the ACT Budget.

### RECOMMENDATION 4

- 2.2 **The Committee recommends that the ACT Budget continue to be presented after the Federal Budget.**

### Report of the Specialist Budget Adviser

- 2.3 As noted in Chapter One, the Committee was advised by a specialist adviser on the technical aspects of the ACT Budget 2012–2013. The Centre for International Economics (CIE) was selected to provide an independent economic and financial analysis of the Budget. CIE provided the Committee with a package of advice that comprised an overarching report on the Budget, *ACT Budget review 2012–13*,<sup>25</sup> and five supplementary briefing notes<sup>26</sup>. All of these documents are provided in full in Appendix C, Volume 3 of this Report and on the Inquiry webpage.<sup>27</sup>
- 2.4 The Committee wishes to highlight a number aspects of the technical advice as

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<sup>25</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*.

<sup>26</sup> Centre for International Economics (2012) *ACT health workforce: An overview of strengths and shortages in the ACT*; Centre for International Economics (2012) *ACT Building Sector: The current state of the market in the ACT*; Centre for International Economics (2012) *The economics of budget surplus versus deficit*; Centre for International Economics (2012) *Efficient pricing principles for shared services*; and Centre for International Economics (2012) *Impacts of Commonwealth public sector job cuts on the ACT*.

<sup>27</sup> Select Committee on Estimates 2012-2013 webpage  
<<http://www.parliament.act.gov.au/committees/index1.asp?committee=177>>, accessed 2 July 2012.

contained in the *ACT Budget review 2012–13* that are pertinent to consideration of the 2012–13 Budget and the forward estimates, assumptions, and outlook.

2.5 In particular, the *ACT Budget review 2012–13*<sup>t</sup> notes the following.

### **Economic outlook**

- In relation to the economic outlook for the ACT, by and large the assumptions as contained within the 2012–13 Budget are conservative and consistent ‘with recent trends and other market forces’.<sup>28</sup>
- The Budget introduces revenue neutral taxation reforms as part of the taxation reform package. This is expected to lead to a more sustainable revenue base in the long run on the basis of severing reliance on inefficient transaction taxes.<sup>29</sup>
- In relation to growth and demand outlook for the ACT and Australia, the Report is of the view that Gross State Product (GSP) in the ACT is forecast to grow by 2.5 per cent in 2011–12 and 2 per cent in 2012–13. It goes on to say that ‘these forecasts are considered to be appropriately conservative and reasonable when compared with the trend rate of economic growth in the ACT and the historical and forecast differential between the economic performance of the ACT economy compared to the Australian economy as a whole’.<sup>30</sup>
- With regard to economic performance, the Report forecasts a softening in the ACT economic performance in 2012–13 and considers this to be ‘reasonable given the recent weakening in State Final Demand’ which is a component taken into account for the GSP.<sup>31</sup>

### **Budget savings plan**

- In relation to the proposed 2012–13 savings plan, whilst the savings plan appears to be reasonable there is some potential for ‘slippage’ in achieving

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<sup>28</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*, July, p. 9.

<sup>29</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*, July, p. 5.

<sup>30</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*, July, p. 9.

<sup>31</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*, July, p. 12.

these cuts but otherwise they 'appear largely achievable'.<sup>32</sup>

### **Risk to the Budget**

- The report identifies three elements of risk or uncertainty to the Budget:
  - (i) the size of employment impacts of Commonwealth and ACT job cuts;
  - (ii) the softening of the building market; and (iii) returns to superannuation investments.<sup>33</sup>
- The report recommends watching briefs on infrastructure project scoping, the implications of an ageing ACT population for delivery of essential services in the future and public sector workforce capacity to deliver these services.<sup>34</sup>

### **Outlook for inflation**

- With regard to inflationary pressures on the Budget, the main report comments that annual growth in the consumer price index (CPI) for Canberra to the March quarter 2012 was 1.6 per cent, considerably lower than the previous year which recorded almost 3 per cent to the March quarter. This leads the Budget Adviser to suggest that the forecasts in the Budget for 'ACT inflation of 2.5 and 2.25 per cent are sufficiently cautious and plausible'.<sup>35</sup>
- This view was conditional, in that the large capital works program may give rise to inflationary pressure. However, attributable to projected flat employment growth over the period coupled with public investment sustaining SFD growth, this was countenanced by suggesting that it is 'highly unlikely that these large capital works would reignite inflationary expectations'.<sup>36</sup>

### **Employment growth**

- In relation to outlook for employment in the Territory—the Report observes

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<sup>32</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*, July, p. 6.

<sup>33</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*, July, p. 7.

<sup>34</sup> Centre for International Economics (2012) *ACT Budget review 2012–13*, July, pp. 7–8.

<sup>35</sup> Centre for International Economics. (2012) *ACT Budget review 2012–13*, July, pp. 10–11.

<sup>36</sup> Centre for International Economics. (2012) *ACT Budget review 2012–13*, July, p. 12.

that the Budget 'predicts very low to flat employment growth for 2011–12 and 2012–13'. It suggests that this factors in the fiscal consolidation being undertaken to return the Commonwealth Budget to surplus. It is anticipated that this will lead to significant job cuts in the Commonwealth Public Service.<sup>37</sup>

- Notwithstanding this, the briefing note examining the impacts of Commonwealth public sector job cuts on the ACT expresses the view that 'Commonwealth public sector job cuts over the years 2013 to 2015 will have relatively small but negative impacts on GSP and lead to more noticeable reductions in employment growth and growth in demand in the ACT economy'.<sup>38</sup> The modelling used by the Budget Adviser concludes that the ACT Budget adequately takes account of Commonwealth public sector job cuts, in particular stating that 'ACT Treasury forecasts for 2013 sufficiently take into account the depressing impacts of Commonwealth job cuts on the ACT's GSP, demand and employment growth.'<sup>39</sup>
- The position expressed in the briefing note is supported in the main report with the Budget Adviser noting that the 2012–13 Budget 'adequately takes account of Commonwealth public sector job cuts'.<sup>40</sup>
- As to how the ACT will be directly affected in terms of job losses, the briefing note advises that its modelling is informed by a prediction that 1,400 out of 4,200 Commonwealth public sector jobs will be from the ACT. This figure is based on an assumption that one third of the Commonwealth cuts will be apportioned to the ACT.<sup>41</sup> However, it is noted that the main report urges caution with regard to the use of multipliers.<sup>42</sup>

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<sup>37</sup> Centre for International Economics. (2012) *ACT Budget review 2012–13*, July, p. 11.

<sup>38</sup> Centre for International Economics. (2012) *Impact of Commonwealth Public Sector job cuts in the ACT* July, p. 5.

<sup>39</sup> Centre for International Economics. (2012) *Impact of Commonwealth Public Sector job cuts in the ACT* July, p. 5.

<sup>40</sup> Centre for International Economics. (2012) *ACT Budget review 2012–13*, July, p. 11.

<sup>41</sup> Centre for International Economics. (2012) *Impact of Commonwealth Public Sector job cuts in the ACT* July, p. 3.

<sup>42</sup> Centre for International Economics. (2012) *ACT Budget review 2012–13*, July, p. 7.



## Treasury Directorate

- 2.6 The Treasury Directorate oversees the strategic financial and economic management of the Territory with a key objective being accountability and transparency in Government expenditure. Expenditure proposals in the 2012–2013 Appropriation Bill and the revenue estimates in the 2011–2012 Budget for the Treasury Directorate are detailed at pages 149–224 of Budget Paper No. 4.

## Staffing matters

### Savings initiatives—staff reductions and redirection

- 2.7 In relation to whole of government staffing and saving initiatives, the Committee discussed with the Treasurer: (i) saving initiatives targeting employee expenses; and (ii) queried some inconsistencies within the Budget Papers with regard to estimated staffing reductions. These issues are covered in more detail later in this Chapter.

## Capital initiatives/works

- 2.8 The Committee notes the Treasury Directorate will receive an appropriation in the 2012–13 Budget to undertake a feasibility study of the Revenue Management Division Business Systems. This project will allow for the completion of the feasibility study, which will include system and business needs analysis. The outcome is expected to inform the decision for the future design of the replacement or upgrade of the existing revenue management systems.<sup>43</sup>
- 2.9 The Committee discussed with Treasury Directorate officials appropriations in 2012–13, 2013–14 and 2014–15 for data storage infrastructure. The Committee understands that the Territory’s data storage requirements continue to grow, and a more modern and energy efficient facility is necessary to meet these demands in the future. This project will assist in meeting the projected

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<sup>43</sup> 2012–13 Budget Paper No. 3, p. 176.

additional storage requirements for the Government for the next 10 to 15 years, including the significant upgrade of current data storage platforms. Incorporated in this project is a provision to lease data space from 2013-14, to replace some of the Territory's ageing physical facilities.<sup>44</sup>

### **Management of infrastructure projects across the ACT Public Service**

- 2.10 Throughout the course of the Inquiry, there were many questions about delivery of the capital works and rollovers from previous years, in the main concerning changes in the scope of projects after formal approval through the capital works program and appropriation process and delays introduced by the planning system.<sup>45</sup>
- 2.11 The Committee acknowledges that a number of factors, some beyond the control of project managers, can contribute to delays in the delivery of capital works projects. Notwithstanding the inherent difficulties that can be encountered after project approval, the Committee is of the view that improvements at the scoping stage of such projects would assist significantly in reducing underspends and delays in completing infrastructure projects.

### **RECOMMENDATION 5**

- 2.12 **The Committee recommends that the ACT Government review the process by which capital works projects are scoped as a means of minimising infrastructure project rollovers and delays in completing infrastructure projects.**

### **Financial and economic management**

- 2.13 Output class 1—Financial and economic management comprises three Outputs:
- Output 1.1—Economic management;
  - Output 1.2—Financial management; and
  - Output 1.3—Revenue management.

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<sup>44</sup> 2012–13 Budget Paper No. 3, p. 177; *Transcript of evidence*, 19 June 2012, pp. 227–230.

<sup>45</sup> *Transcript of evidence*, 21 June 2012, pp. 483–511; *Transcript of evidence*, 22 June 2012, pp. 616–624.

2.14 Key issues raised at the estimates hearings in relation to Output Class 1 are discussed below.

### **Reform of the ACT's taxation system—2012–13 Taxation Reform**

2.15 The 2012–13 Budget introduces the first tranche—a five year plan of what will be a 20 year process—of a staged approach to reform of the Territory's taxation system. Reform to the taxation system has been informed by the ACT Taxation Review (the Quinlan Review)<sup>46</sup> which was commissioned following the release of Australia's Future Tax System (AFTS) report (the Henry Review)<sup>47</sup>. Some of the initiatives in the 2012–13 Budget are framed around the proposed taxation reform.

2.16 The ACT Taxation Review found that the Territory's taxation mix was not atypical after accounting for the Territory's unique circumstances and concluded that taxation in the Territory had 'relatively higher economic efficiency compared to other jurisdictions'. Notwithstanding this, it also found that there were risks to the long term sustainability of the Territory's services, including: (i) erosion of the Goods and Services Tax (GST) base; (ii) health service costs were increasing faster than the economic growth rate; and (iii) significant taxation lines, for example, duty on conveyances, were volatile, unfair and unsustainable.<sup>48</sup>

2.17 The taxation reform measures introduced in the 2012–13 Budget are:

- abolishing duty on insurance over 5 years;
- phasing out conveyance duty;
- abolishing commercial land tax;
- reducing payroll tax;
- abolishing duty on short term leases;
- abolishing duty on transfer of sub leases; and
- aligning treatment of wholesale unit trusts with NSW.<sup>49</sup>

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<sup>46</sup> ACT Government. (2012) *ACT Taxation Review*, May.

<sup>47</sup> Australian Government. (2010) *Australia's Future Tax System*, May.

<sup>48</sup> 2012–13 Budget Paper No. 3, p. 39.

<sup>49</sup> 2012–13 Budget Paper No. 3, p. 21.

- 2.18 These reforms will be funded by increasing general rates for the commercial and residential sectors and adjustments to the Utilities Network Facilities Tax to reflect land value appreciation.<sup>50</sup>

### **Phasing out of conveyance duty and increase in general rates**

- 2.19 The Committee discussed at length with the Treasurer and Directorate officials, the proposed taxation reform measures.<sup>51</sup> Of particular interest to the Committee was the phasing out of conveyance duty and the increase in general rates for the commercial and residential sector as a means of funding the various aspects of the taxation reform introduced as part of the 2012–13 Budget.<sup>52</sup>
- 2.20 The Committee recognises that this is a complex and long term reform. The Committee agrees that the proposed changes will deliver a better taxation system that better achieves the accepted aims for taxation reforms.<sup>53</sup> Undoubtedly, for those who have just paid stamp duty and will effectively shoulder a more acute burden, there will be dissatisfaction and the Committee recognises this additional burden. However, the proposed transition plan will create the fewest possible distortions and best limit windfall gains and losses. The Committee also notes the significant new concession and deferral options outlined in the Budget Papers. There is no reasonable alternative to generate sufficient resources for the delivery of government services than what is being proposed and in the long run it will be a much better taxation system for Canberra.

### **Economic outlook**

- 2.21 The Committee discussed with the Treasurer and Directorate officials a number of aspects related to the Territory's economic outlook. The planned withdrawal of the Commonwealth's fiscal stimulus in 2011–12, together with ongoing fiscal consolidation by the Commonwealth in 2012–13 and a softening

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<sup>50</sup> 2012–13 Budget Paper No. 3, p. 21.

<sup>51</sup> *Transcript of evidence*, 18 June 2012, pp. 86–89.

<sup>52</sup> *Transcript of evidence*, 18 June 2012, pp. 86–89.

<sup>53</sup> Refer ACT Taxation Review (the Quinlan Review) and Australia's Future Tax System (AFTS) report (the Henry Review) review criteria for further detail on taxes.

of investment activity in the Territory have all combined to present challenges to economic growth in the Territory.<sup>54</sup> In the main, due to the Commonwealth Government's fiscal consolidation, economic growth is expected to moderate to around 2 per cent in 2012–13.<sup>55</sup>

2.22 As the global economic situation continues to remain challenging, the Government has revised its target date for returning the Budget to surplus back to its original target of 2015–16.<sup>56</sup>

2.23 The Committee was interested to know whether the employment forecasts for 2011–12 and 2012–13 of half a per cent, and zero growth respectively, could be disaggregated to determine whether these forecasts can be apportioned across the public and private sectors. A Treasury Directorate official explained:

In terms of the employment forecast, we do forecast it in the aggregate, so we are not clearly able to forecast for the private sector and public sector per se. In the overall moderation, of course, in 2012-13 in particular, they are impacted significantly by the policy integrations in terms of the reduction in commonwealth expenditure. We estimate that at around 1,400 jobs, albeit that that is a significant impact that we also took into consideration. So we do expect, at least in terms of the public sector employment growth, that that will be very low or actually can go a little bit backwards, given what is happening at the commonwealth level.<sup>57</sup>

2.24 Demand growth in the economy is measured by state final demand which comprises three components—household consumption, government consumption and investment.<sup>58</sup> The Committee sought an explanation for how the estimated forecasts for state final demand of two per cent growth in 2011–12 and half a per cent growth in 2012–13 had been calculated. A representative of the Treasury Directorate elaborated:

...the story about 2011-12 is positive contributions from all components,

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<sup>54</sup> 2012–13 Budget Paper No. 3, p. 6.

<sup>55</sup> 2012–13 Budget Paper No. 1, p. 2.

<sup>56</sup> 2012–13 Budget Paper No. 1, p. 3.

<sup>57</sup> Mr Abrie Swanepoel, *Transcript of evidence*, 18 June 2012, p. 84.

<sup>58</sup> *Transcript of evidence*, 18 June 2012, p. 85.

but still moderation, and what we see in 2012-13 is that there is a negative contribution from commonwealth consumption but at least a positive contribution from investment and household consumption. So the moderation in growth has been moderate in 2012-13 and it is a matter of moderating investment growth in particular, but specifically reduction in real payments or real commonwealth government expenditure.<sup>59</sup>

### **Impact of the Budget on the cost of living**

- 2.25 In accordance with the requirements of the *Financial Management Act 1996*, the Government has to prepare a Cost of Living Statement. The Cost of Living Statement presented in the 2012–13 Budget provides information on the impact of changes for households in major government and utility charges, and the concessions available to offset these costs.<sup>60</sup>
- 2.26 The 2012–13 Budget includes a number of measures to help offset cost of living pressures for low income households. These are comprised of:
- (a) targeted assistance for low income households which includes:
    - i. increase in the eligibility for the Home Buyer Concession Scheme with concession aimed at the purchase of a new home or land for residential purposes.
    - ii. increase in the property value thresholds for concessional duty under the Pensioner Duty Concession Scheme.
    - iii. expansion of eligibility criteria to those over 65 years and over, whether working or not, for rates deferral schemes. However, eligibility is subject to income and asset tests.
    - iv. improved access, for low income households experiencing temporary financial stress, to a No Interest Loan Scheme.
  - (b) review and adjustment on a regular basis of concessions and welfare assistance programs to help offset cost of living pressures. In the main, this will include concessions for a number of taxes and fees, such as, general

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<sup>59</sup> Mr Abrie Swanepoel, *Transcript of evidence*, 18 June 2012, p. 85.

<sup>60</sup> 2012–13 Budget Paper No. 3, p. 59.

rates, the Fire and Emergency Services levy, utility charges, driver licence and motor vehicle registration fees, and public transport fares.<sup>61</sup>

- 2.27 The Committee queried why the ambulance levy and utilities tax had not been included in the Budget's Cost of Living Statement. The Treasurer explained that the basis for non-inclusion was that they were not levied directly on households.<sup>62</sup>
- 2.28 The Committee also discussed why parking fees were not included in the Budget's Cost of Living Statement. The Committee was informed that, because parking fees vary from location to location and usage of parking facilities also varies quite considerably from person to person, it would be difficult to produce useful information on per capita parking costs.<sup>63</sup>
- 2.29 The Committee sought information on the parking fee increases that had been taken into account in the 2012-13 Budget and was told the following increases would apply from 1 July 2012: two-hour parking in the city would rise by 50c; four-hour parking in the city would rise by \$2; all-day parking in the city will rise by \$1.50 in zone A and \$1 in zone B; and all-day parking in other town centres will rise by \$1 in both zone A and B.<sup>64</sup>
- 2.30 The Committee also noted the significant difference between the 2011-12 Budget's \$18.2 million projection for parking fee revenue and the estimated outcome for 2011-12 of \$15.2 million. The Treasurer and directorate officials explained that this difference was due to a reduction in illegal parking, vandalism of parking meters, and the closure of some car parks.<sup>65</sup>
- 2.31 The Committee notes that, following the passage of the *Financial Management (Cost of Living) Amendment Bill 2012* on 2 May 2012, section 11(1)(f) the *Financial Management Act* requires that Territory budgets include:
- (f) a statement about the effect of the following on an ACT household for the financial year:

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<sup>61</sup> 2012–13 Budget Paper No. 3; 2012–13 Budget Paper No. 4.

<sup>62</sup> *Transcript of evidence*, 18 June 2012, p. 131.

<sup>63</sup> *Transcript of evidence*, p. 133.

<sup>64</sup> *Transcript of evidence*, p. 135.

<sup>65</sup> Mr Andrew Barr MLA and Mr Neil Bulless, *Transcript of evidence*, 19 June 2012, pp. 134–135.

- (i) Territory taxes and fees that have a direct effect on the household;
- (ii) Territory concessions that offset the taxes and fees mentioned in subparagraph (i).<sup>66</sup>

2.32 The Committee believes that the restriction of Cost of Living Statement to taxes and fees that have a direct impact on households means that it does not fully represent the impact of the Budget upon people living in the ACT as it excludes changes in parking fees, the ambulance levy and the utilities tax.

## RECOMMENDATION 6

2.33 **The Committee recommends that section 11(1)(f) of the *Financial Management Act 1996* (ACT) be amended to ensure that Cost of Living Statements take into account all matters in the Budget that will affect the cost of living for people living in the ACT.**

### Savings initiatives

2.34 The 2012–13 Budget introduces a program of savings initiatives across the ACT Government Public Service (ACTPS) as a means of constraining growth in expenditure. The initiatives are estimated to save approximately \$180.5 million over the 2012–13 Budget and its outyears. The initiatives seek to make savings by reducing input costs in relation to staff and non-staff resource consumption as a means of redirecting expenditure to higher priority areas.<sup>67</sup>

2.35 The Committee discussed with the Treasurer the various savings initiatives and the associated expenditures targeted for these savings across several agencies.<sup>68</sup> The Committee heard that the savings will be achieved through a mix of reductions in administrative costs, employee expenses and improving the efficiency of back office functions. Administrative costs targeted for reductions include: travel, accommodation, fleet, printing, stationary, advertising and marketing. Savings in employee expenses will be achieved in the main by redirecting costs and resources to higher areas of need and new

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<sup>66</sup> *Financial Management Act 1996*, s. 11(1)(f).

<sup>67</sup> 2012–13 Budget Paper No. 3, pp. 25–28; 135–140.

<sup>68</sup> *Transcript of evidence*, 18 June 2012, pp. 89–93.



priorities.

2.36 The Committee understands that the program of savings initiatives will be supported by the establishment of a Better Service—Better Practice Advisory Group. The Group will be tasked with developing:

...advice to assist the Government in making decisions on Public Sector reform that will ensure government services are effective and affordable.<sup>69</sup>

2.37 In relation to whole of government staffing and saving initiatives, the Committee queried some inconsistencies within the Budget Papers with regard to estimated staffing reductions. The Budget Papers state that employee savings of \$17 million in 2012–13 are estimated to reduce the ACTPS by approximately 180 FTEs.<sup>70</sup> However, an appendix to Budget Paper No. 4, *Appendix E—Whole of government staffing*, details the number of FTEs across the ACTPS for the 2011–12 estimated outcome and the budgeted 2012–13.<sup>71</sup> When these numbers are reconciled it suggests that the ACTPS will increase by 325 staff in 2012-13.

2.38 On the basis that 325 employees will be added to the ACTPS, the Committee was interested to know why redundancies were being offered instead of redeployment and whether front-line services would be affected. The Treasurer advised:

...the first point to note is that a significant portion of the increase relates to Actew bringing staff back in. Those who were at their lunch last week will be aware that they are bringing back in house their water and sewerage component. That is, as we said, a reintegration of 342 FTEs. That and the growth funded in the health growth envelope account for the two largest components of increase in staff. In relation to the second part of your question around front-line services—no; they are protected. The 180 FTE saving occurs in administrative roles and through the cessation of some programs that you see in the savings initiatives as well

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<sup>69</sup> 2012–13 Budget Paper No. 3, p. 25.

<sup>70</sup> 2012–13 Budget Paper No. 3, p. 28.

<sup>71</sup> 2012–13 Budget Paper No. 4, p. 587.

as some policy changes in terms of how particular programs are delivered.<sup>72</sup>

2.39 The Committee observed that *Appendix E – Whole of government staffing* of Budget Paper No. 4, which details the number of FTEs across the ACTPS, does not delineate between non-executive and executive employees and the Committee believes that in future, Appendix E of Budget Paper No. 4 should disaggregate the FTE figures into executive and non-executive numbers.

2.40 With regard to employee expenses, the Committee was interested to know why the growth in employee expenses for 2013–14 was only about two per cent, compared with six per cent for the 2012–13 financial year. The Treasurer explained:

That would be a combination of factors again, including the reduction in some expense lines through the savings indicated in this budget and in previous budgets and the exclusion of some of the one-off factors, in terms of bringing staff in. I think the final element would be the second year of EBAs [Enterprise Bargain Agreements]. I think there were some EBAs that had, certainly on the education side, a big first year jump. In the case of teachers it was to catch up to what was seen to be the New South Wales salary position, but then you did not have a jump of that significance in the second year, because you had parity.<sup>73</sup>

### Other issues

2.41 Other issues raised at the estimates hearing of 18 May 2012 in relation to financial and economic management included:

- explanation for a 30 per cent increase in total costs in relation to government payment for Outputs for the 2011–12 estimated outcome for the Treasury portfolio and the 2012-13 Budget.<sup>74</sup>
- taxation revenue forecasts and what measures the Treasury Directorate was

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<sup>72</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 18 June 2012, p. 90.

<sup>73</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 18 June 2012, pp. 92–93.

<sup>74</sup> *Transcript of evidence*, 18 June 2012, pp. 81–83.

taking to improve the accuracy of these forecasts.<sup>75</sup>

- breakdown in conveyance duties as a percentage of the rates collected by commercial properties and residential properties for the 2011–12 financial year, the 2012–13 financial year and the Budget outyears.<sup>76</sup>
- for the purposes of taxation, advice that 141,653 residential, 5,772 commercial and 174 rural properties were assessed for the purpose of calculations used in the 2012–13 Budget.<sup>77</sup>
- summary of major risks to the Budget—explanation for why risks such as climate change, health demand and public transport are not considered to be major risks faced by the Territory and consequently factored into the Budget and its estimates. The major risks are essentially identification of potential shocks to the system. Whereas, health demand, climate change, and public transport, for example, are policy choices made in the short term and long term as part of every budget and are made relative to each other, depending upon the fiscal objectives and priorities the Government has at the time of formulation of the Budget.<sup>78</sup>
- further information on unallocated capital provisions in the forward estimates relating to the Gungahlin to Civic transit corridor, commencement of a five-year upgrade of Manuka oval, work underway in relation to new convention facilities and examination of the Parkes Way precinct on either side of Commonwealth Avenue, stretching from along the Constitution Avenue upgrade area and the existing Civic swimming pool site down to West Basin.<sup>79</sup>
- explanation for the increase in commonwealth payments in the Budget outyears as attributable, in the main, to the Majura Parkway upgrade.<sup>80</sup>
- reviews of government programs and functions.<sup>81</sup>
- implementation of the Council of Australian Government’s (COAG)

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<sup>75</sup> *Transcript of evidence*, 18 June 2012, pp. 83–84.

<sup>76</sup> *Transcript of evidence*, 18 June 2012, p. 96.

<sup>77</sup> *Transcript of evidence*, 18 June 2012, pp. 99–100.

<sup>78</sup> *Transcript of evidence*, 18 June 2012, pp. 103–104.

<sup>79</sup> *Transcript of evidence*, 18 June 2012, p. 105.

<sup>80</sup> *Transcript of evidence*, 18 June 2012, p. 105.

<sup>81</sup> *Transcript of evidence*, 18 June 2012, p. 107.

Seamless National Economy Regulatory and Competition Reform program—explanation for close to a \$3 million saving from the program and an allocation of \$1 million for 2012–13 as attributable to a re-profiling of the funding provided to the Territory from the Commonwealth.<sup>82</sup>

- update on progress with regard to the COAG reform programs/projects—national trade licensing system, a nationally consistent approach to the imposition of personal criminal liability on company directors, national regulation of the legal profession and better regulation of chemicals and plastics.<sup>83</sup>
- process for appealing land valuation assessments and advice that 80 objections to unimproved land values were received by the Commissioner for Revenue in the 2011–12 financial year. Approximately 60 objections were related to residential valuations and about 20 objections to commercial valuations.<sup>84</sup>
- with regard to rates calculation, explanation for why the ACT Revenue Office website, as at 18 June 2012, still had the formula applicable to the 2011–12 financial year posted and not the new formula that will apply for 2012–13.<sup>85</sup>

## Home Loan Portfolio

2.42 The Committee discussed with the Commissioner for Revenue various aspects of the Government home buyer lending scheme, which ceased in 1996, including the mapping of the liability, number of loans outstanding, loans receiving deferred assistance and the provision for bad debt in the portfolio.<sup>86</sup>

2.43 The Committee was told there were currently around 128 loans outstanding under the Scheme which was expected to reduce to 125 by the end of the 2011–12 financial year and 105 by the end of the 2012–13 financial year. On these calculations, and if all loans were to run to completion, it is estimated that the

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<sup>82</sup> *Transcript of evidence*, 18 June 2012, pp. 107–108.

<sup>83</sup> *Transcript of evidence*, 18 June 2012, p. 108.

<sup>84</sup> *Transcript of evidence*, 18 June 2012, p. 111.

<sup>85</sup> *Transcript of evidence*, 18 June 2012, p. 111.

<sup>86</sup> *Transcript of evidence*, 18 June 2012, pp. 200–203.

Scheme would need to continue for approximately another 10 to 11 years up to 2022.<sup>87</sup>

- 2.44 The Committee also discussed the implementation of the Home Loan Portfolio financial management system which replaced the system previously used to manage loans under the Scheme. The Under Treasurer explained:

It is a significantly cheaper system for us to run—the finance system that the home loan portfolio is run on.

...

We have basically changed it. We were using a provider that we were paying a large, fixed annual fee to; we have now moved it to basically an off-the-shelf system to run on. It is only 105.<sup>88</sup>

## **Territory Banking Account**

- 2.45 The Committee noted that the balance of the Territory Banking Account (TBA) is projected to decrease from \$288.7 million on 30 June 2012 to \$2.2 million on 30 June 2013 and to remain at low levels for the following three years.<sup>89</sup> The Committee was informed that the projected balances for the TBA listed in the Budget Papers exclude: investments held on behalf of Public Trading Enterprise (PTE) agencies, ACT Insurance Authority investments; the home loan portfolio; and other General Government Sector (GGS) agency investments.<sup>90</sup>

- 2.46 The Committee questioned Treasury officials about what steps they would take if the balance of the TBA were to reach zero. The Committee was informed that, if this were to occur, a borrowing requirement would be triggered.<sup>91</sup> However, the Under Treasurer explained that this would only happen in very exceptional circumstances:

...I think these things are issues of degrees. You never necessarily get

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<sup>87</sup> *Transcript of evidence*, 18 June 2012, p. 200.

<sup>88</sup> Ms Megan Smithies, *Transcript of evidence*, 18 June 2012, p. 201.

<sup>89</sup> 2012–13 Budget Paper No. 3, p. 223.

<sup>90</sup> *Transcript of evidence*, 18 June 2012, p. 170; 2012–12 Budget Paper No. 3, p. 223.

<sup>91</sup> Mr Patrick McAuliffe, *Transcript of evidence*, 18 June 2012, p. 169.

clarity on them. It is possible that, over a month, on paper it might look as though it is negative but it will not be negative. It might only be one, two or three million dollars. You would not go out and issue a borrowing on that perspective. And you would not go out and necessarily increase your commercial paper and enter into a 30-day or a 90-day bank bill just for that. I think Pat was trying to suggest that if there were some completely untoward and exceptional circumstances—again, it would be hard to see what these would be—where perhaps the commonwealth just did not pay us all of our GST revenue or something all in one day ...<sup>92</sup>

## RECOMMENDATION 7

- 2.47 **The Committee recommends that, if the Territory Banking Account balance reaches zero, the ACT Treasurer should immediately advise the Legislative Assembly at its next meeting and detail the measures being taken to address the situation.**
- 2.48 Other issues raised at the hearing of 18 June 2012 in relation to the TBA included:
- clarification of the benchmarks for fund performance.<sup>93</sup>
  - the capital injection payment of \$214,000 for 2012–13 and the forward estimates.<sup>94</sup>
  - the reporting of unencumbered cash and whether Directorates hold unencumbered cash.<sup>95</sup>
  - the interrelationship between the TBA and the Superannuation Provision Account.<sup>96</sup>
  - the difference between ‘net nominal return’ and ‘budgeted full year return (net of fees)’ for the TBA investment portfolio.<sup>97</sup>
  - clarification as to why unrealised investment capital losses are listed as an

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<sup>92</sup> Ms Megan Smithies, *Transcript of evidence*, 18 June 2012, pp. 170-171.

<sup>93</sup> *Transcript of evidence*, 18 June 2012, p. 167.

<sup>94</sup> *Transcript of evidence*, 18 June 2012, pp. 173–174.

<sup>95</sup> *Transcript of evidence*, 18 June 2012, pp. 170–172.

<sup>96</sup> *Transcript of evidence*, 18 June 2012, pp. 172–173.

<sup>97</sup> *Transcript of evidence*, 18 June 2012, p. 173.

expense.<sup>98</sup>

## **ACT Compulsory Third Party Insurance Regulator**

2.49 In relation to the Productivity Commission's report on National Disability Care and Support, the Committee inquired as to what progress had been made with regard to the Commission's recommendation that all jurisdictions implement a no-fault catastrophic injury scheme for motor crash injuries by 2013. The Committee was told that the project was being advanced through the federal-state Ministerial Council on Financial Relations.<sup>99</sup> A Treasury official explained:

The work to be done in relation to this project is being sponsored through the heads of treasuries forum. Similarly to the insurance crisis response—although it has nothing to do with, obviously, a crisis situation—it is using the same sorts of people to apply necessary rigour.<sup>100</sup>

2.50 The Committee was further told that with regard to the Territory's position, much work had been done on this project over the last 12 months. Interim matters being considered included actuarial views on what it would cost per premium for the Territory to enter into a national injury insurance scheme—on its own or to partner with other jurisdictions that do not yet have schemes.<sup>101</sup>

2.51 Other issues raised at the hearing of 18 June 2012 in relation to the ACT CTP Insurance Regulator included:

- clarification that reference to consolidating reforms in the Compulsory Third-Party (CTP) scheme in the Budget Papers was in the context of the 2008 reforms to CTP.<sup>102</sup> This includes the introduction of a series of guidelines designed to streamline how claims are processed in the ACT.<sup>103</sup>
- explanation for the reduction in CTP administrator funding and a return of the same amount of funding for the administration of the CTP insurance

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<sup>98</sup> *Transcript of evidence*, 18 June 2012, pp. 174–175.

<sup>99</sup> *Transcript of evidence*, 18 June 2012, pp. 94–95; 196–197.

<sup>100</sup> Mr Tom McDonald, *Transcript of evidence*, 18 June 2012, p. 196.

<sup>101</sup> Mr Tom McDonald, *Transcript of evidence*, 18 June 2012, p. 196.

<sup>102</sup> *Transcript of evidence*, 18 June 2012, p. 94.

<sup>103</sup> *Transcript of evidence*, 18 June 2012, pp. 197–199.

levy as attributable to a rollover of funding from a previous allocation.<sup>104</sup>

- operation of an IT personal injury register to propagate information on ACT-wide claims and data information pertaining to insurance claims collection. The Committee heard that the ACT has a clone of the system which is hosted by Queensland Treasury. Operation of the system was not possible until the insurer had populated it with data from 2008 and up.<sup>105</sup>

## Superannuation Provision Account

### Defined benefit superannuation liability

- 2.52 The Committee discussed the management of the unfunded Commonwealth Commonwealth Superannuation Scheme (CSS)/Public Sector Superannuation Scheme (PSS) defined benefit superannuation liabilities and the target of 100 per cent funding of the liabilities by 30 June 2030. As at 30 June 2012, the liabilities were estimated to be 49 per cent funded compared to 46 per cent funded as at 30 June 2011.<sup>106</sup>
- 2.53 The Committee understands that the current funding strategy and Budget appropriation commitments have been informed by the latest actuarial review and the triennial actuarial review carried out in the 2011–12 financial year, using salary and membership data as at 30 June 2011.<sup>107</sup>
- 2.54 The Committee sought clarification on whether the target of 100 per cent funding of the liabilities by 30 June was still valid and on track.<sup>108</sup> A Treasury Directorate representative advised:

...we have undertaken a review of the funding plan for these superannuation liabilities, which looks at the contributions that need to be made to reach the target funding level by 2030. It is evident when you look at those two aspects that on the current assumptions it is probably unlikely that the target would be reached by 2030. But I think it is

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<sup>104</sup> *Transcript of evidence*, 18 June 2012, p. 95.

<sup>105</sup> *Transcript of evidence*, 18 June 2012, p. 95.

<sup>106</sup> *Transcript of evidence*, 18 June 2012, pp. 175–177; 2012–13 Budget Paper No. 3, p. 233.

<sup>107</sup> *Transcript of evidence*, 18 June 2012, pp. 175–176; 2012–13 Budget Paper No. 3, pp. 233–240.

<sup>108</sup> *Transcript of evidence*, 18 June 2012, p. 175.



important to recognise that this is a long-term strategy, that both the liability and the asset sides of the equation are volatile. So we need to take a long-term approach to how we manage both sides of that equation.

The funding level actually suffered badly through the global financial crisis. It reduced to 46 per cent at that time. It has improved now to a 49 per cent funding level and will grow over the outyears of this pension, albeit at a slow rate. I think, taking everything on balance, that the approach that has been taken for this budget is to continue an amount of contribution to ensure that the funding level is secured going forward, given the overall considerations of the budget situation.<sup>109</sup>

- 2.55 The Committee also noted that last year the Government's superannuation liabilities at 30 June 2030 had been projected to be \$7.4 billion but had been revised this year to \$8.4 billion. The Committee was informed that:

Those changes in the projected liability are the outcomes of the most recent actuarial investigation. As I said, the main assumptions that impacted that result were around the demographic assumptions: pensioner mortality improving, the uptake of pensions as opposed to lump sums, the increased preservation of benefits as opposed to taking cash payouts as well as some higher salary levels than were originally assumed by the actuary. All of that pushes up the liability, which is a projection of the accrued liabilities for past service over an extended period. So it is very sensitive to those sorts of assumptions going forward.<sup>110</sup>

- 2.56 The Committee remains concerned about the extent of the unfunded defined benefit superannuation liabilities. The Committee's concern also extends to the impact of the current trend towards a higher uptake of pension options rather than lump sum payouts will have on the liabilities.

## RECOMMENDATION 8

- 2.57 **The Committee recommends that the ACT Government review the**
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<sup>109</sup> Ms Karen Doran, *Transcript of evidence*, 18 June 2012, pp. 175–176.

<sup>110</sup> *Transcript of evidence*, 18 June 2012, p. 177.

**implications of the increasing uptake of pension options rather than lump sum options on the unfunded defined benefit superannuation liabilities and report its findings to the Legislative Assembly.**

### **Impact of the Cornwell superannuation case**

- 2.58 The Committee discussed the High Court of Australia decision against the Commonwealth in the Cornwell superannuation case<sup>111</sup> and the implications for the ACT Government in terms of the potential liability for compensation payable.<sup>112</sup>
- 2.59 On 1 March 2011, the Australian Senate referred an inquiry into superannuation claims of former and current Commonwealth Public Service employees to its Finance and Public Administration Committee. The Senate Committee released its report on 30 June 2011.<sup>113</sup> The scope of the inquiry relates to former and current Commonwealth Public Service employees employed on a full-time, part-time or temporary basis prior to the introduction of compulsory superannuation in 1992, who were either not aware or not correctly advised of their eligibility for Commonwealth superannuation.<sup>114</sup>
- 2.60 The Committee notes that there is a potential impact for the ACT in terms of liability, notwithstanding that the High Court decision relates to Commonwealth employees and predates the establishment of the ACT Government. The ACT Government's submission to the Senate Inquiry stated:

It is possible that some of those affected former employees were transferred to the ACT Government Service following self government.

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<sup>111</sup> *Commonwealth v Cornwell* [2007] HCA 16

<sup>112</sup> *Transcript of evidence*, 18 June 2012, pp. 178–179.

<sup>113</sup> Australian Senate Finance and Public Administration References Committee (2012) *Superannuation claims of former and current Commonwealth Public Service employees* <[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate\\_Committees?url=fapa\\_ctte/superannuation\\_claims/report/index.htm](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=fapa_ctte/superannuation_claims/report/index.htm)>, accessed 3 July 2012.

<sup>114</sup> See Terms of Reference of Australian Senate Finance and Public Administration References Committee (2012) *Superannuation claims of former and current Commonwealth Public Service employees*, p. 1 <[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate\\_Committees?url=fapa\\_ctte/superannuation\\_claims/report/index.htm](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=fapa_ctte/superannuation_claims/report/index.htm)>, accessed 3 July 2012.

The issues that are relevant to claims of this kind have been the employment arrangements, governance of the statutory authorities and also liabilities accruing at the relevant times. The ACT is concerned that it could potentially be held liable for or expected to contribute to liabilities that arise as a result of the Commonwealth's acts and omissions at a time when the ACT did not exist.<sup>115</sup>

2.61 As to the impact for the ACT Government, a Treasury Directorate official explained:

...this is an issue that is emerging both in the commonwealth and certainly we are doing our analysis here to see what the impact will be on the ACT. There is likely to be some impact in relation to employees who came across either at the time of self-government or thereabouts. I suppose the details of the case and how they will be assessed going forward still are uncertain a little. There are a large number of potential cases that have been identified. The actual circumstances need to be worked through for each of those before a full assessment can be made.<sup>116</sup>

2.62 The Committee was interested to know the quantification of the liability and was told that an initial estimate could possibly be in the vicinity of about twice the size of the liability that was incurred for Totalcare.<sup>117</sup>

## RECOMMENDATION 9

2.63 **The Committee recommends that the ACT Government report to the ACT Legislative Assembly on the expected impact of the *Commonwealth v Cornwell* (2007) High Court of Australia decision on the Government's superannuation liabilities.**

2.64 Should the ACT Government be held liable for, or expected to contribute to, liabilities relating to affected former Commonwealth employees that transferred to the ACTPS following self government, these liabilities will be

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<sup>115</sup> Submission No. 16 (ACT Government), Senate Finance and Public Administration References Committee, Inquiry into superannuation claims of former and current Commonwealth Public Service employees, p. 1.

<sup>116</sup> Ms Karen Doran, *Transcript of evidence*, 18 June 2012, p. 178.

<sup>117</sup> Mr Tom McDonald, *Transcript of evidence*, 18 June 2012, p. 178.

unfunded. The Committee notes that investment assets will need to be put aside to meet any projected liability that might arise.

### **AASB Standard 119 – employee benefits**

2.65 The Committee noted the following statement concerning the calculation of superannuation liabilities in Budget Paper No. 3:

The revised Accounting Standard AASB 119 Employee Benefits will come in to effect on 1 January 2013 impacting the 2013-14 Budget. It will require the rate used in recognising the expected long term earnings of the SPAs assets be changed from the current long term earning assumption to a market based 10 year government bond rate (currently recognised at 6 per cent over the longer term). This will impact on the future Net Operating Balance for the Territory.<sup>118</sup>

2.66 The Committee was informed that the adoption of this standard would not affect the reporting arrangements for the Superannuation Provision Account, but it would affect the whole-of-government net operating balance.<sup>119</sup>

Specifically, it would mean:

...we will have a lower rate of valuation around our financial asset. So notwithstanding the fact that we have got ... an earning rate that targets five per cent or 7½ per cent, and we structure our investment portfolio to achieve that particular rate of return, we will have to value it at the same rate as the discount rate that we use to value the liability.<sup>120</sup>

2.67 The Committee questioned Treasury representatives on whether the ACT Government intends to adopt the revised accounting standard and was told by the Under Treasurer that this had not yet been finally settled as there was some dissatisfaction with the effect it would have on the Treasury's financial statements:

When we start to include in our financial statements our long-term asset-earning equations with our long-term liabilities, we get a very different

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<sup>118</sup> 2012-12 Budget Paper No. 3. p. 36.

<sup>119</sup> Mr Patrick McAuliffe, *Transcript of evidence*, 18 June 2012, p. 182.

<sup>120</sup> Ms Megan Smithies, *Transcript of evidence*, 18 June 2012, p. 182.

set of financials flowing through the very near term financial statements of the territory. The use of those financial statements in order to make decisions starts to become a little bit more difficult for decision makers, when we are actually trying to figure out what really is happening on financial statements. You are getting a lot of movement in these things that is driven by discount rates and bond rates and the way that the standard setting boards like to calculate these particular superannuation liabilities and investment plans. I think it is fair to say that it is a question that we really have not yet tested in relation to how we handle it with our own financial statements.<sup>121</sup>

## RECOMMENDATION 10

- 2.68 **The Committee recommends that the ACT Government report to the Legislative Assembly on whether it will adopt the revised Accounting Standard AASB 119—Employee Benefits and the implications of any such decision for the 2012–13 Budget.**

### Other issues

- 2.69 A further issue raised at the estimates hearing of 18 May 2012 in relation to the Superannuation Provision Account concerned potential non-compliance in relation to obligations the Territory has under the *Human Rights Act 2004* (ACT) and voting on shareholder resolutions.<sup>122</sup>

## ACT Insurance Authority

### Other expenses entry

- 2.70 The Committee noted that the ‘other expenses’ entry for 2011–12 in the ACT Insurance Authority’s (ACTIA) operating statement is approximately \$97 million, which constitutes approximately 97 per cent of the Authority’s total ordinary expenses.<sup>123</sup> A similar problem exists with the Authority’s cash flow statement, where the 2011–12 entry for ‘other receipts’ stands at

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<sup>121</sup> Ms Megan Smithies, *Transcript of evidence*, 18 June 2012, p. 183.

<sup>122</sup> *Transcript of evidence*, 18 June 2012, pp. 179–182.

<sup>123</sup> 2012-13 Budget Paper No. 4, p. 444.

\$65 million and the entry for 'other payments' stands at \$101 million.<sup>124</sup>

- 2.71 The ACTIA General Manager agreed that this method of reporting is problematic in that it does not provide sufficient detail on what is contained within very significant budget entries. The General Manager also noted that the format in which the Budget is presented is standardised across all agencies. However, he undertook to examine whether more detail could be provided in future budget papers.<sup>125</sup>
- 2.72 The Committee emphasises that ACT budget papers are a primary source of information for readers interested in the detailed framework within which ACT budget outcomes and initiatives are framed. At a minimum, among other things, the budget papers should contain sufficient information for readers to quantify with certainty the components of significant budget items.
- 2.73 The Committee notes that provision of insufficient detail on significant budget items was a recurring theme across agencies throughout its public hearings. This is discussed and referenced in detail in Chapter 1 of this Report, at paragraphs 1.7 to 1.12, inclusive.

## RECOMMENDATION 11

- 2.74 **The Committee recommends that the ACT Government determine a threshold for amounts that can be reported against line items of 'other' or 'miscellaneous' in budget papers, above which it will publish disaggregated data of what constitutes those items.**
- 2.75 Issues raised at the estimates hearing of 18 May 2012 in relation to the ACTIA included:
- the number of active insurance claims, number of open claims and incidents, the number of claims or incidents closed or settled and the claims forecasts for the Budget and its forward years.<sup>126</sup>
  - the distribution of claims across Government Directorates.<sup>127</sup>

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<sup>124</sup> 2012-13 Budget Paper No. 4, p. 447.

<sup>125</sup> Mr John Fletcher, *Transcript of evidence*, 18 June 2012, p. 188

<sup>126</sup> *Transcript of evidence*, 18 June 2012, p. 186.

<sup>127</sup> *Transcript of evidence*, 18 June 2012, p. 190.

- explanation for a \$30 million increase in expenses between estimated outcome for 2011–12 and that budgeted for 2012–13.<sup>128</sup>
- clarification as to why the Under Treasurer signs off on the ACTIA Statement of Intent.<sup>129</sup>
- ACTIA’s risk management training, designed to work with agency insurance and risk managers to support and promote good risk management practices.<sup>130</sup>
- explanation for the changing assumptions around claim settlement times, in relation to 2011–12 estimated outcome for current payables.<sup>131</sup>
- detail on risk management performance and improvement reviews during the 2011-12 financial year.<sup>132</sup>
- review of Territory property assets as part of the ACTIA insurance renewal process.<sup>133</sup>
- The discount rate used for valuing individual employee liabilities relating to employees within ACTIA and the discount rate on claims liability used in actuarial assessments.<sup>134</sup>

## **Discontinued agencies**

- 2.76 The Committee inquired about the status of the winding up of Totalcare Industries Limited and was told that it ceased to exist on 2 May 2012.<sup>135</sup>

## **ACTEW Corporation Limited**

### **Enlarged Cotter Dam construction project**

- 2.77 The Committee notes that heavy rain in early March 2012 caused flooding at the dam construction site and that the Treasurer made a statement to the

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<sup>128</sup> *Transcript of evidence*, 18 June 2012, pp. 187–189.

<sup>129</sup> *Transcript of evidence*, 18 June 2012, p. 189.

<sup>130</sup> *Transcript of evidence*, 18 June 2012, pp. 190–191.

<sup>131</sup> *Transcript of evidence*, 18 June 2012, p. 193.

<sup>132</sup> *Transcript of evidence*, 18 June 2012, pp. 191–192.

<sup>133</sup> *Transcript of evidence*, 18 June 2012, pp. 190–191.

<sup>134</sup> *Transcript of evidence*, 18 June 2012, pp. 189–190.

<sup>135</sup> *Transcript of evidence*, 18 June 2012, p. 199.

Legislative Assembly on 27 March 2012 detailing the state of the budget for the enlargement project and delays in the construction schedule. The revised estimate for the total project cost presented to the ACTEW board on 4 March 2012, prior to the flooding at the construction site, was \$396.8 million, an increase of \$33.5 million over the then current budget of \$363.3 million. The impact of the March 2012 flooding on both the budget and the schedule of the enlargement project were yet to be determined at time of the Statement.

- 2.78 The Committee inquired as to whether the March flooding had increased the project's total expected expenditure and was told that the total budget had now increased to \$404.63 million.<sup>136</sup>
- 2.79 The Committee also sought clarification as to how much was expected to be covered in insurance payouts for the March 2012 floods and was told that the cost to ACTEW was roughly about \$17 to \$18 million and about half of that would come from insurance payments.<sup>137</sup>

## RECOMMENDATION 12

- 2.80 **The Committee recommends that the ACT Government inform the Legislative Assembly as soon as practicable if the total expected expenditure for the enlarged Cotter Dam construction project exceeds the current budget of \$404.63 million.**

### **Return of the water and sewerage business to ACTEW**

- 2.81 The Committee discussed with the Managing Director and Treasurer the implementation of the return of the management, operations and maintenance of the water and sewerage operations to ACTEW.
- 2.82 The water and sewerage operations have been managed by ActewAGL since ACTEW Corporation and AGL formed a joint venture in 2000. From 1 July 2012, water will again fall under ACTEW with a new body trading as ACTEW Water.<sup>138</sup>

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<sup>136</sup> Mr Mark Sullivan, *Transcript of evidence*, 18 June 2012, p. 149.

<sup>137</sup> Mr Mark Sullivan, *Transcript of evidence*, 18 June 2012, p. 148.

<sup>138</sup> *Canberra Times* (2012) 'Territory to resume full control', 15 June.



- 2.83 The Committee was interested to know the rationale for the return of water and sewerage operations to ACTEW and the Managing Director explained that there were a number of benefits, including bringing the entire water business under the *Territory-owned Corporations Act 1990* (ACT) (the TOC Act), which requires ACTEW, as a corporation, not to have profit as its sole and single motive. The TOC Act requires ACTEW to consider profit, to consider sustainability and to consider the interests of the ACT in terms of its decision making.<sup>139</sup> Efficiencies that are generated from being in a single business line will also improve profitability.<sup>140</sup>
- 2.84 The Committee discussed at length with the Managing Director the timeframe for development of the business case through to approval in principle and whether shareholder approval was required.<sup>141</sup>
- 2.85 The Committee also discussed the maintenance of leave entitlements and superannuation for the 344 staff who will return as part of the transfer of the water and sewerage operations.<sup>142</sup>

### **Other issues**

- 2.86 Other issues raised at the estimates hearing of 18 May 2012 in relation to ACTEW Corporation Limited included:
- the type and quantity of materials that must be imported to the Territory for the enlarged Cotter Dam construction project.<sup>143</sup>
  - explanation for significant revenue increases in 2012-13 compared to 2011-12, how ACTEW models its predictions for drier weather and how these are factored into financial years and user charges.<sup>144</sup>
  - timing for the preparation and presentation of the Corporation's Statement of Intent.<sup>145</sup>

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<sup>139</sup> Mr Mark Sullivan, *Transcript of evidence*, 18 June 2012, pp. 149–153.

<sup>140</sup> Mr Mark Sullivan, *Transcript of evidence*, 18 June 2012, p. 150.

<sup>141</sup> *Transcript of evidence*, 18 June 2012, p. 155.

<sup>142</sup> *Transcript of evidence*, 18 June 2012, p. 162.

<sup>143</sup> *Transcript of evidence*, 18 June 2012, p. 148.

<sup>144</sup> *Transcript of evidence*, 18 June 2012, p. 149.

<sup>145</sup> *Transcript of evidence*, 18 June 2012, pp. 149–150.

- ACTEW's response to a number of major reports on water management issues and how the Corporation factors in the findings and recommendations of these reports into longer term management around water quality issues, consumption of water and water management.<sup>146</sup>
- implementation of ACTEW's water security project, in particular the acquisition of water rights to supplement supply as part water supply diversification.<sup>147</sup>
- compliance with the Human Rights Act 2004 and the Discrimination Act 1991.<sup>148</sup>

## ACTTAB Limited

### Viability of ACTTAB Ltd

- 2.87 Given the emergence of a national wagering market and the challenges faced by ACTTAB to remain viable in a very big pool, and an even bigger international pool beyond that with online betting, the Committee raised the long-term future of ACTTAB. The Committee inquired as to the future of ACTTAB, as far as the Government was concerned. The Treasurer advised that the future of ACTTAB was under active consideration.<sup>149</sup>
- 2.88 The Committee understands that sale of ACTTAB would require changes to the *Betting (ACTTAB Limited) Act 1964* (ACT) and this would be a matter for the Legislative Assembly.
- 2.89 The Committee is concerned not only about the financial future of ACTTAB Limited but also for the future of its staff employed in corporate administrative roles and in frontline roles at branches. Furthermore, the Committee's concern also extends to the five agents operating under negotiated agreements in a franchise type arrangement with ACTTAB Limited.

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<sup>146</sup> *Transcript of evidence*, 18 June 2012, pp. 158–159.

<sup>147</sup> *Transcript of evidence*, 18 June 2012, pp. 160–161.

<sup>148</sup> *Transcript of evidence*, 18 June 2012, pp. 161–162.

<sup>149</sup> *Transcript of evidence*, 18 June 2012, p. 209.

## RECOMMENDATION 13

2.90 **The Committee recommends that, given the changing nature of the gaming industry and marketplace, the ACT Government should inform the Legislative Assembly about the future of ACTTAB Limited.**

### Other issues

2.91 Other issues raised at the estimates hearing of 18 June 2012 in relation to ACTTAB Limited included:

- the provision of responsible gambling services.<sup>150</sup>
- explanation for the anticipated increase in revenue of 10 per cent from premiums for customer wagering in the 2012–13 financial year in the light of a decline in premium customer wagering in 2011–12.<sup>151</sup>
- basis for payment of a one-off \$3 million special dividend to the Government in the 2011–12 financial year.<sup>152</sup>
- the shareholders' request for payment of a 100 per cent dividend up from 75 per cent.<sup>153</sup>
- update on the rollout of the replacement of ageing technology as part of technology infrastructure and web enhancements.<sup>154</sup>
- introduction of new online betting products in 2011-12 financial year.<sup>155</sup>
- the concept of VIP customers and impact the loss of a VIP customer can have on ACTTAB's bottom line.<sup>156</sup>

### Shared Services Centre

2.92 The Shared Services Centre (SSC) has four Output Classes with associated Outputs. These are:

- Output Class 1—Shared Services ICT (Output 1.1: Shared Services ICT);

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<sup>150</sup> Mr Tony Curtis, *Transcript of evidence*, 18 June 2012, p. 209.

<sup>151</sup> *Transcript of evidence*, 18 June 2012, p. 206.

<sup>152</sup> *Transcript of evidence*, 18 June 2012, p. 204.

<sup>153</sup> *Transcript of evidence*, 18 June 2012, p. 204.

<sup>154</sup> *Transcript of evidence*, 18 June 2012, p. 205.

<sup>155</sup> *Transcript of evidence*, 18 June 2012, pp. 206–207.

<sup>156</sup> *Transcript of evidence*, 18 June 2012, pp. 204–205.

- Output Class 2—Shared Services Procurement (Output 2.1: Shared Services Procurement);
- Output Class 3—Shared Services Human Resources (Output 3.1: Shared Services Human Resources); and
- Output Class 4—Shared Service Finance (Output 4.1: Shared Services Finance).<sup>157</sup>

### **Social procurement initiatives**

- 2.93 In relation to social procurement initiatives, the Committee noted with regard to the Legislative Assembly's motion calling on the Government to establish three new social venture demonstration projects, the Treasurer had reported on existing demonstration projects that were already in existence.<sup>158</sup>
- 2.94 Discussion ensued with regard to interpretation of what might constitute a demonstration project in the context of the shared services' procurement function. A Treasury representative explained that shared services is demonstrating to its procurement function how social procurement could be incorporated into a tender to industry and how government could encourage industry to be involved in social procurement as a way of encouraging the development of this industry segment within the ACT community.<sup>159</sup> The Committee is of the view that the Government should be more active in supporting social ventures.
- 2.95 The Committee was interested in what work Shared Services Procurement was doing to promote awareness across directorates and agencies regarding social enterprises and social ventures and how such work might articulate with the ACT Social Enterprise Hub. The Committee was told that a dedicated full-time senior officer position had recently been designated for the 2012–13 financial year to carry out this role. In addition to the designated position, other initiatives included:

We have had guest speakers come along to talk to senior officer forums at

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<sup>157</sup> 2012–13 Budget Paper No. 4, p. 175.

<sup>158</sup> Ms Jill Divorty, *Transcript of evidence*, 19 June 2012, pp. 212–214.

<sup>159</sup> Ms Jill Divorty, *Transcript of evidence*, 19 June 2012, p. 213.

different directorates, including people from Social Traders, Social Ventures Australia and the ACT Social Enterprise Hub—and Jeremy Nicholls from Social Return on Investment. So we are generating greater awareness of the value and the importance of building social procurement into normal procurements. But going forward, I am hoping that, with a more dedicated resource, we should be able to get the planning moved along a bit further on procurements that involve social enterprises.<sup>160</sup>

#### **RECOMMENDATION 14**

- 2.96 **The Committee recommends that the Government should, wherever possible, support new social ventures.**

##### **Procurement plans**

- 2.97 The Committee notes that the Government has announced it wishes to reduce the cost of red tape to business. The publication of annual procurement plans would contribute to greater transparency as a means of providing accountability to the community with respect to government spending. It would also support greater reach to the private sector, potentially increasing the number of organisations that would be interested in tendering for work, thereby increasing value for money. It would also give private and community sector organisations more lead time to understand the priorities of the Government and to tailor cost effective solutions.

#### **RECOMMENDATION 15**

- 2.98 **The Committee recommends that ACT Government Directorates be required to publish procurement plans that set out all intended procurement processes for the coming financial year.**

##### **Review of the Human Resources Information Management System**

- 2.99 The Committee discussed the appropriation of approximately \$1 million in 2012–13 for a comprehensive review to be undertaken to inform whether to

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<sup>160</sup> Ms Catriona Vigor, *Transcript of evidence*, 19 June 2012, p. 215.

either upgrade or replace the current ACT Government's Human Resources Information Management System (HRIMS)—Chris21. The Committee understands that the proposed review has dual objectives—(i) to fully explore options for a whole of government strategy; and (ii) to identify critical standard human resource management processes across directorates as a means of determining which processes can be standardised. This aspect also acknowledges that some processes are unique to specific directorates on the basis of their operations.<sup>161</sup>

### **Modelling work—duplication of functions**

2.100 The Committee was interested to know if any modelling work had been undertaken with regard to establishing any duplication between the SSC's functions and the Directorates. The Executive Director of the SSC commented:

...the EREC [ACT Government's Expenditure Review and Evaluation Committee] review that was undertaken of HR [Human Resources] and finance in the 2011-12 year did focus on the entirety of the HR function. It did look at our processes between Shared Services and directorates. There was a lot of streamlining of processes and that is how we have gained some efficiency and effectiveness in last year's budget and this year's budget.<sup>162</sup>

2.101 The Committee discussed at length with the Treasurer and directorate officials, various reviews that had been conducted covering the functions for which the SSC is responsible. The Committee is of the view that it is not apparent whether the current approach to the shared services concept is cost efficient or effective. It is also not clear whether there is duplication of services between directorates and the SSC, nor is it clear whether the amounts charged by the SSC to directorates represent the true cost of service.

2.102 A comprehensive review of the delivery of services by the SSC underpinned by an activity based costing process is the only means by which the parameters

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<sup>161</sup> *Transcript of evidence*, 19 June 2012, pp. 216–217.

<sup>162</sup> Ms Jill Divorty, *Transcript of evidence*, 19 June 2012, p. 220.

of each service can be captured, including the costs and the cost of duplicated activity. Such a process would ensure value for money and determine what services should be provided by the SSC and which services would be better delivered in house by directorates.

## RECOMMENDATION 16

- 2.103 **The Committee recommends that the ACT Government undertake a full review of the delivery of services by the Shared Services Centre, utilising an activity based costing process.**

### **Sustainability of information and communication technology**

- 2.104 The Committee discussed the draft Information and Communication Technology (ICT) sustainability plan and progress towards its finalisation. The Committee noted the Plan had been under development for a number of years and was interested to know if it would be finalised before the end of the 7<sup>th</sup> Assembly. As to an expected timeframe, the Treasurer advised:

With due haste...I do not have a date. I do not control the cabinet agenda. It will come forward as soon as possible. I am not holding it up.<sup>163</sup>

- 2.105 The Committee also understands that a variety of measures are being undertaken to improve ICT sustainability in parallel with the development of the Plan, including:

- replacement of Shared Services ICT's two current data centres with larger and more efficient commercial facilities;
- moving from physical to virtual servers and making greater use of cloud computing technology;
- reviewing the policy of refreshing desktops every four years; and
- conducting pilot trials on expanding the use of mobile technology.<sup>164</sup>

- 2.106 The Committee is of the view that the ICT sustainability plan is an important document that will underpin and align the Government's use of ICT as a means of promoting more sustainable practices. The release of the Plan is

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<sup>163</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 19 June 2012, p. 232.

<sup>164</sup> *Transcript of evidence*, 19 June 2012, pp. 217-218.

critical to the Government's overarching sustainability credentials and agenda.

### **Information technology security and business continuity**

- 2.107 The Committee discussed the findings of the recent performance audit by the Auditor-General examining whole of government information and communication technology, security management and services, and the mitigation of identified information technology (IT) risks.<sup>165</sup>
- 2.108 Discussion ensued exploring a number of issues related to IT security of government systems. Responses indicated that only five per cent of the Government's IT systems had a security plan in place and that some critical infrastructure, such as email, had never been subject to disaster recovery testing. Given the implementation of the 'One ACT Public Service' model<sup>166</sup>, there should be a whole of government approach to IT security to safeguard the ACTPS' IT system from unauthorised attack and access, vulnerability, or data loss. The Commonwealth Government's Protective Security Policy Framework is considered leading edge and the ACT Government should benchmark its performance against this framework.

### **RECOMMENDATION 17**

- 2.109 **The Committee recommends that the ACT Government report to the Legislative Assembly on its development of risk management and business continuity plans for the Government's information technology systems.**

### **RECOMMENDATION 18**

- 2.110 **The Committee recommends that the ACT Government review its current approach to information and technology security against the Commonwealth Government's Protective Security Policy Framework.**

### **ACT Government Contracts Register**

- 2.111 It is a requirement of the *Government Procurement Act 2001* (ACT) that

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<sup>165</sup> *Transcript of evidence*, 19 June 2012, pp. 234–241.

<sup>166</sup> Stanhope, J. (2011) Media release: 'Changes to ACT Public Service', 24 March.



'notifiable contracts', which are those above \$25,000, be listed in the ACT Contracts Register.<sup>167</sup> The manner in which data is entered into the Register is currently inconsistent. For example:

- The Treasury Directorate has an IT Panel in place. This panel has an estimated total value over its life of \$10 million. Each firm that is on the Panel is included in the Register with a value of \$0 for their contract. It is therefore not possible to determine what the actual 'spend' with firms on the Panel is.
- The Education and Training Directorate has a panel contract for school cleaning contracts. Firms that are on this panel are not listed. It is only when the Education and Training Directorate enters into a contract for service that the applicable firm's contract (including its individual value) is listed.

## RECOMMENDATION 19

- 2.112 **The Committee recommends that the ACT Government: (a) undertake a verification of the integrity and completeness of data in the ACT Government Contracts Register; and (b) implements a consistent approach to the entering of contractual information into the Register.**

### Public tender exemptions

- 2.113 It is a requirement of the *Government Procurement Act 2001* that the purchase of goods and/or services that will exceed \$200,000 are required to be undertaken through a public tender process.<sup>168</sup> A review of the ACT Contracts Register has identified 28 occasions during 2011–12 where the value of a procurement process was above \$500,000 and a public tender process was not utilised. The total value of these activities was approximately \$50 million.
- 2.114 Directors-General are allowed to exempt procurement processes from public tender by the *Government Procurement Regulation 2007*.<sup>169</sup> Notwithstanding

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<sup>167</sup> Prescribed in paragraph 12A of *Government Procurement Regulation 2007*, under subsection 25(2)(a) of the *Government Procurement Act 2001* (ACT).

<sup>168</sup> Paragraph 9 of *Government Procurement Regulation 2007*.

<sup>169</sup> Paragraph 10 of *Government Procurement Regulation 2007*.

this, to ensure greater transparency to the community, there should be a notification requirement provided to the Standing Committee on Public Accounts regarding purchases above \$500k which have been exempted. There would be minimal cost associated with implementing this requirement.

## RECOMMENDATION 20

- 2.115 **The Committee recommends that the ACT Government require Directors-General to provide to the Standing Committee on Public Accounts, within fourteen days of finalisation, the reasons for exempting the purchase of goods and/or services from public tender processes, where the value of the procurement activity is above \$500,000.**

### Other issues

- 2.116 Other issues raised at the estimates hearing of 19 May 2012 in relation to the SSC included:
- an update on the Territory and Municipal Services' Renewable Processes contract which employs a number of people with mental illness.<sup>170</sup>
  - the role of Ross Human Directions within Shared Services ICT as the primary provider of contract staff for ICT and that between 130 and 150 staff are employed through this arrangement.<sup>171</sup>
  - the cost recovery business model of Shared Services and explanation for why Shared Services Procurement has delivered an expected surplus of just over \$6 million for the 2011–12 financial year.<sup>172</sup>
  - detail on the efficiencies arising from the implementation of process improvements arising from the 2011-12 review of finance and human resources.<sup>173</sup>
  - the streamlining of debt recovery and process and overdue debt.<sup>174</sup>

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<sup>170</sup> Ms Jill Divorty, *Transcript of evidence*, 19 June 2012, p. 214.

<sup>171</sup> *Transcript of evidence*, 19 June 2012, pp. 217–218.

<sup>172</sup> *Transcript of evidence*, 19 June 2012, pp. 221–222.

<sup>173</sup> *Transcript of evidence*, 19 June 2012, pp. 223–224.

<sup>174</sup> *Transcript of evidence*, 19 June 2012, pp. 224–225.

- the net increase for staffing numbers attributable to the transfer of employees responsible for workers compensation and safety plans from eight directorates into the SSC for 2011–12 financial year.<sup>175</sup>
- the process enacted when issues arise in relation to contract variations, and the necessary conditions that must be met for a disputed contract to go to conference and thereafter to be referred to arbitration. How regular an occurrence disputed contracts are, on the basis of variations in particular.<sup>176</sup>

## **Independent Competition and Regulatory Commission**

- 2.117 The Budget Papers note that the Independent Competition and Regulatory Commission (ICRC) has responsibilities for ‘a range of regulatory matters’ under the *Independent Competition and Regulatory Commission Act 1997 (ACT)* (the ICRC Act), the *Utilities Act 2000 (ACT)*, the *Electricity (Greenhouse Gas Emissions) Act 2004 (ACT)*, and the *Electricity Feed-in (Renewable Energy Premium) Act 2008 (ACT)*.<sup>177</sup>
- 2.118 In its public hearing of Monday 18 June 2012, the Estimates Committee considered matters under the administration of the ICRC. These are considered below.

### **Feed-in tariff scheme**

- 2.119 With regard to the operation of the feed-in tariff scheme, the Committee noted that given the marked drop-off in installations following the Scheme’s closure last year whether the total number of installations would continue to be reported on in the quarterly feed-in summary statement. Commissioner Buckley advised that they would continue to be reported on.<sup>178</sup>

### **Methodology used to value carbon for price determinations**

- 2.120 The Committee noted that the ICRC had made announcements in relation to electricity pricing, in the main attributable to the impact of the carbon tax, and

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<sup>175</sup> *Transcript of evidence*, 19 June 2012, pp. 226–227.

<sup>176</sup> *Transcript of evidence*, 19 June 2012, pp. 229–231.

<sup>177</sup> 2012–13 Budget Paper No. 4, p. 517.

<sup>178</sup> Mr Mike Buckley, *Transcript of evidence*, 18 June 2012, p. 138.

was interested to know what methodology it uses to value carbon for its price determinations. The Committee was told that the ICRC uses a standard index cost-based methodology and determines on an annual basis the increase in the cost of wholesale energy. As part of this process the ICRC reviewed the contractual arrangements in the electricity market and observed that retailers, and was also advised by ActewAGL, that retailers:

...were now purchasing their energy on a carbon-exclusive basis, and that was to hedge their risk, as it were, to the introduction of a carbon price; that is, the policy uncertainty in the years leading up to it and also the uncertainty as to whether or not the price in effect would be \$23.

...

This is trying to give some context to how the commission determined the value of carbon. In the end the commission has assumed that the price of carbon will be \$23 and that the energy intensity is about 0.92 tonnes of carbon per megawatt hour of electricity, so you multiply the \$23 by the 0.92, which brings you down to your \$21 or something of carbon. That is added into the wholesale cost of electricity. The increase allowed for in the cost of energy is overwhelmingly a result of the carbon price. The spot price has been relatively benign of late, given the very mild summers which we have been experiencing.<sup>179</sup>

2.121 The Committee was also told that further to considering the price of carbon in energy usage, two other factors were taken into account for pricing determinations. Firstly, the carbon price is taken into account in relation to energy losses, principally in the distribution system. As a consequence, energy has to be purchased to make up for these losses and a carbon price is included. Secondly, ActewAGL, the retailer, is given a 5.4 per cent margin on its purchases, and that 5.4 per cent is applied to the carbon price at purchase.<sup>180</sup>

2.122 When the aforementioned three factors are taken together, the ICRC determined that:

..14.2 per cent of the 17.4 per cent increase which had been allowed for

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<sup>179</sup> Mr Mike Buckley, *Transcript of evidence*, 18 June 2012, pp. 138–139.

<sup>180</sup> Mr Mike Buckley, *Transcript of evidence*, 18 June 2012, p. 139.

energy prices, retail prices, to rise next year was the result of the introduction of the price on carbon.<sup>181</sup>

### Other issues

2.123 Other issues raised at the estimates hearing of 18 May 2012 in relation to the ICRC include:

- publication of the 2012–13 greenhouse gas inventory.<sup>182</sup>
- secondary water inquiry and review of water and waste water.<sup>183</sup>
- explanation for a 50 per cent decrease in staffing allocations from 2011–12 to 2012–13, as attributable to the uneven nature of the ICRC’s work and balance between ongoing staff numbers and external consultants.<sup>184</sup>
- methodology the ICRC considers appropriate for assessing the cost-benefit of water quality and security options.<sup>185</sup>
- ACTEW’s water pricing submission and subsequent five-year determination—detail on how supplementation for lost revenue due to falls in water sales is addressed.<sup>186</sup>
- specific changes the ICRC anticipates will be involved as a result of the new requirements arising under the national energy retailers’ legislation, in particular with regard to the Australian Energy Regulator.<sup>187</sup>

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<sup>181</sup> *Transcript of evidence*, 18 June 2012, p. 139.

<sup>182</sup> *Transcript of evidence*, 18 June 2012, pp. 139–140.

<sup>183</sup> *Transcript of evidence*, 18 June 2012, pp. 141–142.

<sup>184</sup> *Transcript of evidence*, 18 June 2012, p. 140.

<sup>185</sup> *Transcript of evidence*, 18 June 2012, pp. 142–143.

<sup>186</sup> *Transcript of evidence*, 18 June 2012, pp. 144–145.

<sup>187</sup> *Transcript of evidence*, 18 June 2012, pp. 145–146.



### **3 CHIEF MINISTER AND CABINET DIRECTORATE AND RELATED AGENCIES**

#### **Chief Minister and Cabinet portfolio**

#### **Staffing matters**

##### **Savings initiatives**

- 3.1 In relation to whole of government staffing and savings initiatives, the Committee discussed with the Chief Minister savings initiatives across the Chief Minister and Cabinet Directorate (CMCD). The Committee noted that CMCD is required to making savings of \$2.5 million over the next four years and discussed how the Directorate was going to achieve the proposed targeted savings and manage within a constrained budget.<sup>188</sup>

#### **Capital initiatives/works**

- 3.2 There were nil appropriations in the 2012–13 Budget and forward estimates for capital initiatives/works in the CMCD.

#### **Government strategy**

##### **Performance and accountability framework**

- 3.3 The Committee notes that the CMCD is responsible for the whole of government performance and accountability framework.
- 3.4 The Committee was interested in an update on the status of the performance and accountability framework; in particular how it was being implemented

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<sup>188</sup> *Transcript of evidence*, 26 June 2012, pp. 889–890.

and whether it was at had reached the stage of translating strategic objectives into directorate objectives.<sup>189</sup> The Head of Service told the Committee:

We have set up a performance and accountability share point to share resources and build capacity across the government along four dimensions of the framework plan: plan, deliver, report and review. That evaluation part was the review part. We have also, during the course of the year, developed a strategic service planning framework. This is a major piece of work which went up through the strategic board and has recently been approved by cabinet for implementation across the public service.<sup>190</sup>

- 3.5 As to the devolvement of the framework's strategic objectives to the Directorate level, the Committee was told that it was the expectation of government that this framework would be applied by each directorate in respect of being input into medium-term service planning, asset planning, budgeting, staffing and other requirements.<sup>191</sup>
- 3.6 The Committee was also interested as to how implementation at the directorate level was being measured. The Head of Service advised that it would come up annually for discussion at the strategic board and he imagined that it would also play a part in informing advice to Cabinet.<sup>192</sup>
- 3.7 The Committee notes many directorates have accountability indicators that do not provide helpful measures for directorate performance nor as an assessment against the Government's strategic objectives. It is evident from the Budget Papers that accountability indicators do not appear to be sufficiently focused on outcomes or provide qualitative measures. It is also not clear in many circumstances whether an indicator is actually robust. Indicators could be improved, where appropriate, by including benchmarking against other states, for example, is a target of 85 per cent of ACTION buses running on time comparable with other cities and if not, why not?

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<sup>189</sup> *Transcript of evidence*, 26 June 2012, pp. 853–855.

<sup>190</sup> Mr Andrew Cappie-Wood, *Transcript of evidence*, 26 June 2012, p. 854.

<sup>191</sup> *Transcript of evidence*, 26 June 2012, pp. 854–855.

<sup>192</sup> *Transcript of evidence*, 26 June 2012, pp. 854–855.



## RECOMMENDATION 21

- 3.8 **The Committee recommends that the Chief Minister and Cabinet Directorate work with all Directorates to improve Accountability Indicators across the ACT Public Service to ensure that they relate to each Directorate's respective objectives and the ACT Government's strategic objectives.**

### **Open government agenda**

- 3.9 The Committee discussed the open government initiative and various strategies under the initiative including measures related to ensuring that its goals are implemented. This also covered: (i) responses to Cabinet outcome reports and whether many views were being posted online<sup>193</sup>; (ii) the Government's policy with regard to the release of internal audit reports of directorates and that the Chief Minister's view was that this was a matter for each directorate<sup>194</sup>; (iii) rationale for the two week delay on the publishing of Cabinet summaries and that the Government was reviewing whether it might make more information available as the open government concept becomes more embedded.<sup>195</sup>

## RECOMMENDATION 22

- 3.10 **The Committee recommends that the ACT Government develop a whole-of-government policy on the release of ACT agencies' internal audit reports.**

### **One ACT Public Service reforms**

- (a) The Committee discussed the process of implementing the reforms recommended by the ACT Public Sector Review final report, *Governing the City State: One ACT Government—one ACT Public Service* (2011).<sup>196</sup> This included the status on implementation and what evaluation process was in place to

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<sup>193</sup> *Transcript of evidence*, 26 June 2012, pp. 860–861.

<sup>194</sup> *Transcript of evidence*, 26 June 2012, pp. 861–865.

<sup>195</sup> *Transcript of evidence*, 26 June 2012, p. 866.

<sup>196</sup> Chief Minister and Cabinet Directorate (2011), *Governing the city state: one ACT Government—one ACT Public Service*, February.

measure the effectiveness of implementation. This also included updates on:

- (a) enhanced strategic planning and performance and accountability frameworks;<sup>197</sup>
- (b) establishment of the Government Information Office and release of the Information and Communication Technology (ICT) strategy for the ACT;<sup>198</sup>
- (c) release of an evaluation framework to build a stronger culture of evaluation across Government;<sup>199</sup> and
- (d) building capacity for workforce planning as an integrated business function in routine business activities.<sup>200</sup>

3.11 The Committee discussed at length with the Chief Minister and the Head of Service the measures identified in the Budget to limit growth in employee expenses. To constrain overall growth of the ACT Public Service, savings from employee expenses are being targeted in the 2012–13 Budget. Employee savings of \$17 million are estimated to reduce the public service by around 180 Full Time Equivalents (FTEs).<sup>201</sup>

3.12 The Committee is aware that, as detailed in the Budget Papers and in evidence given in the hearing, that the targeted savings in employee expenses will be achieved through normal staff turnover, reduced contractor expenditure, and targeted redundancies.<sup>202</sup> The Committee is also aware from the Budget Papers and the hearing evidence that these redundancies will be progressed through a voluntary redundancy process.<sup>203</sup>

3.13 Notwithstanding, the Committee sought to confirm, if there was any shortfall in achieving these savings, whether involuntary redundancies might prevail; that is, whether further job losses would be ruled out. The Committee also

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<sup>197</sup> *Transcript of evidence*, 26 June 2012, p. 887.

<sup>198</sup> *Transcript of evidence*, 26 June 2012, p. 887.

<sup>199</sup> *Transcript of evidence*, 26 June 2012, pp. 887–888.

<sup>200</sup> *Transcript of evidence*, 26 June 2012, pp. 889–890.

<sup>201</sup> 2012–13 Budget Paper No. 3, pp. 25–28; *Transcript of evidence*, 26 June 2012, pp. 885–887.

<sup>202</sup> 2012–13 Budget Paper No. 3, p. 28; *Transcript of evidence*, 26 June 2012, pp. 885–887.

<sup>203</sup> 2012–13 Budget Paper No. 3, p. 28; *Transcript of evidence*, 26 June 2012, pp. 885–887.

sought to ascertain whether the proposed \$17 million in employee savings would involve more than 180 FTE positions. In evidence, the Chief Minister would not definitively rule out that the estimated reduction in FTEs in 2012–13 would exceed 180 or ‘other job losses’.<sup>204</sup>

- 3.14 The Committee is concerned that the ACT Public Service will be required to shed more jobs than the forecast 180 FTEs as identified for the Government to meet its budgeted estimates for 2012–2013.

### RECOMMENDATION 23

- 3.15 **The Committee recommends that the ACT Government provide the ACT Legislative Assembly with a detailed breakdown of the 180 Full Time Equivalent positions by which the ACT Public Service will be reduced in 2012–13. This should include allocation across directorates, classifications, and anticipated separation dates.**

### RECOMMENDATION 24

- 3.16 **The Committee recommends that the ACT Government should advise the ACT Legislative Assembly if the forecast reductions in growth in the ACT Public Service for 2012–13 will exceed the targeted 180 Full Time Equivalent positions.**

### Government office buildings

- 3.17 The Committee inquired about the status of office accommodation for the ACT Public Service. In particular, questions were asked of the Chief Minister about the effects of not realising the \$34 million<sup>205</sup> in savings and efficiencies that the Government claimed would be yielded by co-locating a substantial number of ACT Public Service employees in a Government office building.<sup>206</sup>
- 3.18 The Committee also discussed this matter with the Minister for Economic Development, who stated that \$4 million had been spent so far on the

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<sup>204</sup> *Transcript of evidence*, 26 June 2012, pp. 885–887.

<sup>205</sup> Select Committee on Estimates 2011–12, *Report on inquiry into Appropriation Bill 2011–12*, June 2011, pp. 9–11.

<sup>206</sup> *Transcript of evidence*, 26 June 2012, pp. 882–885.

Government office block project, which includes establishing office blocks in both Gungahlin and Civic. The Minister for Economic Development also informed the Committee with regard to the Gungahlin office block, in which it intends to accommodate 500 staff, the Government was in the process of selecting a preferred tenderer from among five options and that the successful tenderer would be announced in the near future. Once the tender process for Gungahlin was complete, the Government will apply the same procurement process to the Civic office block.<sup>207</sup>

3.19 The Committee also noted that the Government had originally justified embarking on the government office block project by citing both the substandard accommodation currently occupied by ACT public servants and the possibility of achieving \$34 million in annual savings. In this light, the Committee sought information on whether delivery of the project would be delayed beyond the original time frame and whether the \$34 million in savings would be realised if the Government did not build the accommodation itself, as was initially envisaged.<sup>208</sup>

3.20 The Minister for Economic Development responded that the previous procurement model had a delivery date of 2017 and that he believed the private sector would still be able to meet this time frame. With regard to the cost of the project, the Minister stated:

...we will see what the market returns. There was argument put that even higher benefits could be delivered across the different criteria that the government adopted in the context of this project. Opportunity will be there for the private sector to put their money and performance where their mouth has been.<sup>209</sup>

### **Centenary of Canberra celebrations**

3.21 The Committee discussed a number of issues with regard to the coordination, planning, and implementation of the Centenary of Canberra.

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<sup>207</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 20 June 2012, p. 421.

<sup>208</sup> *Transcript of evidence*, 20 June 2012, p. 422.

<sup>209</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 20 June 2012, p. 422.

- 3.22 The Committee inquired about why the Government was taking almost \$5 million out of the Centenary of Canberra program in 2014–15 and 2015–16.<sup>210</sup> The Chief Minister explained the revised funding in 2014–15 and 2015–16 was due to the cessation of Centenary for Canberra celebrations at 31 December 2013.<sup>211</sup> The Chief Minister further advised that she would continue to maximise opportunities to promote Canberra after the centenary celebrations.<sup>212</sup>
- 3.23 In relation to the Federal Government’s committed amount of \$6 million for centenary programs, the Committee queried if the funding from the Federal Government should match the contribution from the ACT Government.<sup>213</sup>
- 3.24 The Committee is concerned that the ACT Government is funding the vast majority of the year-long celebrations, with the ACT contributing \$20 million and the Commonwealth Government \$6 million.<sup>214</sup>
- 3.25 Given the celebrations are for the anniversary of the naming of the nation’s capital city, the Committee is of the view that the Commonwealth Government should clearly contribute more.

## RECOMMENDATION 25

- 3.26 **The Committee recommends that the ACT Government continue to make representations to the Commonwealth Government on behalf of the Territory with a view to obtaining, at a minimum, matched funding from the Commonwealth for the 2013 Centenary of Canberra programme of celebrations.**

## ACT Executive

- 3.27 The Committee discussed at length the mobile phone policy for the ACT Executive, including the policy guidance on allocation, use and payment plans. The Committee also sought further information on the budget for

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<sup>210</sup> *Transcript of evidence*, 26 June 2012, p. 890.

<sup>211</sup> 2012–13 Budget Paper No. 4, p. 44.

<sup>212</sup> *Transcript of evidence*, 26 June 2012, p. 892.

<sup>213</sup> *Transcript of evidence*, 26 June 2012, pp. 891–892.

<sup>214</sup> *Transcript of evidence*, 26 June 2012, pp. 891–892; 2012–13 Budget Paper No. 4, p. 44.

mobile phones and the specific rules or criteria used to allocate mobile phones across Ministers and ministerial staff.<sup>215</sup>

## RECOMMENDATION 26

3.28 **The Committee recommends that the ACT Government inform the ACT Legislative Assembly with regard to the ACT Executive's mobile phone policy. This should include detail on policy guidance concerning: allocation—delineating between Ministers and ministerial staff, terms of use, acquittal of conditions attached to use, and payment plans.**

3.29 Other issues discussed in relation to the ACT Executive included:

- turnaround time standards for ministerial responses to correspondence—confirmation of timeframes for public and other stakeholders;<sup>216</sup>
- employee expenses (Executive)—explanation for why ACT Executive employee expenses go up eight per cent and why super goes up 23 per cent (as compared with the across-the-territory increase in employee expenses of six per cent);<sup>217</sup>
- with regard to the transition to five Executive (Ministers)—(a) whether this resulted in a reduction of FTEs within Minister's offices, and (b) the specific number of FTEs within each Ministerial office;<sup>218</sup> and
- the return of savings from the Executive back to the Government, in particular detail on the exact nature of the savings and respective amounts.<sup>219</sup>

## Other issues

3.30 Other issues raised at the estimates hearing of 26 June 2012 in relation to the Chief Minister and Cabinet portfolio included:

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<sup>215</sup> *Transcript of evidence*, 26 June 2012, pp. 899–901.

<sup>216</sup> *Transcript of evidence*, 26 June 2012, p. 894.

<sup>217</sup> *Transcript of evidence*, 26 June 2012, p. 896.

<sup>218</sup> *Transcript of evidence*, 26 June 2012, pp. 896–897.

<sup>219</sup> *Transcript of evidence*, 26 June 2012, p. 899.

- the role of the Chief Minister and Cabinet Directorate in facilitating implementation of government priorities like *Weathering the Change* and the Canberra Plan within and across directorates and how implementation is reported on;<sup>220</sup>
- the status of the Chief Minister and Cabinet Directorate's Resource Management Plan as a requirement of the *Weathering the Change* Action Plan;<sup>221</sup>
- detail on the nature of support activities, for example, preparation of incoming government briefs as well as caretaker conventions, undertaken by the Chief Minister and Cabinet Directorate in relation to pre-election processes;<sup>222</sup>
- savings initiatives in relation to employee expenses across the ACT Public Service—explanation for why employee expenses across the 2012–13 Budget and the forward estimates increase and then decrease;<sup>223</sup> and
- web analytics for the 'Measuring Our Progress' website.<sup>224</sup>

## Industrial Relations portfolio

### Industrial Relations Policy

#### Workplace bullying

3.31 With regard to workplace bullying, the Committee discussed the Government's contribution to the current House of Representatives Standing Committee on Education and Employment inquiry and initiatives of the Work Safety Council.

3.32 On 31 May 2012, the House of Representatives Standing Committee on

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<sup>220</sup> *Transcript of evidence*, 26 June 2012, p. 856.

<sup>221</sup> *Transcript of evidence*, 26 June 2012, pp. 856–857.

<sup>222</sup> *Transcript of evidence*, 26 June 2012, pp. 859–860.

<sup>223</sup> *Transcript of evidence*, 26 June 2012, pp. 857–859.

<sup>224</sup> *Transcript of evidence*, 26 June 2012, pp. 876–877.

Education and Employment commenced an inquiry into workplace bullying.<sup>225</sup> The Committee was informed that the ACT Government was currently preparing a submission in conjunction with the Work Safety Council.<sup>226</sup>

- 3.33 The Committee noted that the passage through the Legislative Assembly of the *Work Health and Safety (Bullying) Amendment Bill 2012* on 22 February 2012 made it an explicit function of the Work Safety Council to investigate and report to the Minister on bullying.<sup>227</sup> The Committee sought an update on whether any such reports had been provided and was told that, although no reports have been provided yet, the Council has had one meeting since the legislation was passed, at which it established a subcommittee to deal with these matters. No reporting date had yet been set, but the subcommittee is expected to develop an indicative program of work in the near future.<sup>228</sup>

### **Work safety, fair wages and conditions in the construction industry**

- 3.34 The Committee discussed a number of issues impacting on work safety, fair wages, and conditions in the construction industry. This included: (i) the prevalence of sham contracting in the ACT<sup>229</sup> and information on what methods the Government was using to monitor and curb sham contracting<sup>230</sup>; and (ii) various aspects of the Workers' Compensation scheme.<sup>231</sup>

## **RECOMMENDATION 27**

- 3.35 **The Committee recommends that the ACT Government review its procurement processes, particularly for civil construction projects, to better preference tenderers that prioritise work safety and fair wages**

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<sup>225</sup> Details of this inquiry can be found at:

<[http://www.aph.gov.au/Parliamentary Business/Committees/House of Representatives Committees?url=ee/bullying/index.htm](http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=ee/bullying/index.htm)>, accessed 2 July 2012.

<sup>226</sup> Mr Andrew Kefford, *Transcript of evidence*, 28 June 2012, p. 1156.

<sup>227</sup> *Transcript of evidence*, 28 June 2012, p. 1156; Legislative Assembly for the ACT, *Minutes of Proceedings*, No. 137, 22 February 2012, pp. 1776-1777.

<sup>228</sup> Mr Andrew Kefford, *Transcript of evidence*, 28 June 2012, p. 1157.

<sup>229</sup> Fair Work Ombudsman, 'Sham Contracts', 2 December 2011. <<http://www.fairwork.gov.au/employment/independent-contractors/sham-contracts/pages/default.aspx>>, accessed 12 April 2011.

<sup>230</sup> *Transcript of evidence*, 28 June 2012, pp. 1161-1162.

<sup>231</sup> *Transcript of evidence*, 28 June 2012, pp. 1164-1166.



**and conditions and other initiatives that will improve the construction industry, such as worker training and employment of disadvantaged workers.**

## **ACT Long Service Leave Authority**

### **Financial statements**

3.36 The Committee noted that the ACT Long Service Leave Authority (the Authority) estimated it would pay out \$11.359 million in long service leave benefits in 2011-12 but actually paid out \$17.673 million.<sup>232</sup> The Chief Operational Officer explained that this rise can largely be attributed to the employment situation in the construction industry:

I think it is the increase in claims in the construction industry. As organisations are running down the work or the work is very limited at the moment, employees, if they are being laid off or if they are moving to another company, would take their leave entitlements. We have seen an increase in the claims, especially in construction. As well, every other state and territory has seen a significant increase in claims for the construction industry.<sup>233</sup>

3.37 The Committee also noted that the Authority expected to receive \$9.335 million in contributions in 2011-12 but in fact received \$12.037 million.<sup>234</sup> The Authority explained that, although it could not determine the exact causes of the increase, it could probably be attributed to an increased determination among workers to ensure that they have all their entitlements, the introduction by Shared Services of Industrial Relations and Employment Certificates for employers tendering for work on ACT Government sites, and the effective capturing of interstate employers coming to the ACT to work.<sup>235</sup>

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<sup>232</sup> ACT Long Service Leave Authority, Statement of Intent 2012-12, p. 10.

<sup>233</sup> Mr Goran Josipovic, *Transcript of evidence*, 28 June 2012, p. 1173.

<sup>234</sup> ACT Long Service Leave Authority, Statement of Intent 2012-12, p. 10.

<sup>235</sup> Mr Robert Barnes and Mr Goran Josipovic, *Transcript of evidence*, 28 June 2012, p. 1173, Dr Chris Bourke MLA, Response to question taken on notice No. 420, 28 June 2012.

## Other issues

- 3.38 Other issues concerning the industrial relations portfolio raised at the estimates hearings of 28 June 2012 included:
- efforts to reduce the cost to the ACT Government of workers' compensation within the ACT Public Service;<sup>236</sup>
  - long service leave portability arrangements;<sup>237</sup>
  - IT system backup arrangements;<sup>238</sup>
  - modelling of future premium costs;<sup>239</sup>
  - potential conflicts of interest generated by the Minister's union membership;<sup>240</sup>
  - transfer of entitlements of staff moving into the ACT Long Service Leave Authority;<sup>241</sup>
  - technical aspects of the ACT Long Service Leave Authority's Cash Flow Statement;<sup>242</sup> and
  - savings initiatives and staffing.<sup>243</sup>

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<sup>236</sup> *Transcript of evidence*, 28 June 2012, pp. 1167-1168; Dr Chris Bourke, Response to question taken on notice No. 419.

<sup>237</sup> *Transcript of evidence*, 28 June 2012, pp. 1157-1159.

<sup>238</sup> *Transcript of evidence*, 28 June 2012, p. 1172.

<sup>239</sup> *Transcript of evidence*, 28 June 2012, p. 1167; Dr Chris Bourke, Response to question taken on notice No. 418.

<sup>240</sup> *Transcript of evidence*, 28 June 2012, pp. 1168-1171.

<sup>241</sup> *Transcript of evidence*, 28 June 2012, p. 1171.

<sup>242</sup> *Transcript of evidence*, 28 June 2012, pp. 1173-1175.

<sup>243</sup> *Transcript of evidence*, 26 June 2012, pp. 889-890.

## 4 HEALTH DIRECTORATE AND RELATED AGENCIES

4.1 The Health Directorate (the Directorate) aims to achieve good health for all residents of the ACT by planning, purchasing and providing quality community-based health services, hospital and extended care services, managing public health risks and promoting health and early care interventions.<sup>244</sup>

### Staffing matters

4.2 The Committee notes that the Directorate is increasing the total number of full-time equivalent (FTE) staff from 5411 to 5549 in this Budget.<sup>245</sup>

4.3 The Committee asked the Directorate about the lowered target for non-admitted occasions of service in the area of aged care.<sup>246</sup> The Directorate told the Committee that there has been a reduction in the number of geriatricians and they have been unable to recruit replacements.<sup>247</sup> The Directorate informed the Committee that they have made a number of attempts to recruit to those positions and plan to re-advertise in July and August 2012.<sup>248</sup>

4.4 The Committee asked about the workforce discussion paper, and was informed that it is close to being released. The Directorate highlighted that the local workforce plan will align with the national workforce planning that is being led through Health Workforce Australia to ensure a consistent approach.<sup>249</sup>

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<sup>244</sup> Health Directorate, *Annual Report 2010-2011*, p. 34.

<sup>245</sup> 2012–13 Budget Paper No. 4, p. 56.

<sup>246</sup> 2012–13 Budget Paper No. 4, Accountability Indicator b., p. 70.

<sup>247</sup> Dr Peggy Brown, *Transcript of evidence*, 21 June 2012, p. 549.

<sup>248</sup> Ms Linda Kohlhagen, *Transcript of evidence*, 21 June 2012, p. 549.

<sup>249</sup> Mr Ian Thompson, *Transcript of evidence*, 21 June 2012, p. 577.

- 4.5 The Directorate also told the Committee that having a local medical school was making a significant difference, with local graduates coming into the system in increasing numbers.<sup>250</sup>
- 4.6 The Minister for Health was asked about whether the Government had consulted with Paramedics Australia regarding the registration of paramedics as part of the National Registration and Accreditation Scheme.<sup>251</sup> The Minister informed the Committee that the Government was undertaking work on the matter and had consulted with the Transport Workers Union and local paramedics, but not with Paramedics Australia.<sup>252</sup>

## RECOMMENDATION 28

- 4.7 **The Committee recommends that the ACT Government consult with Paramedics Australia regarding registration of paramedics as part of the National Health Practitioners Registration Scheme.**

## Capital initiatives/works

- 4.8 The Committee asked for an explanation in regards to the capital rollovers totalling \$89.6 million, acknowledging that the projects associated with the subacute hospital would be a factor.<sup>253</sup>
- 4.9 Directorate officials informed the Committee that delays associated with revision of a project's scope and budget were primarily responsible for rolling over funds associated with the Tuggeranong Health Centre, the new mental health facility for young people and the residential alcohol and other drug rehabilitation facility for Aboriginal and Torres Strait Islander people.<sup>254</sup>
- 4.10 The Minister clarified that the Government's preferred approach is to ensure that the planning process includes all the relevant stakeholders and involves questioning the various options to ensure that the completed facility meets the

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<sup>250</sup> Mr Ian Thompson, *Transcript of evidence*, 21 June 2012, p. 578.

<sup>251</sup> *Transcript of evidence*, 21 June 2012, p. 568.

<sup>252</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 569.

<sup>253</sup> *Transcript of evidence*, 21 June 2012, p. 494.

<sup>254</sup> Mr Grant Carey-Ide, *Transcript of evidence*, 21 June 2012, pp. 494 -495.

needs and specifications of the clinicians and provides the best level of health care available for the ACT.<sup>255</sup>

- 4.11 Directorate officials also informed the Committee that contract negotiations regarding the upgrade of Canberra hospital facilities resulted in spending delays for a number of ancillary aspects of the project design.<sup>256</sup>

### **Subacute hospital**

- 4.12 The Committee asked questions regarding the progress of the proposed subacute hospital.<sup>257</sup> The Directorate told the Committee that the clinical services plan is currently being developed. This is the whole of Territory health services plan. It is due to be released for consultation in July and finalised in August. The subacute scoping plan will then be finalised based on the whole of Territory health services plan. There is no deadline for the completion of the scoping study.<sup>258</sup>

### **E-health initiatives**

- 4.13 The Committee asked about the e-health initiatives, particularly why roll-out of them was spread over three years.<sup>259</sup> The Minister informed the Committee that the primary the reason was to realign the e-health program with the ongoing infrastructure redevelopment.<sup>260</sup>
- 4.14 The Minister stated that the e-healthy package includes approximately 25 projects that have been delivered or are underway, and three or four projects that have been delayed by re-profiling. Projects underway or completed include clinical portals, clinical information systems in the intensive care unit, individual health identifiers, e-referrals from general practitioners, community-based clinical records, cancer information systems, renal medicine systems, wireless connectivity, digital nurse call, digital mammography,

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<sup>255</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 495.

<sup>256</sup> Mr Grant Carey-Ide, *Transcript of evidence*, 21 June 2012, p. 498.

<sup>257</sup> *Transcript of evidence*, 21 June 2012, p. 490.

<sup>258</sup> Mr Ian Thompson, *Transcript of evidence*, 21 June 2012, pp. 491-492.

<sup>259</sup> *Transcript of evidence*, 21 June 2012, p. 502.

<sup>260</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 502.

digital intensive care at Calvary Public Hospital, and a consumer portal to a pilot group.<sup>261</sup>

4.15 The Minister told the Committee that the projects being re-profiled include the electronic medication management and the electronic health record system.<sup>262</sup>

4.16 The Committee asked if this would breach Commonwealth deadline requirements.<sup>263</sup> The Directorate confirmed that it is the personally controlled electronic health record system which is due to commence on 1 July 2012, and that commencement is defined as the ability for people to register their interest in participating as connectivity gets successively added to it. The ACT is an advanced jurisdiction expecting to commence functionality with a small group of people with chronic diseases in July.<sup>264</sup>

## RECOMMENDATION 29

4.17 **The Committee recommends that the ACT Government detail to the Legislative Assembly the scope and timetable for all the e-health initiatives.**

## Women and Children's Hospital

4.18 The Committee asked about the progress of the Women and Children's Hospital.<sup>265</sup>

4.19 The Minister told the Committee that all of the beds will be provided in stage 1 which is due to be completed in August 2012. Stage 2 includes refurbishing and this will be complete in August 2013.<sup>266</sup>

4.20 The Directorate clarified that whilst all services will be fully functioning and operational in stage 1, the paediatric outpatient, birthing suite, foetal medicine unit, postnatal short-stay, maternity assessment unit, and maternity and

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<sup>261</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 502.

<sup>262</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 502.

<sup>263</sup> *Transcript of evidence*, 21 June 2012, p. 502.

<sup>264</sup> Mr Ian Thompson, *Transcript of evidence*, 21 June 2012, p. 502.

<sup>265</sup> *Transcript of evidence*, 21 June 2012, p. 487.

<sup>266</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 487.

gynaecology outpatient's services will be moved from their location in stage 1 to the refurbished accommodation in stage 2.<sup>267</sup>

## Acute services

- 4.21 The Canberra Hospital provides a comprehensive range of acute care, including inpatient, outpatient, and emergency department services.
- 4.22 Key matters discussed by the Committee in relation to this Output included:
- cross border health receipts;
  - data collection;
  - growth in funding;
  - tampering of waiting time data for The Canberra Hospital's Emergency Department (ED);
  - four-hour rule in the ED;
  - subacute hospital;
  - women's and children hospital;
  - number of new hospital beds;
  - insurance;
  - capital work rollovers;
  - Canberra hospital facilities design;
  - E-healthy future; and
  - health infrastructure program project management.

## Data management

- 4.23 The Committee recalled the Minister for Health on 5 July 2012 to discuss Output Class 1, strategic indicator 17, ED waiting times. This recall hearing was given rise to by the ACT Auditor-General's report<sup>268</sup> into ED waiting time

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<sup>267</sup> Dr Peggy Brown, *Transcript of evidence*, 21 June 2012, p. 487.

<sup>268</sup> ACT Auditor-General's Office, *Performance Audit Report, Emergency Department Performance Information*, Report No. 6/2012, July 2012.

- data tampering at The Canberra Hospital and the PricewaterhouseCoopers (PwC) forensic data audit,<sup>269</sup> both publicly released on 3 June 2012.<sup>270</sup>
- 4.24 The PwC Report concluded that the data was changed primarily between January 2011 and March 2012. There were 7,506 changes in 2011 equating to 11.9 per cent of all patient presentations and 2,733 changes to April 2012 equating to 11.4 per cent of all presentations.<sup>271</sup>
- 4.25 PwC analysed the number of changes made outside of established policies to determine the extent of the invalid changes.<sup>272</sup> The audit found that the average wait time for the records changed was significantly lowered, where for example for Triage category 3 the time was reduced by 61 minutes in 2011 and 51 minutes in 2012. Although Committee notes there were some large outliers where the original maximum hour range was up to 9.6 hours.<sup>273</sup>
- 4.26 The ACT Auditor-General's report reflected PwC's findings in relation to the extent of data tampering in the ED, though highlights that a senior executive officer's admissions of manipulating records do not account for all of the changes that were made to hospital records, where timeliness information was improved. The senior executive officer did not admit to making changes to records in 2009. Furthermore, changes to hospital records made throughout 2010 and early 2012 are not all accounted for by the senior executive officer's admission.<sup>274</sup>
- 4.27 The ACT Auditor-General's report makes 10 recommendations. The first recommendation is that additional performance indicators are included in standard reporting processes, to ensure that quality of care is given the same

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<sup>269</sup> PricewaterhouseCoopers, *ACT Health Directorate Emergency Department Information System Data Integrity Summary Report*, 29 June 2012.

<sup>270</sup> Both reports are available at <http://health.act.gov.au/publications/reports/emergency-department-information-system-data-integrity-summary-report>.

<sup>271</sup> PricewaterhouseCoopers, *ACT Health Directorate Emergency Department Information System Data Integrity Summary Report*, 29 June 2012, p. 2.

<sup>272</sup> PricewaterhouseCoopers, *ACT Health Directorate Emergency Department Information System Data Integrity Summary Report*, 29 June 2012, p. 2.

<sup>273</sup> PricewaterhouseCoopers, *ACT Health Directorate Emergency Department Information System Data Integrity Summary Report*, 29 June 2012, p. 4.

<sup>274</sup> ACT Auditor-General's Office, *Performance Audit Report, Emergency Department Performance Information*, Report No. 6/2012, July 2012, p. 5.



priority as the timeliness of care.<sup>275</sup> The other recommendations fall largely into two categories. These are one, those that relate to strengthening the technical capacity of the data collection program to provide greater accountability capacity, and, two, those that relate to the breadth of data being collected. The Directorate has accepted all of the recommendations.

- 4.28 The Minister advised the Committee about work undertaken to implement the Auditor-General's recommendations. Measures that have commenced include the Directorate working with the software vendors on changes to the technical functionality of the existing system. Measures that are being planned for immediate commencement include performance indicators for the ED that measure clinical outcomes and patient satisfaction.<sup>276</sup>
- 4.29 The Minister undertook to commission independent experts to develop a data integrity strategy that, when complete, will be implemented across the Health Directorate. Preparatory work is underway to set out the various data and information systems in use and their current governance and reporting mechanisms.<sup>277</sup> The Directorate will establish a new position of Director, Data Integrity, which will sit outside hospital structures and report directly to the Director-General.<sup>278</sup>
- 4.30 The Minister advised she will be extending an invitation to Professor Mick Reid to conduct a review of governance across the Health Directorate. The review is to assist the Directorate in strengthening, where appropriate, its corporate governance across all facets of the organisation, including at the Canberra Hospital.<sup>279</sup>
- 4.31 The Minister advised she had extended an invitation to the ACT Auditor-General to conduct a progress review in 12 months to ensure that the

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<sup>275</sup> ACT Auditor-General's Office, Performance Audit Report, *Emergency Department Performance Information*, Report No. 6/2012, July 2012, p. 5.

<sup>276</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 5 July 2012, p. 1371.

<sup>277</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 5 July 2012, p. 1371.

<sup>278</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 5 July 2012, p. 1371.

<sup>279</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 5 July 2012, pp. 1371 - 1372.

Directorate was on track in making the necessary changes and improvements.<sup>280</sup>

4.32 The Committee supports this invitation of the Minister to the Auditor-General.

4.33 The Minister advised that regular national audits across all jurisdictions will possibly need to be discussed with State and Territory Ministerial colleagues and the Federal Minister for Health.<sup>281</sup>

4.34 The Committee commends all staff working at the Canberra Hospital, and particularly those working in the ED, on their efforts to continue serving our community throughout this difficult time. The Committee acknowledges the increasing workload pressures that come with growing presentations to the department.

4.35 The Committee takes this opportunity to congratulate staff in the ED. A Council of Australian Governments (COAG) Reform Council report recently released showed the ACT had rates that were significantly higher than the national rates for four measures—being listened to carefully by ED doctors, being shown respect by them, being listened to carefully by hospital doctors, and being given enough time by hospital nurses.<sup>282</sup>

### **Emergency Department performance indicators – four-hour rule**

4.36 The Committee asked the Minister questions relating to the rationale and decision making process behind the ACT's adoption of the four-hour rule as an indicator of emergency room effectiveness.

4.37 The Minister advised the indicator was part of national health reform, and linked to funding from the Commonwealth, and that was the primary reason for adoption. The Minister emphasised that this indicator should be

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<sup>280</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 5 July 2012, p. 1372.

<sup>281</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 5 July 2012, p. 1371.

<sup>282</sup> Council of Australian Governments Reform Council (2012) *Healthcare 2010–11: Comparing performance across Australia*, COAG Reform Council, Sydney, p. 81.

considered as part of a suite of indicators that provide a clear picture in regards to the quality of care provided in the ED.<sup>283</sup>

4.38 Questions were raised by Committee and non-Committee members about the use of the indicator in other jurisdictions, such as Western Australia, where it has been deemed successful in the initial stages, and the United Kingdom where it was not and was discontinued.

4.39 The Directorate clarified that it shares the concerns of the Committee, and confirmed that there are discussions happening at the national level regarding what indicators might be added to the indicator set to give a more complete picture of the outcome.<sup>284</sup>

### RECOMMENDATION 30

4.40 **The Committee recommends ACT Health develop and report to the Legislative Assembly on the indicators it will use to measure the quality and the outcomes of care provided through the Canberra Hospital Emergency Department.**

#### **Stand-alone birthing centre**

4.41 The Committee asked if the ACT subacute hospital currently being designed will include a stand-alone birth centre run by midwives.<sup>285</sup>

4.42 The Minister informed the Committee that there is no intention for such a centre to be included. The Minister told the Committee that she had received advice that the lack of an operating theatre, and the lack of possible acute intervention if required, makes the location inappropriate for a birthing centre.<sup>286</sup>

4.43 The Committee questioned this position given the success of the model elsewhere in Australia, such as Toowoomba.<sup>287</sup>

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<sup>283</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 476.

<sup>284</sup> Dr Peggy Brown, *Transcript of evidence*, 21 June 2012, p. 477.

<sup>285</sup> *Transcript of evidence*, 21 June 2012, p. 481.

<sup>286</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 482.

<sup>287</sup> *Transcript of evidence*, 21 June 2012, p. 141.

4.44 The Minister suggested that the inclusion of a stand-alone birth centre in the subacute hospital would not be welcomed by clinicians.<sup>288</sup>

### RECOMMENDATION 31

4.45 **The Committee recommends that the ACT Government engage with local midwife representatives to further develop an appropriate model for a stand-alone birth centre.**

## Mental health services

4.46 ACT Mental Health, Justice Health, and Alcohol and Drug Services provide a range of services in hospitals, community health centres, adult and youth correctional facilities, and peoples' homes, across the Territory. These services work with community partners to provide integrated and responsive care to a range of services including hospital based specialist services, supported accommodation services, and community-based service responses.<sup>289</sup>

4.47 Key matters discussed by the Committee in relation to this Output included:

- the co-morbidity strategy;
- federal funding arrangements;
- Australian Institute of Health and Welfare reporting;
- mental health spending;
- funding of mental health services;
- the Aboriginal and Torres Strait Islander residential facility;
- the Alexander Maconochie Centre Hepatitis C program; and
- the secure mental health facility.

4.48 The Committee asked about the mental health budget, and what proportion of total health funding has been assigned to mental health services.<sup>290</sup> The Minister informed the Committee that approximately \$102 million has been allocated for the 2012-13 financial year, resulting in an increase from 7.7 per

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<sup>288</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 482.

<sup>289</sup> 2012–13 Budget Paper No. 4, p. 66.

<sup>290</sup> *Transcript of evidence*, 21 June 2012, p. 141.

cent to 8.5 per cent of the total health budget. The Minister clarified that when funding for drug and alcohol or justice health services is included, the mental health budget is 9.7 per cent of the total health budget.<sup>291</sup>

## RECOMMENDATION 32

- 4.49 **The Committee recommends that the ACT Government continues to grow the proportion of health funding allocated to mental health services towards 12 per cent of the total ACT Budget.**

### Service provision for people with eating disorders

- 4.50 The Committee asked if specialised treatment for people with eating disorders would be provided at the new subacute hospital being designed, as currently people must travel interstate to access specialised services.<sup>292</sup>
- 4.51 A Directorate official clarified that there are both in-patient and out-patient support services currently operating in the ACT for both adolescent and adult populations, and that while no decision has been made on the provision of mental health services at the new subacute hospital, it is unlikely that a unit for eating disorders would be developed from broader mental health services.<sup>293</sup>
- 4.52 The Committee notes concerns raised by constituents about the lack of access to specialised in patient services for adults suffering eating disorders.

## RECOMMENDATION 33

- 4.53 **The Committee recommends that the ACT Minister for Health report to the Legislative Assembly on what level of in-patient services the ACT Government provides to adults suffering eating disorders, and where ACT residents go if they need a higher level of service.**

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<sup>291</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, pp. 517-518.

<sup>292</sup> *Transcript of evidence*, 21 June 2012, p. 482.

<sup>293</sup> Dr Peggy Brown, *Transcript of evidence*, 21 June 2012, p. 482.

## Alcohol and other drugs service provision

- 4.54 Raising some feedback from a community group, the Committee asked the Minister why there had not been an increase in funding for specific alcohol and drug services, particularly in relation to co-morbidity services.<sup>294</sup>
- 4.55 Directorate officials informed the Committee that the Directorate undertook an internal budget realignment to fund a counsellor with the alcohol and drug service whose primary role is to provide throughcare counselling to detainees in the Alexander Maconochie Centre (AMC). The Directorate also provided additional funding for pharmacy services that manage the methadone service at the AMC.<sup>295</sup>
- 4.56 Officials also noted that \$50,000 had been allocated to community services to assist these services to implement the co-morbidity strategy.<sup>296</sup>
- 4.57 The Committee asked for confirmation of the level of funding removed from the local drug and alcohol sector. The Directorate advised that the Commonwealth had initially advised of a reduction of \$1.2 million in funding, but then re-provided around \$1 million of that,<sup>297</sup> which meant the reduction ultimately amounted to approximately \$200,000<sup>298</sup>.

## RECOMMENDATION 34

- 4.58 **The Committee recommends the ACT Government advise the Legislative Assembly which local drug and alcohol services will be reduced as a result of cuts in Commonwealth funding, and what strategies will be implemented to cope with the unmet client need caused by these reductions.**<sup>299</sup>

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<sup>294</sup> *Transcript of evidence*, 21 June 2012, p. 511.

<sup>295</sup> Ms Katrina Bracher, *Transcript of evidence*, 21 June 2012, p. 511.

<sup>296</sup> Mr Ross O'Donoghue, *Transcript of evidence*, 21 June 2012, p. 511.

<sup>297</sup> Dr Peggy Brown, *Transcript of evidence*, 21 June 2012, p. 512.

<sup>298</sup> Dr Peggy Brown, *Transcript of evidence*, 21 June 2012, p. 513.

<sup>299</sup> *Transcript of evidence*, 21 June 2012, p. 511.

## Alexander Maconochie Centre detainees with Hepatitis C

- 4.59 The Committee asked how many detainees of the AMC, who are eligible for Hepatitis C treatment have had to wait for it.<sup>300</sup>
- 4.60 The Minister informed the Committee that the Government is pursuing a comprehensive blood-borne virus management strategy at the AMC. She confirmed that eight AMC detainees have tested positive for Hepatitis C. This includes two detainees who have spent time outside the AMC, during the period of their screening. The Minister told the Committee that a range of treatment and harm minimisation strategies were currently in place, with 34 detainees having access to Hepatitis C management and treatment programs at the AMC.<sup>301</sup>
- 4.61 The Committee understands that to be appropriate for Hepatitis C treatment a patient needs to have a particular gene type and a particular body weight range.<sup>302</sup> The Committee is concerned by the rise, in the past three years, in the number of AMC detainees with Hepatitis C.

### RECOMMENDATION 35

- 4.62 **The Committee recommends that all Alexander Maconochie Centre detainees with Hepatitis C have timely access to the Hepatitis C treatment, if they have the gene and body weight that makes them treatable with this treatment.**

### RECOMMENDATION 36

- 4.63 **The Committee recommends that a needle and syringe program be trialled in the Alexander Maconochie Centre so as to prevent further spread of blood borne diseases.**

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<sup>300</sup> *Transcript of evidence*, 21 June 2012, p. 523.

<sup>301</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, pp. 523-525.

<sup>302</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 21 June 2012, p. 525.

## Public health services

- 4.64 Public Health Services provides high quality health and community services to the ACT and surrounding region. The key strategic priorities for Public Health Services include monitoring the health of the ACT population, promoting health, preventing disease, improving health equity, protecting the health of the public, and supporting workforce excellence (Population Health Division).<sup>303</sup>
- 4.65 Key matters discussed by the Committee in relation to this Output included:
- public health monitoring;
  - total percentage of funding;
  - preventative disease funding;
  - air quality station; and
  - men's health.

## Public health monitoring - smoking

- 4.66 The Committee asked about monitoring public health and strategies to address public health issues such as smoking.<sup>304</sup> Directorate officials informed the Committee that extra Commonwealth funding had recently been announced to assist the ACT monitor obesity in particular, but also smoking and alcohol rates.<sup>305</sup>
- 4.67 The Committee raised concerns that smoking rates among low income and vulnerable people has not decreased to the same degree as it has in other population groups. The Directorate confirmed that this is an area that now needs to be concentrated on.<sup>306</sup>
- 4.68 The Directorate advised it will be including smoking, obesity, and alcohol initiatives, as part of the service model in the new health centres, and reaching out to high-risk communities with these initiatives in community settings.<sup>307</sup>

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<sup>303</sup> 2012–13 Budget Paper No. 4, p. 66.

<sup>304</sup> Ms Amanda Bresnan MLA, *Transcript of evidence*, 21 June 2012, p. 538.

<sup>305</sup> Dr Paul Kelly, *Transcript of evidence*, 21 June 2012, p. 538.

<sup>306</sup> Dr Paul Kelly, *Transcript of evidence*, 21 June 2012, p. 538.

<sup>307</sup> Dr Paul Kelly, *Transcript of evidence*, 21 June 2012, pp. 539-40.



## RECOMMENDATION 37

- 4.69 **The Committee recommends the ACT Government take greater steps to target anti-smoking campaigns and programs to low income and vulnerable people.**

### Men's health

- 4.70 The Committee asked the Minister for Health questions about the Government's provision of health services for men in the ACT. These included whether there are any programs tailored to target men to ensure they are addressing health issues, irrespective of if they are men-specific or general ones.<sup>308</sup> The Directorate informed the Committee that the ACT does not have a specific program or policy targeting men's health.<sup>309</sup>

## RECOMMENDATION 38

- 4.71 **The Committee recommends that the ACT Government develop a men's health plan and appropriate associated literature to improve men's health in the ACT.**

### Cancer Services

- 4.72 Capital Region Cancer Services provide a comprehensive range of screening, assessment, diagnostic, treatment, and palliative care services. Services are provided in in-patient, out-patient, and community settings.
- 4.73 Key matters discussed by the Committee in relation to this Output included:
- lymphoedema services;
  - service capacity;
  - the palliative care review;
  - the public health picture of the ACT population;
  - adolescent health;
  - the diabetes services plan;

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<sup>308</sup> *Transcript of evidence*, 21 June 2012, p. 565.

<sup>309</sup> Dr Paul Kelly, *Transcript of evidence*, 21 June 2012, p. 565.

- health promotion grants; and
- the Aboriginal and Torres Strait Islander vaccination program.

## **Lymphoedema services**

- 4.74 The Committee notes the review of Lymphoedema services is ongoing, and that the Government believes that a large component of those services should be delivered in the primary care sector rather than as a specialist service on a hospital site.<sup>310</sup>

## **RECOMMENDATION 39**

- 4.75 **The Committee recommends that the ACT Government provide the Legislative Assembly with a copy of the report on the review of Lymphoedema services as soon as it is available.**

## **Aged care and rehabilitation services**

- 4.76 The Budget Output of Aged care and rehabilitation services covers the provision of an integrated, effective and timely response to aged care and rehabilitation services in in-patient, out-patient, emergency department, subacute, and community based, settings.
- 4.77 Key matters discussed by the Committee in relation to this Output included:
- the Home and Community Care program;
  - non-admitted occasions of service;
  - the recruitment of geriatricians;
  - nurses at special schools;
  - the Gungahlin Health Centre;
  - pharmacy regulations;
  - chronic disease management funding;
  - rehabilitation and aged care;
  - kinicare health checks;

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<sup>310</sup> *Transcript of evidence*, 21 June 2012, p. 533.

- the Village Creek Centre, an aged care and rehabilitation service in Kambah;
- the national registration scheme for paramedics; and
- the private health insurance rebate.

## Home and Community Care funding

- 4.78 The Committee asked when Home and Community Care (HACC) growth funds will be announced and why, when the service assessment was completed in January 2012, the funds still have not been allocated to community service providers.<sup>311</sup>
- 4.79 The Directorate informed the Committee that delays are largely due to transition arrangements, as the Commonwealth becomes directly responsible for managing HACC funds from 1 July 2012. The official highlighted that the Commonwealth has provided assurances that its new contract arrangements will not make significant changes to current service provision arrangements.<sup>312</sup>
- 4.80 The Committee remains concerned that tenders for HACC growth funds closed on 15 January 2012, but still have not been announced, and that problems also occurred with long delays in HACC indexation in 2009.

## RECOMMENDATION 40

- 4.81 **The Committee recommends the ACT Government establish more timely administration processes for Home and Community Care growth and indexation funds.**

## Geriatrician Services

- 4.82 The Committee asked why the internal target for non-admitted occasions of service has been reduced.<sup>313</sup>
- 4.83 The Directorate clarified that the geriatrician service to the Geriatric Evaluation and Management unit beds at Calvary Public Hospital were

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<sup>311</sup> *Transcript of evidence*, 21 June 2012, pp. 546-547.

<sup>312</sup> Mr Ross O'Donoghue, *Transcript of evidence*, 21 June 2012, p. 548.

<sup>313</sup> *Transcript of evidence*, 21 June 2012, p. 549.

withdrawn in February 2011 due to a lack of staff.<sup>314</sup> The Committee was told that 28 beds are still provided at the Aged Care and Rehabilitation Unit with patients admitted by the rehabilitation physicians instead of by a mix of the geriatricians and rehabilitation physicians.<sup>315</sup> The Committee was also told that the out-patient clinic continues to operate.<sup>316</sup>

#### **RECOMMENDATION 41**

- 4.84 **The Committee recommends that the ACT Government develop a long-term strategy for the provision of staff for geriatrician services in the ACT.**

#### **Village Creek Centre**

- 4.85 The Committee asked if the transport-related issues highlighted in last year's evaluation have been dealt with.<sup>317</sup> The Directorate notified the Committee that there have been discussions with ACTION and the feedback is that the width of the road at Kingsmill Street is insufficient to allow a bus to travel safely as part of a routine bus route. As a result, the Directorate is looking at options to better align community transport and appointment processes at the Centre.<sup>318</sup>
- 4.86 The Committee is concerned that people continue to report problems with accessing by public transport the Aged Care and Rehabilitation services at the Village Creek Centre.

#### **RECOMMENDATION 42**

- 4.87 **The Committee recommends that the ACT Government establish a plan in consultation with ACTION to resolve the problems with accessing the Village Creek Centre by public transport.**

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<sup>314</sup> See the *Staffing matters* section at the beginning of this Chapter for additional information on the shortage of geriatricians.

<sup>315</sup> Ms Linda Kohlhausen, *Transcript of evidence*, 21 June 2012, p. 550.

<sup>316</sup> Ms Linda Kohlhausen, *Transcript of evidence*, 21 June 2012, p. 550.

<sup>317</sup> *Transcript of evidence*, 21 June 2012, p. 566.

<sup>318</sup> Mr Ian Thompson, *Transcript of evidence*, 21 June 2012, p. 567.

## Health services provision in schools

- 4.88 The Committee enquired about the arrangements for children with special needs attending public schools.<sup>319</sup>
- 4.89 Directorate officials informed the Committee that it is currently developing a process to adequately support children and their families. A Memorandum Of Understanding (MOU) between the Health and Education Directorates that details regular planning meetings and assessment procedures is being drafted. The MOU acknowledges that every child has their own individual circumstances, and as a result, each child's needs must be assessed to ensure that appropriate care is provided by the healthcare provider within the school.<sup>320</sup>
- 4.90 Asked for further detail, the Directorate explained that the new process would involve three steps. The first, triggered when children enrol in the schools, is that the school identify in the enrolment process that the child has special needs. For each child identified, the Health Directorate will provide a medical assessment for that child and a specific plan, endorsed by a medical practitioner, for that child's attendance at school. The plan of care can then be provided to the school for the nurse or the trained health worker.<sup>321</sup> The Directorate will review that plan annually.<sup>322</sup>
- 4.91 When asked who will provide the care to the child, the Directorate informed the Committee that it is examining the option of developing a classification of worker called a nursing assistant or care attendant. The assistant would not be a qualified nurse or doctor. They would have received, competency-based training. These assistants or attendants would be supervised by a trained nurse.<sup>323</sup>

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<sup>319</sup> *Transcript of evidence*, 21 June 2012, pp. 551-554.

<sup>320</sup> Ms Elizabeth Chatham, *Transcript of evidence*, 21 June 2012, pp. 552-554.

<sup>321</sup> Ms Elizabeth Chatham, *Transcript of evidence*, 21 June 2012, pp. 552-554.

<sup>322</sup> Ms Elizabeth Chatham, *Transcript of evidence*, 21 June 2012, pp. 552-554.

<sup>323</sup> Ms Elizabeth Chatham, *Transcript of evidence*, 21 June 2012, pp. 552-554.

4.92 The Directorate told the Committee that they are hoping to finalise the MOU by December, though the introduction of assistants would not be implemented at that time.<sup>324</sup>

## Early intervention and prevention

4.93 This Output aims to increase the focus on initiatives that provide early intervention to, or prevent, health care conditions that result in major acute or chronic health care burdens on the community.

4.94 Key matters discussed by the Committee in relation to this Output included:

- transitional care;
- the strategic workforce plan; and
- the food preparation grading scheme.

4.95 The Committee is encouraged that the target for women from a culturally and linguistically diverse background attending health checks has been exceeded by nine per cent.<sup>325</sup>

## ACT Local Hospital Network

4.96 The Budget provides useful background in regard to the local hospital network. In 2011, the ACT Government became a signatory to the National Health Reform Agreement (NHRA) which introduced new financial and governance arrangements for Australian public hospital services and new arrangements for primary health care and aged care provision.<sup>326</sup>

4.97 On 29 March 2011, the ACT Government took the first step toward implementing the ACT Local Hospital Network when the Legislative Assembly passed amendments to the *Health Act 1993* (ACT).<sup>327</sup> These amendments provide the legislative basis for establishment of the ACT Local

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<sup>324</sup> Ms Elizabeth Chatham, *Transcript of evidence*, 21 June 2012, pp. 552-554.

<sup>325</sup> 2012–13 Budget Paper No. 4, p. 70.

<sup>326</sup> 2012–13 Budget Paper No. 4, p. 89.

<sup>327</sup> Available at <<http://www.legislation.act.gov.au/a/1993-13/default.asp>>, accessed 2 July 2012.

Hospital Network (ACT LHN) and a skill-based ACT Local Hospital Council.<sup>328</sup>

- 4.98 The ACT LHN commenced operation on 1 July 2012 and is administered by the Director-General of the Health Directorate and supported by Health Directorate staff.<sup>329</sup>
- 4.99 The ACT LHN will receive activity-based funding from both the Commonwealth and the ACT Governments and block funding for teaching, training, and research.
- 4.100 The ACT LHN will purchase public hospital services from four ACT public hospital providers including the Canberra Hospital, Calvary Public Hospital, Clare Holland House, and the Queen Elizabeth II Family Centre.<sup>330</sup>
- 4.101 Key matters discussed by the Committee in relation to this Output included:
- public dental services;
  - Calvary Public Hospital;
  - magnetic resonance imaging (MRI);
  - expansion of emergency departments;
  - the Hospital in the Home program;
  - bed occupancy;
  - the Medicare rebate for privately practising midwives;
  - the cardiac rehabilitation program; and
  - preventable admissions.

### **Public dental services**

- 4.102 The Minister confirmed that this Budget provided funds for the National Partnership on a Commonwealth Dental Program. The Directorate advised it was unsure exactly how that funding would be expended and what the focus of the expenditure would be. The Minister and Directorate also advised that

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<sup>328</sup> 2012–13 Budget Paper No. 4, p. 89.

<sup>329</sup> 2012–13 Budget Paper No. 4, p. 89.

<sup>330</sup> 2012–13 Budget Paper No. 4, p. 89.

the Government is examining how it could increase staff role delineation to make more efficient use of staff.<sup>331</sup>

#### **RECOMMENDATION 43**

- 4.103 **The Committee recommends the ACT Minister for Health update the Legislative Assembly on how and where funding from the National Partnership on a Commonwealth Dental Program will be targeted, and what changes will occur in delineation of staff roles.**

#### **Calvary staff entitlements**

- 4.104 The Committee asked if the ACT Government had decided to cover the outstanding employee entitlements for Calvary Public Hospital staff, an issue that was raised in last year's Estimates Committee hearings. The Directorate advised the issue was yet to be resolved.<sup>332</sup> The Committee is concerned that the funding of Calvary staff entitlements continues to be an issue.

#### **RECOMMENDATION 44**

- 4.105 **The Committee recommends that the ACT Government report to the Legislative Assembly when the issue of outstanding employee entitlements for Calvary Public Hospital staff is resolved, as soon as that occurs.**

#### **Privately practising midwives**

- 4.106 The Committee queried the progress made to ensure women in the ACT could access currently available Medicare benefits for use of a privately practising midwife pre- and post-birth. The Directorate advised that there had been difficulties in the establishment of collaborative arrangements between private midwives and medical staff. The Directorate also advised that ACT Health had offered to establish networks between private midwives and the Calvary Public Hospital director of midwifery services. ACT Health had also offered to develop opportunities for private midwives to meet with medical staff, to

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<sup>331</sup> *Transcript of evidence*, 21 June 2012, p. 576.

<sup>332</sup> *Transcript of evidence*, 21 June 2012, p. 586.



present a model of collaboration, and to provide forums in which more collaborative relationships can be established.<sup>333</sup>

#### **RECOMMENDATION 45**

- 4.107 **The Committee recommends ACT Health proactively establish networks and relationships between medical staff and private midwives at the Canberra Hospital so as to ensure birthing women, in the ACT, can access Medicare benefits for use of a private midwife pre- and post-birth.**

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<sup>333</sup> *Transcript of evidence*, 21 June 2012, p. 590.



## 5 TERRITORY AND MUNICIPAL SERVICES DIRECTORATE AND RELATED AGENCIES

### Territory and Municipal Services Directorate

#### Municipal services

- 5.1 At the hearing on 22 June 2012, the Committee discussed a number of issues relating to municipal services, including:
- access to public libraries;
  - the operation of Canberra Connect;
  - the proposed third ACT Internal Omnibus Network (ACTION) bus depot;
  - the Majura Parkway;
  - Constitution Avenue upgrade;
  - walking and cycling infrastructure;
  - waste to landfill;
  - organic waste;
  - the installation of city recycling bins;
  - e-waste recycling;
  - urban tree funding;
  - pest and weed management funding; and
  - the Pialligo Quarry.
- 5.2 As a general observation, the Committee noted that previous budgets have included TAMS indicators for current and next year budgeted costs of various activities under the output classes. The Committee is concerned that the absence of these indicators in recent budgets obscures trends in recurrent funding arrangements. It would also improve the user-friendliness of budget data if all Directorates provided this information, potentially online.

## RECOMMENDATION 46

- 5.3 **The Committee recommends that the ACT Government (a) include, in all future budgets, indicators for current and next year budgeted costs of various activities under the Territory and Municipal Services portfolio output classes; (b) investigate doing this for all Directorates; and (c) investigate providing this information online.**

## Information services

### Access to Public Libraries

- 5.4 The Committee raised the issue of the ACT Government's policy on residents' access to public libraries. The Committee asked whether a strategy to improve the library service would include a policy to ensure that all residents are within three kilometres of a public library.<sup>334</sup>
- 5.5 The Directorate advised:
- ... I cannot pre-empt what the government might decide around libraries. What I can say is that Canberrans are very well supported by library services. They have got very good access to library services. We have got well in excess of required opening hours and access points. Our collections are of a very good standard. Rest assured the people of Canberra have very good library services.<sup>335</sup>
- 5.6 The Minister advised that the draft library strategy was still in development and is yet to be considered by Government. The Committee was also provided with a copy of the ACT Library and Information Service Discussion paper regarding a library strategy.<sup>336</sup>

## RECOMMENDATION 47

- 5.7 **The Committee recommends that, as part of its library strategy, the ACT Government ensures that most ACT residents live no further than three kilometres from an ACT public library.**

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<sup>334</sup> *Transcript of evidence*, 22 June 2012, p. 602.

<sup>335</sup> Ms Vanessa Little, *Transcript of evidence*, 22 June 2012, p. 602.

<sup>336</sup> Answer to Question Taken on Notice E12-165, dated 29 June 2012.

## The Operation of Canberra Connect

5.8 An area of concern to the Committee was the security of personal data available to and accessed by Canberra Connect staff. The Committee was advised that there are systems currently in place to address this issue, including the logging of access to records. In addition:

[m]ost of the people who work in Canberra Connect only have fit-for-purpose views of those sorts of databases. So people working in the shopfront have a certain view of the rego.act system, a certain view of the housing database and a certain view of all the systems that we use as a customer of those directorates. So those systems are already in place and we would roll out something similar for anything else that came on board.<sup>337</sup>

5.9 The Committee was interested in the process for handling Fix My Street requests. The Committee was informed that in 2010-11 there were 6,786 jobs reported, of which suggestions comprised 259 or 3.8 per cent, while in 2011-12, there were 7,203 jobs, of which suggestions comprised 237 or 3.2 per cent.<sup>338</sup> The Committee also noted that the Fix My Street website could be better promoted on the TAMS website.<sup>339</sup>

5.10 Other issues relating to information services<sup>340</sup> raised at the estimates hearing of 22 June 2012 included:

- operation of the Heritage Library;<sup>341</sup>
- the number of library users;<sup>342</sup> and
- measures adopted to ensure the safety of library staff,<sup>343</sup> the draft library strategy,<sup>344</sup> and the suitability of adopting the Kingston shopfront library concept for other libraries.<sup>345</sup>

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<sup>337</sup> Mr David Colussi, *Transcript of evidence*, 22 June 2012, pp. 607–608.

<sup>338</sup> *Transcript of evidence*, 22 June 2012, p. 626.

<sup>339</sup> *Transcript of evidence*, 22 June 2012, pp. 609–610.

<sup>340</sup> 2012-13 Budget Paper No. 4, pp. 103, 105.

<sup>341</sup> *Transcript of evidence*, 22 June 2012, pp. 598–601.

<sup>342</sup> *Transcript of evidence*, 22 June 2012, p. 601.

<sup>343</sup> *Transcript of evidence*, 22 June 2012, pp. 602–603.

<sup>344</sup> *Transcript of evidence*, 22 June 2012, pp. 601–602.

## Roads and sustainable transport

### The Proposed Third ACTION bus depot

- 5.11 The Committee was interested in the feasibility study for a third ACTION bus depot, which is proposed to service the Gungahlin area. The study, which will be conducted over two years, will allow sufficient time to take account of any decisions made regarding the introduction of bus rapid transit or light rail transit on the Gungahlin to Civic corridor.<sup>346</sup> The Committee was advised that the decision about adopting bus rapid transit or light rail for the Civic to Gungahlin corridor would inform planning for the depot; this decision is expected to be made before the end of 2012.<sup>347</sup>
- 5.12 The Committee was informed about the program of works for increasing the length of bus priority/transit lanes, including improved transit for Canberra Avenue.<sup>348</sup> The Committee was informed that the ACT has a total of 16 km of bus priority/transit lanes and a goal to extend this by the relatively small amount of 500 metres in the next financial year.<sup>349</sup> The Committee notes that increasing the amount of bus priority/transit lanes will help improve sustainable transport in the ACT and help the Government meet its sustainable transport goals.

### RECOMMENDATION 48

- 5.13 **The Committee recommends that the ACT Government identify new areas in which to build bus priority/transit lanes and significantly increases its goal for new bus priority/transit lanes.**

### The Majura Parkway

- 5.14 The Committee discussed a range of issues relating to the construction of the Majura Parkway, including the impact of freight and other heavy vehicle

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<sup>345</sup> *Transcript of evidence*, 22 June 2012, p. 604.

<sup>346</sup> *Transcript of evidence*, 22 June 2012, p. 610.

<sup>347</sup> *Transcript of evidence*, 22 June 2012, pp. 611–12.

<sup>348</sup> *Transcript of evidence*, 22 June 2012, p. 613.

<sup>349</sup> *Transcript of evidence*, 22 June 2012, p. 613.

traffic, the cost of cycling infrastructure, and the type of road surfacing to be laid.<sup>350</sup> The Committee also sought and was provided with a copy of the funding agreement between the Commonwealth and ACT Governments for this project.<sup>351</sup>

5.15 The Majura Parkway is expected to carry 40,000 vehicles a day, including up to 6,000 trucks.<sup>352</sup> Noting the effects of heavy vehicle traffic on road conditions, the Committee enquired about the method of selecting the type of road surface to be laid on the Majura Parkway.<sup>353</sup>

5.16 The Directorate advised:

In terms of designing a road like the Majura parkway, the percentage of heavy vehicles that would be expected to use that road would and has been a design consideration. So the type of road design and surface finish on that road would be appropriate for its use.<sup>354</sup>

5.17 The Directorate told the Committee that the road surface type chosen for the Majura Parkway is asphalt:

It will be what in technical terms is called full depth asphalt, suitable for use by heavy vehicles and a good whole of life costing. As part of the design assessment process whole of life costing basically arrived at that being the most suitable for that particular road.<sup>355</sup>

5.18 The Committee was advised that the road base would be sourced from quarries within the Canberra region.<sup>356</sup>

5.19 The Committee also inquired about the Majura Parkway and the contribution it will make to moving freight traffic. The Committee was informed that the Government is preparing a freight strategy that will look at both the freight capacity of the Parkway and the origins and destinations of freight moving

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<sup>350</sup> *Transcript of evidence*, 22 June 2012, pp. 612–613; 615–616; 627–628; 634.

<sup>351</sup> See Answer to Question Taken on Notice E12-145, received 29 June 2012.

<sup>352</sup> Majura Parkway Community Newsletter Issue 02 – May 2012, p. 1  
<[http://www.majuraparkway.act.gov.au/community\\_information](http://www.majuraparkway.act.gov.au/community_information)>, accessed 23 July 2012.

<sup>353</sup> *Transcript of evidence*, 22 June 2012, pp. 612–613.

<sup>354</sup> *Transcript of evidence*, 22 June 2012, p. 613.

<sup>355</sup> *Transcript of evidence*, 22 June 2012, p. 634.

<sup>356</sup> *Transcript of evidence*, 22 June 2012, p. 634.

through the ACT.<sup>357</sup> The Committee was also informed that the design contract for the Parkway has been awarded and the construction and superintendency contracts are out for tender.<sup>358</sup>

- 5.20 The Committee notes that it would have been preferable for the ACT Government to have conducted a detailed freight assessment and freight strategy before it committed to the Majura Parkway. The Committee also notes that opportunities to promote more sustainable freight patterns – such as an increase in the use of rail freight – will be limited by the commitment to the Majura Parkway.

#### RECOMMENDATION 49

- 5.21 **The Committee recommends that the ACT Government present to the Legislative Assembly its current information about, and strategy for, freight movements in the ACT.**
- 5.22 In relation to cycling infrastructure for the Majura Parkway,<sup>359</sup> the Committee was advised that an off-road facility would cost between \$8 million and \$12 million, depending on whether lighting along the route was provided, in addition to the funding already allocated for an on-road cycling component.<sup>360</sup> The Directorate indicated that segregated off-road cycling facilities had not been included in the original bid:

The Territory's policy in relation to the provision of cycling facilities, both on-road and off-road, requires that when new works get constructed you provide for cycle facilities. In the case of Majura Parkway, at the time—this was in 2008 when the initial submission was made—provision was made for on-road cycling, because at that time a link between Gungahlin and the city was not identified as part of the main community network, which influences whether or not you provide an off-road facility.

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<sup>357</sup> *Transcript of evidence*, 22 June 2012, pp. 615–616.

<sup>358</sup> *Transcript of evidence*, 22 June 2012, pp. 615–616.

<sup>359</sup> *Transcript of evidence*, 22 June 2012, pp. 627–628.

<sup>360</sup> *Transcript of evidence*, 22 June 2012, p. 627.



Also, it was based on, ... , the fact that some leaseholders along the corridor have been keen to promote that area as a tourist facility—the benefits that would flow to groups such as CORC, Canberra Off Road Cycling, in terms of Majura Pines. We think there is a case to provide a facility to complement the on road facility.<sup>361</sup>

- 5.23 The Committee was also advised that it would be 20 per cent more expensive to build off-road cycling facilities after, rather than at the same time as, the construction of the Majura Parkway.<sup>362</sup>

### **Constitution Avenue Upgrade**

- 5.24 The Committee discussed the Commonwealth's \$42 million contribution to the upgrade of Constitution Avenue.<sup>363</sup>
- 5.25 The Directorate advised that the funding would provide for the redesign of Constitution Avenue between London Circuit and Anzac Parade to a 'boulevard standard', incorporating a central treed median strip, transit and general traffic lanes, a separated cycle lane and improved pedestrian infrastructure.<sup>364</sup>
- 5.26 The Committee was advised that once National Capital Authority (NCA) approval for the works had been obtained and the design finalised, the upgrade would commence in late 2012, with completion scheduled for 2015.<sup>365</sup>
- 5.27 The Committee also sought advice on the timeline for the redevelopment of the eastern portion of Constitution Avenue, and whether it would commence once the western upgrade had been completed.<sup>366</sup> In response, the Directorate advised:

Constitution Avenue is a national road, managed by the National Capital Authority, funded by the federal government. This particular case is unusual inasmuch as they provided funding to the territory to do some

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<sup>361</sup> *Transcript of evidence*, 22 June 2012, pp. 627–628.

<sup>362</sup> *Transcript of evidence*, 22 June 2012, p. 628.

<sup>363</sup> *Transcript of evidence*, 22 June 2012, pp. 615–619.

<sup>364</sup> *Transcript of evidence*, 22 June 2012, p. 616.

<sup>365</sup> *Transcript of evidence*, 22 June 2012, p. 616.

<sup>366</sup> *Transcript of evidence*, 22 June 2012, p. 618.

work, which will then be handed back to the commonwealth government to manage and maintain. So a decision to expand beyond that rests with the federal government.<sup>367</sup>

- 5.28 The Committee sought an update on the status of the closure of Russell Drive between Constitution Avenue and the western most car park entry on Russell Drive.<sup>368</sup> The western end of Russell Drive has been temporarily closed since 5 December 2011.
- 5.29 The Directorate advised that responsibility for Russell Drive rests with the NCA, but noted that the decision to close the relevant portion of Russell Drive was to minimise the potential impact on construction of new works at the intersection of Kings Avenue and Parkes Way.<sup>369</sup>
- 5.30 In response to Committee questioning about the likely timing of the reopening of the road, the Directorate advised that the NCA will be evaluating the effectiveness of the temporary road closure before making a decision about whether to make the closure permanent.<sup>370</sup>
- 5.31 The Committee notes that the Australian Security Intelligence Organisation New Central Office, located on section 49, Parkes, between Constitution Avenue and Parkes Way, is expected to be completed and occupied from late 2012.<sup>371</sup> The Committee also notes the ACT Government's current proposal to develop Campbell Section 5, located on the northern edge of Constitution Avenue and east of Anzac Parade, as a mixed use site and for 500 dwelling units.<sup>372</sup>

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<sup>367</sup> Mr Tony Gill, *Transcript of evidence*, 22 June 2012, p. 618.

<sup>368</sup> *Transcript of evidence*, 22 June 2012, p. 618.

<sup>369</sup> *Transcript of evidence*, 22 June 2012, p. 618.

<sup>370</sup> *Transcript of evidence*, 22 June 2012, pp. 618–619. Public comment on the National Capital Authority's proposal to permanently close the road closed on 6 April 2012. See also Answer to Question on Notice E12-185, dated 2 July 2012.

<sup>371</sup> ASIO website on changes <<http://www.asio.gov.au/About-ASIO/New-Central-Office/Whats-Happening-Next.html>>, accessed 23 July 2012.

<sup>372</sup> ACT Land Development Agency webpage on Campbell Section 5 <<http://www.lda.act.gov.au/?/community/talk/campbellsection5>>, accessed 23 July 2012.

- 5.32 The Committee is concerned that these two developments will put additional pressure on Constitution Avenue, with significant implications for Campbell residents.

#### **RECOMMENDATION 50**

- 5.33 **The Committee recommends that the ACT Government informs the National Capital Authority of the views of ACT residents before any decision is made to permanently close the western end of Russell Drive.**

#### **Walking and cycling infrastructure**

- 5.34 The Committee discussed the issue of maintenance and inspection of footpaths and cycle ways in the ACT.<sup>373</sup> The Committee believes it is important to maintain cycling and walking funding, to the same levels for the past four years, given the ACT Government's goals to significantly increase the amount of walking and cycling occurring in Canberra.

#### **RECOMMENDATION 51**

- 5.35 **The Committee recommends the ACT Government maintains funding for walking and cycling infrastructure in future ACT budgets.**
- 5.36 Other issues relating to roads and sustainable transport<sup>374</sup> raised at the estimates hearing of 22 June 2012 included:
- the methodology used for determining customer satisfaction with the public road network;<sup>375</sup>
  - the standard applied when assessing the condition of the Territory's roads;<sup>376</sup>
  - an update on construction and assessment of a range of traffic calming measures in residential areas, including for: Heagney Crescent, Chisholm;

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<sup>373</sup> *Transcript of evidence*, 22 June 2012, pp. 624–625.

<sup>374</sup> 2012-13 Budget Paper No. 4, pp. 103, 106.

<sup>375</sup> *Transcript of evidence*, 22 June 2012, p. 612.

<sup>376</sup> *Transcript of evidence*, 22 June 2012, p. 612.

the Southern Cross Drive intersections at Florey Drive and Starke Street, Belconnen; Spofforth Street, Holt; and, William Webb Drive, Evatt;<sup>377</sup>

- an outline of works to be undertaken as part of the Wentworth Avenue upgrade;<sup>378</sup>
- the process for identifying priorities for road upgrading;<sup>379</sup>
- the process of prioritising expenditure on cycling and walking infrastructure;<sup>380</sup>
- timing for the construction of Park and Rides at Calwell, Kippax and Erindale;<sup>381</sup>
- the implications of the master planning process on the timing of the construction of the new Erindale bus station;<sup>382</sup>
- an update on work to be undertaken on the Barton and Dickson bus stations and the city layover;<sup>383</sup>
- TAMS input into the redesign of the Woden bus interchange;<sup>384</sup>
- the reason for the rollover of funding for the Gungahlin Drive Extension (GDE);<sup>385</sup>
- the defects liability period applying to the GDE;<sup>386</sup> and
- the capital versus whole of life costs for asphalt and chip seal road surfaces.<sup>387</sup>

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<sup>377</sup> *Transcript of evidence*, 22 June 2012, pp. 619–622.

<sup>378</sup> *Transcript of evidence*, 22 June 2012, pp. 622–623.

<sup>379</sup> *Transcript of evidence*, 22 June 2012, pp. 623–624.

<sup>380</sup> *Transcript of evidence*, 22 June 2012, pp. 628–629.

<sup>381</sup> *Transcript of evidence*, 22 June 2012, pp. 629–630.

<sup>382</sup> *Transcript of evidence*, 22 June 2012, pp. 630–631.

<sup>383</sup> *Transcript of evidence*, 22 June 2012, pp. 631–632.

<sup>384</sup> *Transcript of evidence*, 22 June 2012, p. 632.

<sup>385</sup> *Transcript of evidence*, 22 June 2012, pp. 632–633.

<sup>386</sup> *Transcript of evidence*, 22 June 2012, p. 633.

<sup>387</sup> *Transcript of evidence*, 22 June 2012, pp. 633–634.

## Waste and recycling

### Waste to landfill

5.37 The Committee notes that the accountability indicator 1.3a ‘annual tonnes of landfill per head of population’<sup>388</sup> is an estimate only, based on the total quantity of waste going to landfill, including residual commercial and industrial waste, construction and demolition waste, material from the Material Recovery Facility, as well as household waste from Queanbeyan.<sup>389</sup>

5.38 In response, an official from ACT NOWaste explained:

The increase in tonnes of waste to landfill per head of population has increased partly – I will say “partly” – due to an extra 54,000 tonnes of waste that came out of the failed building waste recycler at Parkwood. In terms of the tonnes of waste that went to landfill, up until March of the financial year, when these indicators were calculated, that equated to 21 per cent of the overall waste to landfill. That added 0.13 of a tonne per head of population, which mostly accounts for the difference between the 0.7 indicator, as you mentioned, in indicator a, and the 0.84.<sup>390</sup>

### RECOMMENDATION 52

5.39 **The Committee recommends that the different waste streams be reported on separately for the relevant output class in future budget papers.**

### RECOMMENDATION 53

5.40 **The Committee recommends that the ACT Government implement a more accurate means of measuring waste generation per head of ACT population for reporting on the ACT NOWaste program.**

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<sup>388</sup> 2012-13 Budget Paper No. 4, p. 106.

<sup>389</sup> *Transcript of evidence*, 22 June 2012, pp. 671–673.

<sup>390</sup> Mr Chris Ware, *Transcript of evidence*, 22 June 2012, p. 671.

### Organic waste

- 5.41 The Committee is concerned about the 18 per cent increase between the target figure set for 2011-12 and 2012-13 for accountability indicator 1.3a 'annual tonnes of landfill per head of population'.<sup>391</sup>
- 5.42 ACT NOWaste advised that some of the increased target would cover:
- ... the clean-up of some of the sites that we have been talking about, and also other intractable waste coming out of areas that have to be cleaned up that have been left by the commonwealth—left for the ACT to clean up as we develop new housing sites. These are the real wastes that contain either hydrocarbons or asbestos or a combination of the two.<sup>392</sup>
- 5.43 The Committee notes that out of several waste stream priorities set for waste reduction, organic food waste is the number one priority within the residential waste stream.<sup>393</sup>

### RECOMMENDATION 54

- 5.44 **The Committee recommends that immediate action be taken to reduce the amount of organic waste becoming landfill.**

#### **The Installation of City Recycling Bins**

- 5.45 The cost for collection of waste from each recycling bin is higher than for kerbside collection, at approximately \$1,500 and \$68 per bin respectively.<sup>394</sup>
- 5.46 The Committee was advised that there is a fundamental difference in costs related to economies of scale and collection technique:
- the householder takes a lot of the costs associated with that collection process away from the government. They sort; they put it into their bins; they deliver that to the kerb to an easy location for a fully mechanised

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<sup>391</sup> 2012-13 Budget Paper No. 4, p. 106.

<sup>392</sup> Mr Chris Ware, *Transcript of evidence*, 22 June 2012, pp. 671–672.

<sup>393</sup> *Transcript of evidence*, 27 June 2012, p. 1090.

<sup>394</sup> *Transcript of evidence*, 22 June 2012, pp. 668–669.

collection process to be done on a continuous basis, if you like, on a large scale. That opportunity in high public areas is not available.<sup>395</sup>

5.47 The funding for the trial project covered not only the collection, but also the sorting, analysis and quantification of material put in the bins.<sup>396</sup>

5.48 The Committee notes the success of the Civic Centre Recycling bins, both in terms of the higher than expected amount of waste collected, 16.16 tonnes<sup>397</sup> as opposed to 11.87 tonnes,<sup>398</sup> and that the Civic Centre Recycling bins have a contamination rate of just over eight per cent compared with the five per cent for kerbside bin contamination reported in the 2009 Kerbside Domestic Waste and Recycling Audit for ACT NoWaste.<sup>399</sup> The Committee also notes the recycling bins have been in Glebe Park since 2006 and that the lessons learnt from the have been incorporated into the current project.<sup>400</sup>

#### **RECOMMENDATION 55**

5.49 **The Committee recommends that the ACT Government investigate including the collection of city recycling bins in future kerbside bin collection contracts.**

#### **RECOMMENDATION 56**

5.50 **The Committee recommends that recycling bins be installed in the other town centres apart from Civic.**

#### **E-Waste Recycling**

5.51 Renewable Processes Pty Limited was engaged as the Secondary Contractor under a Standing Offer Arrangement for the collection, transportation &

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<sup>395</sup> Mr Phillip Perram, *Transcript of evidence*, 22 June 2012, p. 669.

<sup>396</sup> *Transcript of evidence*, 22 June 2012, pp. 669–670.

<sup>397</sup> Answer to Question Taken on Notice E2012-162, dated 29 June 2012.

<sup>398</sup> *Debates of the Legislative Assembly for the Australian Capital Territory*, 8 November 2011, p. 6087.

<sup>399</sup> APC Environmental Management (2009) *Kerbside Domestic Waste & Recycling Audit for ACT NoWaste*, December 2009, p. 7.

<sup>400</sup> *Transcript of evidence*, 22 June 2012, p. 670.

recycling of televisions from ACT Government Resource Management Centres.<sup>401</sup> The company employed a number of people with disabilities.<sup>402</sup>

5.52 The Committee sought further information regarding the contract with Renewable Processes following the introduction of the national scheme for the recycling of televisions and personal computer monitors.<sup>403</sup>

5.53 The Committee was advised that:

The essence of the issue is that the national scheme for televisions and computers has overtaken the contract. The ACT government no longer, if you like, gains ownership of televisions and computers. So we are unable to effect the contract because we are not able to pass those computers and televisions on.

...

... there is a hierarchy at the commonwealth level where the approved parties are by arrangement for televisions under a stewardship scheme, ... we offered to them was access to our sites to facilitate the fast tracking of the stewardship scheme into the ACT.

...

Prior to that, we had televisions and computers going into landfill and decisions were made in respect of the calling of tenders for the recycling of the televisions and computers that came into the ownership of the ACT government.

... That does not occur under the newer hierarchy arrangements.<sup>404</sup>

5.54 The Committee considered it unfortunate that a social enterprise would lose staff as a result of the new e-waste recycling arrangements,<sup>405</sup> particularly as they are people who will experience significant difficulties securing employment in the general labour market. As supported by Recommendation

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<sup>401</sup> Contract No. 2011.15169.221 accessible via the Shared Services Procurement website <<http://www.procurement.act.gov.au/>>, accessed 29 June 2012.

<sup>402</sup> *Transcript of evidence*, 22 June 2012, p. 656.

<sup>403</sup> *Transcript of evidence*, 22 June 2012, p. 657.

<sup>404</sup> Mr Phillip Perram, *Transcript of evidence*, 22 June 2012, pp. 657–658.

<sup>405</sup> *Transcript of evidence*, 22 June 2012, p. 659.



14, at paragraph 2.96 of this Report, the Committee believes that the Government should be supporting social enterprise wherever possible.

## RECOMMENDATION 57

5.55 **The Committee recommends that the ACT Government, in its tender evaluations, gives greater weighting to those tendering organisations that encompass social enterprises.**

5.56 Other issues relating to waste and recycling<sup>406</sup> raised at the estimates hearing of 22 June 2012 included:

- education presentations at the Materials Recovery Facility (MRF) and other strategies adopted to promote recycling of household waste;<sup>407</sup>
- reuse options for crushed glass;<sup>408</sup>
- the training regime for the operators of the MRF;<sup>409</sup>
- the additional Recycling Drop Off Centre proposed for Gungahlin, whether it will include facilities for household batteries, and the implications for the Mitchell Resource Management Centre (RMC);<sup>410</sup>
- measures for minimising waste to landfill at the Mugga Lane RMC;<sup>411</sup>
- the process for establishing a credit account with the Mugga Lane RMC;<sup>412</sup>
- the proposal to separate the contracts for domestic waste services in terms of kerbside collection, weighbridges and the RMC facilities;<sup>413</sup> and
- the potential for expanding the green waste composting facility to include food waste.<sup>414</sup>

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<sup>406</sup> 2012-13 Budget Paper No.4, pp. 103; 106.

<sup>407</sup> *Transcript of evidence*, 22 June 2012, pp. 659–660; 662.

<sup>408</sup> *Transcript of evidence*, 22 June 2012, p. 661.

<sup>409</sup> *Transcript of evidence*, 22 June 2012, p. 661.

<sup>410</sup> *Transcript of evidence*, 22 June 2012, pp. 662; 666–667.

<sup>411</sup> *Transcript of evidence*, 22 June 2012, p. 663.

<sup>412</sup> *Transcript of evidence*, 22 June 2012, pp. 664–665.

<sup>413</sup> *Transcript of evidence*, 22 June 2012, pp. 665–666.

<sup>414</sup> *Transcript of evidence*, 22 June 2012, pp. 667–668.

## Land management

### Urban tree funding

- 5.57 The Committee was advised that approximately \$6 million has been allocated under the urban forest program towards tree maintenance, including planting, pruning, and removal.<sup>415</sup>
- 5.58 The Committee considers that it would be more helpful if the TAMS budget was further broken down into more detailed areas of expenditure. For example, the Government's response to the recommendations of the Commissioner for Sustainability and the Environment in the Report on the Investigation into the Government's tree management practices and the renewal of Canberra's urban forest<sup>416</sup> included in principle support for an increase in funding for urban tree management. However, funding for urban tree management comes under a broader heading of 'Land Management' which also includes many other areas of TAMS responsibilities.
- 5.59 As addressed by Recommendation 2, at paragraph 1.12, and Recommendation 11, at paragraph 2.74, of this Report, this is a prime example of where the Budget Papers could include more detail on Budget line items.

## RECOMMENDATION 58

- 5.60 **The Committee recommends that the Budget Papers should identify those budget allocations that are in response to recommendations from the ACT Commissioner for Sustainability and the Environment.**

### Pest and weed management funding

- 5.61 The Committee asked questions about funding for pest plant and animal management in Canberra's nature reserves. When asked how much funding had been committed for environmental weed control, the Chief Minister indicated that the 2012-13 budget allows for approximately \$2.5 million until

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<sup>415</sup> *Transcript of evidence*, 22 June 2012, p. 637.

<sup>416</sup> Office of the ACT Commissioner for Sustainability and the Environment (2011) *Report on the investigation into the Government's tree management practices and the renewal of Canberra's urban forest* <[http://www.environmentcommissioner.act.gov.au/investigations/canberras\\_urban\\_forest](http://www.environmentcommissioner.act.gov.au/investigations/canberras_urban_forest)>, accessed 2 July 2012.

2014-15.<sup>417</sup> This is well below the \$1-2 million per annum that TAMS indicated is needed.<sup>418</sup>

5.62 When questioned about funding for pest vertebrate management, the Chief Minister indicated that no additional funding had been allocated for rabbit control and that funds have only been committed to 2013-14.<sup>419</sup> This is despite the finding by the Commissioner for Sustainability and the Environment in late 2011, that 54 per cent of Canberra Nature Park is suffering from rabbit over-grazing.<sup>420</sup>

5.63 Given that one fifth of Canberra's nature reserves are in or nearing critical condition,<sup>421</sup> it would seem that a re-assessment of existing pest management funding is urgently needed.

## RECOMMENDATION 59

5.64 **The Committee recommends that a review of pest management funding and outcomes be undertaken and appropriate funding be committed as soon as possible.**

### Pialligo Quarry

5.65 The Committee sought further details regarding the timeframe and processes for resolving a range of leasing matters affecting the operations of the Pialligo Stone Quarry.<sup>422</sup>

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<sup>417</sup> Answer to Question on Notice E12-259, dated 12 July 2012.

<sup>418</sup> ACT Commissioner for Sustainability and the Environment (2011) *Facing the challenges – positioning our nature reserves for the 21<sup>st</sup> Century*. Report on Canberra Nature Park (nature reserves); Molonglo River Corridor (nature reserves) and Googong Foreshores Investigation. Part 1. Report, pp. 104 and 154 (released 18 October 2011).

<sup>419</sup> Answer to Question on Notice E12-257, dated 6 July 2012.

<sup>420</sup> ACT Commissioner for Sustainability and the Environment (2011) *Facing the challenges – positioning our nature reserves for the 21<sup>st</sup> Century*. Report on Canberra Nature Park (nature reserves); Molonglo River Corridor (nature reserves) and Googong Foreshores Investigation. Part 1. Report, p. 62 (released 18 October 2011).

<sup>421</sup> ACT Commissioner for Sustainability and the Environment (2011) *Facing the challenges – positioning our nature reserves for the 21<sup>st</sup> Century*. Report on Canberra Nature Park (nature reserves); Molonglo River Corridor (nature reserves) and Googong Foreshores Investigation. Part 1. Report, p. 55 (released 18 October 2011).

<sup>422</sup> *Transcript of evidence*, 22 June 2012, p. 647.

5.66 The Committee was advised that ‘everyone is trying to work together to resolve some very complex and historical issues at that site with a range of different interests that need to be managed.’<sup>423</sup>

## RECOMMENDATION 60

5.67 **The Committee recommends that the ACT Government inform the Legislative Assembly about the outcomes of discussions concerning the future of the operations at the Pialligo Stone Quarry.**

### Other land management issues

5.68 Other issues relating to land management<sup>424</sup> raised at the estimates hearing of 22 June 2012 included:

- arrangements for ensuring integration between ESDD and TAMS in relation to parks and conservation policy and operations;<sup>425</sup>
- the increased use of nature parks and the implications for the number of rangers;<sup>426</sup>
- the government’s policy for playgrounds, including the location of, and level of infrastructure for, parks;<sup>427</sup>
- the installation and maintenance of playground soft fall products;<sup>428</sup>
- the mowing program;<sup>429</sup> and
- funding for weed control in Lake Burley Griffin.<sup>430</sup>

### Regulatory services

5.69 Issues relating to regulatory services<sup>431</sup> raised at the estimates hearing of 22 June 2012 included:

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<sup>423</sup> Ms Katy Gallagher MLA, *Transcript of evidence*, 22 June 2012, p. 648.

<sup>424</sup> 2012-13 Budget Paper No.4, pp. 104, 107.

<sup>425</sup> *Transcript of evidence*, 22 June 2012, pp. 638–639.

<sup>426</sup> *Transcript of evidence*, 22 June 2012, pp. 639–640.

<sup>427</sup> *Transcript of evidence*, 22 June 2012, pp. 640–641.

<sup>428</sup> *Transcript of evidence*, 22 June 2012, p. 642.

<sup>429</sup> *Transcript of evidence*, 22 June 2012, pp. 642–644.

<sup>430</sup> *Transcript of evidence*, 22 June 2012, pp. 645–646.

<sup>431</sup> 2012-13 Budget Paper No.4, pp. 104, 107.

- the details and timing of the proposed integration and co-location of the RSPCA and Domestic Animal Service;<sup>432</sup>
- the time taken to remove abandoned vehicles;<sup>433</sup> and
- the policy regarding the sale of cars on public land.<sup>434</sup>

## Enterprise services

### Government services

5.70 Issues relating to enterprise/government services<sup>435</sup> raised at the estimates hearing of 26 June 2012 included:

- the digitisation of seed records and protection of seed stock held by the Yarralumla Nursery;<sup>436</sup>
- the drought as a factor in the higher than estimated plant spoilage rate for the Yarralumla Nursery;<sup>437</sup>
- the discontinuation of the accommodation cost per employee accountability indicator following the transfer of the ACT Property Group to TAMS;<sup>438</sup>
- the status of the whole-of-government electricity contract;<sup>439</sup> and
- the impact of the carbon tax on the overall cost of electricity provided to government.<sup>440</sup>

## ACTION

5.71 ACTION<sup>441</sup> a wholly Government owned and operated business, is responsible for delivering the ACT's public bus network and school bus services, including

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<sup>432</sup> *Transcript of evidence*, 22 June 2012, pp. 650–651.

<sup>433</sup> *Transcript of evidence*, 22 June 2012, pp. 653–654.

<sup>434</sup> *Transcript of evidence*, 22 June 2012, pp. 654–656.

<sup>435</sup> 2012-13 Budget Paper No.4, pp. 104–108.

<sup>436</sup> *Transcript of evidence*, 22 June 2012, pp. 908–909.

<sup>437</sup> *Transcript of evidence*, 26 June 2012, p. 911.

<sup>438</sup> *Transcript of evidence*, 26 June 2012, pp. 911–912. See also 2012-13 Budget Paper No. 4, p. 108.

<sup>439</sup> *Transcript of evidence*, 26 June 2012, p. 912.

<sup>440</sup> *Transcript of evidence*, 26 June 2012, p. 912.

a range of express and regular routes within Canberra suburbs. Bus charter and special needs transport services are also provided by ACTION.<sup>442</sup>

## Public transport

### Public transport network

- 5.72 The Committee asked about the additional funding provided to ACTION and whether this would fund increased frequency and coverage of ACTION's bus network.<sup>443</sup> The Committee was informed that the increased funding will primarily be for employment expenses and compensation for lower than expected fares.<sup>444</sup> Improvements to frequency and coverage over and above the upcoming 'Network 13' changes are likely to require additional Budget allocations.<sup>445</sup> The Committee considers that, given the recognised social and environmental benefits of the public transport network and the Government's goals to rapidly increase public transport patronage, frequency and coverage, it should allocate additional funds to improving the ACTION network.

### RECOMMENDATION 61

- 5.73 **The Committee recommends the ACT Government consider making additional Budget allocations, along with structural reforms and productivity gains, to the ACTION network to improve its bus frequency, coverage, and patronage, in line with sustainable transport targets.**

### Customer satisfaction

- 5.74 The Committee sought further information regarding the methodology used for determining ACTION's 85 per cent customer satisfaction rating.<sup>446</sup>
- 5.75 TAMS advised that the figure had been obtained from results of the general

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<sup>441</sup> 2012-13 Budget Paper No.4, pp. 139-148.

<sup>442</sup> 2012-13 Budget Paper No.4, p. 139.

<sup>443</sup> *Transcript of evidence*, 26 June 2012, pp. 912-913.

<sup>444</sup> *Transcript of evidence*, 26 June 2012, p. 913.

<sup>445</sup> *Transcript of evidence*, 26 June 2012, p. 913.

<sup>446</sup> *Transcript of evidence*, 26 June 2012, p. 931.

TAMS Directorate customer satisfaction telephone survey of approximately 1000 people. The survey includes a question asking respondents to rate their satisfaction or dissatisfaction with the ACTION bus network.<sup>447</sup>

5.76 The Committee sought further clarification as to the number of people out of those surveyed who were actual ACTION bus service users.<sup>448</sup>

5.77 The Minister advised that 47 per cent (469) of the 1000 survey respondents identified that they had caught an ACTION bus in the last 12 months.<sup>449</sup>

## RECOMMENDATION 62

5.78 **The Committee recommends that ACTION survey ACTION bus service users to obtain an accurate picture of customer satisfaction with its services.**

### **ACTION MyWay ticketing system**

5.79 The MyWay ticketing system was introduced in April 2011. The Committee was advised that since then ACTION had been progressively retrieving more categories of data, and expected to be able to access all the information the system could provide by the fourth quarter of this year.<sup>450</sup>

5.80 It is considered standard practice to undertake a post implementation review approximately twelve months after the implementation of a major IT system. Such a review is designed to determine whether the IT system is operating as intended, whether the identified benefits of implementing the system have been achieved and whether there are any areas of weakness that could or have compromised the reliability of the IT system.

## RECOMMENDATION 63

5.81 **The Committee recommends that the ACT Government undertake a post-implementation review of the ACTION MyWay ticketing system.**

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<sup>447</sup> *Transcript of evidence*, 26 June 2012, pp. 931–932.

<sup>448</sup> *Transcript of evidence*, 26 June 2012, pp. 931–932.

<sup>449</sup> Answer to Question Taken on Notice E12-322, dated 3 July 2012.

<sup>450</sup> *Transcript of evidence*, 26 June 2012, pp. 913–914; 924.

## RECOMMENDATION 64

- 5.82 **The Committee recommends that the ACT Government outlines what data can be extracted from the ACTION MyWay information technology system and when further information regarding customer use of ACTION buses will be available from it.**

### Bus Shelters

- 5.83 The Committee noted that the ACT Government has contracts in place with a number of providers for the provision of bus shelters. The Committee requested ACTION to provide on notice information with respect to the total number of providers contracted to install bus shelters. The Minister responded to this matter on 5 July 2012, advising the arrangements with respect to a contract with Adshel for the installation of bus shelters.<sup>451</sup> However, information with respect to contracts with other providers for the installation of bus shelters was not forthcoming.

## RECOMMENDATION 65

- 5.84 **The Committee recommends that the ACT Government provides its overarching strategy for the installation, design and maintenance of bus shelters along with the Government's response to this Report.**

### Bus Advertising

- 5.85 The Committee requested information from ACTION with respect to the current contract for bus advertising. Concern was expressed that the publicly available contract in the ACT Contracts Register does not provide any details about what revenue earned goes to ACTION and what goes to the actual provider. In addition, a review of ACTION's audited financial statements reveals that bus advertising revenue fell by 29 per cent between 2008-09 and 2009-10, and then by 34 per cent between 2009-10 and 2010-11.<sup>452</sup>
- 5.86 The Minister responded to this request for information on 6 July and advised that the information on the financial arrangements between ACTION and Bus

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<sup>451</sup> Answer to Question Taken on Notice E12-320, dated 5 July 2012.

<sup>452</sup> *Transcript of evidence*, 26 June 2012, pp. 927-928.



Advertising Media Pty Ltd are confidential.<sup>453</sup>

- 5.87 The Committee notes that Division 3.4 of the *Government Procurement Act 2001* (ACT) sets out the grounds for holding text within a contract confidential and that these would include hourly rates, or individual components of the contract price, but would not extend to the total contract value. It is therefore of concern to the Committee that the total value of the contract with Bus Advertising Media Pty Ltd is being claimed as confidential.

## RECOMMENDATION 66

- 5.88 **The Committee recommends that the ACT Government publicly discloses the value of the contract with Bus Advertising Media Pty Ltd within the ACT Contracts Register and, further, provides advice on this along with the Government's response to this Report.**

### Bus Replacement Program

- 5.89 The Committee noted the funding to be provided for replacing buses and the previous purchase of buses conducted in 2009 and 2012, one undertaken via a select tender process and one undertaken via public tender process. The Committee requested information from ACTION as to the procurement process that would be adopted in 2012–13 and the forward estimate years for replacing buses. The Committee were advised that ACTION would be undertaking a full public procurement process in this regard.<sup>454</sup>

### Real time passenger information

- 5.90 The Committee discussed the initiative, 'Transport for Canberra—communication service for real time passenger information systems'. The initiative would provide a mobile communication service as part of the Real Time Passenger Information System (which will provide live information about arrival times of ACTION services) due to be introduced in 2013.<sup>455</sup>

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<sup>453</sup> Answer to Question Taken on Notice E12-319, dated 6 July 2012.

<sup>454</sup> *Transcript of evidence*, 26 June 2012, p. 918.

<sup>455</sup> 2012-13 Budget Paper No. 3, p. 115.

- 5.91 The Committee was advised that the additional \$1.7 million over four years allocated under this initiative would pay for the 'ongoing phone charges, the communication charges to run a Telstra or an Optus or whatever it is on the bus, which transmits the data back to the hardware in real time.'<sup>456</sup>
- 5.92 The additional funding was required following the decision to deliver the system using a cellular service rather than over the Emergency Services Agency network.<sup>457</sup>
- 5.93 Other issues relating to public transport<sup>458</sup> raised at the estimates hearing of 26 June 2012 included:
- the reasons for the lower than forecast revenue from fares;<sup>459</sup>
  - patronage figures since the introduction of MyWay;<sup>460</sup>
  - service coverage and frequency improvements associated with the introduction of Network 12;<sup>461</sup>
  - the planning and consultation process for Network 13;<sup>462</sup>
  - passenger feedback regarding the bus service in Weston;<sup>463</sup>
  - the estimated outcome for the proportion of in service buses fully compliant with standards under the *Disability Discrimination Act 1992 (Cth)*;<sup>464</sup>
  - the type of fuel to be used, and the emission standard to be met, by the buses acquired under the bus replacement program;<sup>465</sup>
  - the procurement processes to be undertaken for the bus replacement program;<sup>466</sup>
  - funding for MyWay customer service centres in Civic and Belconnen;<sup>467</sup>

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<sup>456</sup> Mr Paul Peters, *Transcript of evidence*, 26 June 2012, p. 919.

<sup>457</sup> *Transcript of evidence*, 26 June 2012, p. 919.

<sup>458</sup> 2012-13 Budget Paper No.4, p. 141.

<sup>459</sup> *Transcript of evidence*, 26 June 2012, p. 913.

<sup>460</sup> *Transcript of evidence*, 26 June 2012, pp. 913–914.

<sup>461</sup> *Transcript of evidence*, 26 June 2012, pp. 914–915.

<sup>462</sup> *Transcript of evidence*, 26 June 2012, p. 915.

<sup>463</sup> *Transcript of evidence*, 26 June 2012, pp. 915–916.

<sup>464</sup> *Transcript of evidence*, 26 June 2012, pp. 916–917. See also 2012-13 Budget Paper No. 4, p. 141.

<sup>465</sup> *Transcript of evidence*, 26 June 2012, p. 918.

<sup>466</sup> *Transcript of evidence*, 26 June 2012, p. 918.

- the feasibility study for the replacement of closed circuit television cameras on buses and at bus interchanges;<sup>468</sup>
- criteria used for assessing demand for school bus services;<sup>469</sup>
- the fall in bus advertising revenue;<sup>470</sup>
- the acquisition and location of proposed additional MyWay terminals;<sup>471</sup>  
and
- bus service reliability.<sup>472</sup>

## ACT Public Cemeteries Authority

5.94 The ACT Public Cemeteries Authority (the Authority)<sup>473</sup> is an independent statutory authority established under the *Cemeteries and Crematoria Act 2003* (ACT), responsible for managing public cemeteries and crematoria in the ACT. The Authority currently manages and operates three public cemeteries at Gungahlin, Woden and Hall.<sup>474</sup>

5.95 Issues discussed at the estimates hearing on 26 June 2012 included:

- the status of planning for the proposed southern cemetery;<sup>475</sup>
- demand for services at the Norwood Park crematorium;<sup>476</sup>
- the value of the inherited and future components of perpetual care liability, and possible strategies for funding the inherited component;<sup>477</sup>
- consideration for locating a crematorium at Woden;<sup>478</sup>
- a business case for a crematorium at the southern cemetery;<sup>479</sup> and

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<sup>467</sup> *Transcript of evidence*, 26 June 2012, pp. 920–921.

<sup>468</sup> *Transcript of evidence*, 26 June 2012, pp. 921–923.

<sup>469</sup> *Transcript of evidence*, 26 June 2012, pp. 925–926.

<sup>470</sup> *Transcript of evidence*, 26 June 2012, pp. 927–928.

<sup>471</sup> *Transcript of evidence*, 26 June 2012, pp. 929–930.

<sup>472</sup> *Transcript of evidence*, 26 June 2012, pp. 932–933.

<sup>473</sup> 2012-13 Budget Paper No. 4, pp. 551–558.

<sup>474</sup> 2012-13 Budget Paper No. 4, p. 551.

<sup>475</sup> *Transcript of evidence*, 26 June 2012, pp. 902–903.

<sup>476</sup> *Transcript of evidence*, 26 June 2012, pp. 903–904.

<sup>477</sup> *Transcript of evidence*, 26 June 2012, p. 904.

<sup>478</sup> *Transcript of evidence*, 26 June 2012, pp. 905–906.

- provision of space for natural burials at the southern cemetery.<sup>480</sup>

## RECOMMENDATION 67

- 5.96 **The Committee recommends that the ACT Government report to the Legislative Assembly the timeframe for the establishment of the southern cemetery.**

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<sup>479</sup> *Transcript of evidence*, 26 June 2012, p. 906.

<sup>480</sup> *Transcript of evidence*, 26 June 2012, p. 906.

## 6 EDUCATION AND TRAINING DIRECTORATE AND RELATED AGENCIES

6.1 The Committee heard from the Minister for Education and Training on 22 June, 26 June and 27 June 2012 to discuss the following Output Classes within the Education and Training Directorate (ETD) and matters relevant to other bodies for which the Minister is responsible:

- Public School Education (Output 1);
- Non-Government Education (Output 2);
- Vocational Education and Training (Output 3);
- Canberra Institute of Technology (CIT) and CIT Solutions; and
- ACT Building and Construction Industry Authority.

### Education and Training Directorate

#### Education funding and the Gonski Review

6.2 A significant issue for the Committee to consider in its examination for this year's Budget for the portfolio is the one-year funding arrangements proposed for several areas, such as Output Class 1.4, disability education. The Minister told the Committee that the principal factor in play in this funding arrangement is the proposed development and introduction of Commonwealth initiatives to implement measures proposed by the Gonski Review.<sup>481</sup>

6.3 The Minister advised the Committee that the implementation of the Gonski Review recommendations have wide ramifications for education funding in

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<sup>481</sup> Minister for Education, *Transcript of evidence*, 27 June 2012, pp. 1036-7.;

the ACT in the future.<sup>482</sup>

## Public school education

### Introduction

6.4 The Committee dealt with the following issues:

- cash surplus;<sup>483</sup>
- current liabilities versus current assets;<sup>484</sup>
- employer productivity contributions;<sup>485</sup>
- Enterprise Bargaining Agreement – teachers;<sup>486</sup>
- special needs transport;
- savings initiatives;<sup>487</sup>
- class sizes;
- the National Assessment Program – Literacy and Numeracy (NAPLAN);
- English as a Second Language (ESL);
- Gugan Gulwan Youth Aboriginal Corporation;
- capital works;<sup>488</sup>
- principals' professional development;
- school libraries;
- school satisfaction survey;
- carbon neutral schools;<sup>489</sup>
- transition from primary to high school; and

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<sup>482</sup> Gonski, David (2012) *Review of Funding for Schooling: Discussion Paper* <[www.deewr.gov.au/Schooling/ReviewofFunding/Documents/ReviewFundDiscPaper.pdf](http://www.deewr.gov.au/Schooling/ReviewofFunding/Documents/ReviewFundDiscPaper.pdf)>, accessed 1 July 2012.

<sup>483</sup> *Transcript of evidence*, 26 June 2012, p. 938.

<sup>484</sup> *Transcript of evidence*, 26 June 2012, p. 939.

<sup>485</sup> *Transcript of evidence*, 26 June 2012, p. 940.

<sup>486</sup> *Transcript of evidence*, 26 June 2012, p. 940.

<sup>487</sup> *Transcript of evidence*, 26 June 2012, p. 951.

<sup>488</sup> *Transcript of evidence*, 26 June 2012, p. 954.

<sup>489</sup> *Transcript of evidence*, 26 June 2012, p. 989.

- student centred appraisal of needs (disability programs).

6.5 The key issues raised at the estimates hearings in relation to Output Class 1 (public school education) programs are considered below.

### **Comparative teacher salaries**

6.6 The Committee discussed the pay scales for ETD teaching staff and noted that there was a significant increase in remuneration for teachers as a result of industrial arbitration during the 2011-12 financial year. It was also noted that the next enterprise agreement for ACT Education is due in 2013-14. The Committee noted that employee expenses are only expected to marginally increase during the forward estimate years.<sup>490</sup>

6.7 The Committee is concerned that expected employee expenses in the forward estimate years may be too conservative, given that one of the main issues raised by teachers during the negotiation of the current Enterprise Agreement was the disparity in pay scales between NSW and the ACT, and that NSW teachers are currently undertaking industrial action for increased salaries.

### **RECOMMENDATION 68**

6.8 **The Committee recommends that the ACT Government provides to the Legislative Assembly further information on how the Government is assured that it will be able to meet the budgeted employee expense targets in the forward estimate years of the ACT Budget 2012-2013.**

### **Special needs transport**

6.9 ETD budget provisions indicated a possible change to funding arrangements of the special needs transport program, with the Minister advising that funding for it is open to re-funding in Budget 2013-14.<sup>491</sup>

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<sup>490</sup> *Transcript of evidence*, 27 June 2012, p. 1011.

<sup>491</sup> *Transcript of evidence*, 27 June 2012, p. 1027.

- 6.10 As special needs transport is such an important element in providing for students in that category, the Committee requested detailed advice on the proposal for the program going forward.<sup>492</sup>
- 6.11 ETD is in discussions with the Territory and Municipal Services Directorate (TAMS), and particularly ACTION, to ensure that arrangements will continue to be provided. The Committee was specifically told, in detail, that the service would continue. However, whether it will be provided by ETD or TAMS will be dependent on the outcome of discussions between the two Directorates.

### RECOMMENDATION 69

- 6.12 **The Committee recommends that the ACT Government ensures that funding for special needs transport is maintained at current levels, at a minimum, plus increased for growth in the Consumer Price Index, and that the arrangements for the provision of this transport are advised to parents prior to the end of the 2012 school year.**

### Savings initiatives

- 6.13 The Committee noted the savings initiatives required of ETD and requested information with respect to how these savings would be achieved. The Minister advised the Committee that ETD, in consultation with staff, unions and the community, would be responsible for identifying how these savings would be achieved. The Committee remains concerned about the risk that these savings initiatives may impact on teaching numbers and schooling resources.<sup>493</sup>
- 6.14 The provision of one-year funding for education programming concerns the Committee. Advice from ETD was that the Gonski review may offer a possible solution as to how students with a disability may be funded. It was also part of

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<sup>492</sup> *Transcript of evidence*, 27 June 2012, pp. 1027-8.

<sup>493</sup> *Transcript of evidence*, 26 June 2012, pp. 921-22.



the Shaddock review,<sup>494</sup> which included non-government schools. This is an initiative supported by ETD.<sup>495</sup>

## RECOMMENDATION 70

- 6.15 **The Committee recommends that the ACT Government ensures that the savings initiatives required of the Education and Training Directorate are not directed at teaching numbers or school resourcing.**

### Class sizes

- 6.16 The Committee was told that the average class size in 2010 was 21.2 students across the system; in 2011, 20.6, and in 2012, 20.8. The ACT is benchmarked against other jurisdictions in terms of class size. There is national data on student to teacher ratios and according to this data the ACT has the second lowest student to teacher ratio in Australia.<sup>496</sup>
- 6.17 For primary schools, 736 classes have 21 or less students and 177 classes have 21 or higher, which amounts to an average of 21, the Government's current target.<sup>497</sup>
- 6.18 The Committee was also told that the student to counsellor ratio is in the order of one to 900, with a school counsellor in every school.<sup>498</sup>

### National Assessment Program – Literacy and Numeracy

- 6.19 A related question to the ACT public education performance in NAPLAN is the response provided to students with a range of different educational needs, such as students with dyslexia.<sup>499</sup>

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[http://www.det.act.gov.au/\\_data/assets/pdf\\_file/0014/105341/Review\\_of\\_Special\\_Education\\_ACT\\_2009\\_Final\\_Report.pdf](http://www.det.act.gov.au/_data/assets/pdf_file/0014/105341/Review_of_Special_Education_ACT_2009_Final_Report.pdf), accessed 24 July 2012.

<sup>495</sup> *Transcript of evidence*, 27 June 2012, p. 1004.

<sup>496</sup> *Transcript of evidence*, 26 June 2012, p. 957.

<sup>497</sup> *Transcript of evidence*, 26 June 2012, p. 957.

<sup>498</sup> *Transcript of evidence*, 26 June 2012, p. 963.

<sup>499</sup> *Transcript of evidence*, 26 June 2012, p. 960.

- 6.20 Advice from ETD is that there are specific programs that meet the needs of specific students with learning difficulties and students from an English as a Second Language (ESL) background. The aim always is to ensure such programs are working so as to connect to students in need through teachers.<sup>500</sup> However, the Committee was advised that ETD does not consider dyslexia a disability and does not allocate any specific funding for classroom support.<sup>501</sup>

## RECOMMENDATION 71

- 6.21 **The Committee recommends that the ACT Government consider models of targeted funding and support for students with dyslexia, similar to that provided in NSW.**

### English as a Second Language

- 6.22 The Committee sought ETD advice on the number and placement of English as a Second Language (ESL) teachers in schools, professional development opportunities and the recent review into English as an additional language or dialect.
- 6.23 The Minister told the Committee he was satisfied with the level of ESL support provided to students. ETD officials advised the Committee that recently, a centralised coordination position had been reallocated to in class room support position.
- 6.24 The Executive Director of School Improvement, ETD, outlined a range of programs supporting ESL Students, including Introductory English Centers, and professional development opportunities and scholarships for teachers, and advised the Committee that recent changes to school autonomy and funding gave each school greater control on how resources were allocated.<sup>502</sup>
- 6.25 The Committee heard that the ETD considers all teachers ESL teachers, in terms of literacy needs. Extra professional development is available for teachers seeking training.

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<sup>500</sup> *Transcript of evidence*, 26 June 2012, p. 961.

<sup>501</sup> *Transcript of evidence*, 26 June 2012, p. 961.

<sup>502</sup> Mr Stephen Gneil, *Transcript of evidence*, p. 964-5...

6.26 The Committee raised concerns regarding the recent review of ESL, in which participants had contacted MLAs to express disappointment with the outcome. These concerns related to the centralized coordination support positions, and the level of support provided to students who have been assessed as having below average English proficiency. ETD discussed the student-centered approach to working with individual students, and teachers providing in class room support.<sup>503</sup>

### **Gugan Gulwan**

6.27 The Committee asked questions about the closure of the educational program located at Gugan Gulwan Aboriginal Youth Corporation.

6.28 The Committee was advised that the program was funded under the ACT Government inclusion initiative for improving Aboriginal and Torres Strait Islander literacy outcomes. ETD official advised the Committee the program was moved from Gugan Gulwan due to limited space, and is now being provided to the five high schools in the Tuggeranong valley. The students are from years 7, 8 and 9.

6.29 The funding for this program closes at the end of March 2013.<sup>504</sup>

### **Capital initiatives/works**

6.30 The Committee requested that the ETD provide further information on the school's capital works program and in particular the re-profiling of funding between 2011-12 and 2012-13. The ETD advised the reasons for re-profiling was a result of some projects being slow to start and a period of inclement weather at the start of the calendar year. Additional information was also requested in relation to the planned upgrades at Duffy Primary.

6.31 The Committee was advised that discussions were ongoing with the school and that three options were being considered: demountables, modular and permanent build.<sup>505</sup>

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<sup>503</sup> *Transcript of evidence*, 26 June 2012, p. 967.

<sup>504</sup> *Transcript of evidence*, 26 June 2012, pp. 969-970.

<sup>505</sup> *Transcript of evidence*, 26 June 2012, pp. 975-977.

- 6.32 The Committee raised concerns about the capital works program for Duffy and how this impacted on the future provision of public schooling in Molonglo.
- 6.33 The ETD advised the Committee that other schools in the area, being Curtin, Chapman and Arawang, were fully enrolled and that Duffy was the obvious opportunity to meet short term need for residents due to its closeness to the Molonglo development. The plan is that Duffy would service residents from the first stage of the development in Coombs, until Coombs Primary School was built.<sup>506</sup>

## RECOMMENDATION 72

- 6.34 **The Committee recommends that greater consultation occurs with the local community and the Duffy Primary School Parents and Citizens Association about the nature of the temporary measures and the longer term strategy for public schooling in the Weston Creek–Molonglo area.**

## Carbon neutral schools

- 6.35 Provision is made in Budget Paper No. 3 for expenditure on a carbon neutral schools trial to include ten schools.
- 6.36 Advice to the Committee was that the program will focus on carbon use reduction and related design factors. At all 10 school sites high efficiency light fittings will be installed and replacing/upgrading the roof insulation will be done. At two of the 10 schools, which are yet to be identified, other works will be carried out to attempt a measure of the benefits of doing other activities.<sup>507</sup>
- 6.37 These activities include changing the glazing to thermal resistant glazing material; putting in better weatherproof seals and automatic door closers on external doors; putting in thermal-rated window furnishings; and improving the controls on the heating systems.<sup>508</sup>

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<sup>506</sup> *Transcript of evidence*, 26 June 2012, p. 977.

<sup>507</sup> *Transcript of evidence*, 26 June 2012, p. 989

<sup>508</sup> *Transcript of evidence*, 26 June 2012, pp. 990-992.

- 6.38 ETD does not have a strategic implementation plan for carbon neutrality, nor a formal reporting process. The strategy will be focused on making energy efficiency gains, using the information provided by pulse-meters and other means. This information will be published on the internet.<sup>509</sup>

### RECOMMENDATION 73

- 6.39 **The Committee recommends that the ACT Government report to the Legislative Assembly on the strategy and reporting regime for carbon neutrality in ACT Schools during this Assembly.**

### Transition from primary to high school

- 6.40 The Committee asked questions with respect to the nature of the problem of students not transitioning from primary to high school. The Committee was also concerned about the numbers of children and young people missing from education in the ACT. ETD advised the Committee a tracking system was in effect which allowed for exemption of students for children not attending schools for a period exceeding 25 days.<sup>510</sup>
- 6.41 ETD advised that for students from age five to 17, in 2012, 44 exemption applications were received and 26 issued and in 2011 36 applications were received, with 28 approved.
- 6.42 In 2012, 75 applications have been received to date and 53 have been approved. The ETD stated that the growth this year has been because people are more aware that they have to apply.<sup>511</sup>
- 6.43 The Committee was advised that there are students for whom there are no exemption certificates. They cannot be accounted for. A portion of the exemption applications received have been with respect to overseas holidays and extended leave periods.<sup>512</sup> The Committee was also advised that ETD is undertaking significant work to allow the tracking of every student in the ACT

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<sup>509</sup> *Transcript of evidence*, 26 June 2012, pp. 990-992.

<sup>510</sup> *Transcript of evidence*, 26 June 2012, pp. 992-994.

<sup>511</sup> *Transcript of evidence*, 26 June 2012, p. 993.

<sup>512</sup> *Transcript of evidence*, 26 June 2012, p. 993.

and that there are currently 81 different data sets that need consolidating for this to occur.

## **Non-government education**

### **Introduction**

- 6.44 The Committee dealt with the following issues:
- funding reductions;
  - registration processes for non-government schools;
  - interest subsidy scheme; and
  - disability funding.

### **Registration processes for non-government schools**

- 6.45 The Committee sought information with respect to the process followed in the ACT in registration of new applicant schools in the ACT.<sup>513</sup>
- 6.46 Included in this discussion were the history of such applications and the incidence of objections and comments on applications for establishment of new schools from established schools in the area of the proposed new school or campus of an established school.<sup>514</sup>

### **Education for students with disabilities**

- 6.47 The Committee asked questions with respect to the one off payment for disability support services to non-government schools. The ETD advised that the funding for the disability programs in Output 1.3 are on the basis of a provision for 2012-13 and that further funding will be a matter for consideration in future budgets, subject to the outcomes of the Gonski Review process.

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<sup>513</sup> *Transcript of evidence*, 27 June 2012, p. 1044-1045.

<sup>514</sup> *Transcript of evidence*, 27 June 2012, pp. 1046-1050.

## RECOMMENDATION 74

- 6.48 **The Committee recommends that non-government schools are provided with ongoing recurrent funding to support students with disabilities.**

## Vocational education and training

### Introduction

- 6.49 The Committee dealt with the following issues:
- priority support programs;<sup>515</sup>
  - enrolment of existing workers under additional programs;<sup>516</sup>
  - apprenticeship and training program take-ups<sup>517</sup>; and
  - accountability indicators<sup>518</sup>.
- 6.50 The Committee considers the work carried out by ETD under this Output Class provides a satisfactory basis for administration of the vocational education program in the ACT.
- 6.51 The Committee questioned ETD about the performance indicator,<sup>519</sup> particularly in respect of training commencements and why the figures appear to be unchanged over the period of the three years covered by the indicators. ETD advised the indicators provided are an estimate of the program target and that the figures provided are a best estimate until the financial year is completed and the figures can be updated from actual data.<sup>520</sup>
- 6.52 ETD advised that training commencements shown have been slightly above or below for each of the indicators used, but consider commencements are

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<sup>515</sup> *Transcript of evidence*, 22 June 2012, p. 706.

<sup>516</sup> *Transcript of evidence*, 22 June 2012, pp. 705-708.

<sup>517</sup> *Transcript of evidence*, 22 June 2012, p.709

<sup>518</sup> *Transcript of evidence*, 22 June 2012, p. 710.

<sup>519</sup> 2012-13 Budget Paper No. 4, Education and Training Directorate, Output 3, Vocational Education and Training, Accountability Indicators, p. 405.

<sup>520</sup> Ms Tracy Stewart, *Transcript of evidence*, 22 June 2012, pp. 709-710.

tracking to meet the stated targets. Actual figures are updated and published in the annual report for the program.<sup>521</sup>

## Canberra Institute of Technology and CIT Solutions

### Canberra Institute of Technology

6.53 The Committee considered the following issues

- workplace bullying;<sup>522</sup>
- revenue base;<sup>523</sup> and
- asset revaluation.<sup>524</sup>

### Workplace Bullying

6.54 The Committee noted the ACT WorkSafe Improvement Notice placed upon the Canberra Institute of Technology (CIT) with respect to work place bullying, the continuing investigation by the Commissioner for Public Administration and the current remedial action being undertaken by CIT. Concerns were raised with regard to employees who have had complaints upheld and whether the ACT Government could provide assurances that these employees would receive appropriate assistance with medical and other costs either through accepted workers compensation claims or ex gratia payments by the ACT Government.<sup>525</sup>

## RECOMMENDATION 75

6.55 **The Committee recommends that WorkSafe ACT undertakes a comprehensive review of the work performed by the Canberra Institute of Technology (CIT) to address workplace bullying within**

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<sup>521</sup> *Transcript of evidence*, 22 June 2012, p. 710.

<sup>522</sup> *Transcript of evidence*, 22 June 2012, pp. 676-694.

<sup>523</sup> *Transcript of evidence*, 22 June 2012, pp. 687 and 704.

<sup>524</sup> *Transcript of evidence*, 22 June 2012, pp. 696-697.

<sup>525</sup> *Transcript of evidence*, 22 June 2012, pp.677-679.



**two months of the expiry of the Improvement Notice issued by WorkSafe ACT to CIT and that the ACT Government reports the results of this review to the Legislative Assembly.**

#### **RECOMMENDATION 76**

- 6.56 **The Committee recommends that the ACT Government reports to the Legislative Assembly in its first sitting period after the 2012 Election the outcomes of the ACT Commissioner for Public Administration's investigation into workplace bullying at the Canberra Institute of Technology (CIT).**

#### **RECOMMENDATION 77**

- 6.57 **The Committee recommends that the ACT Government ensures that the ACT Commissioner for Public Administration's report on their investigation into workplace bullying at the Canberra Institute of Technology (CIT) include advice as to whether employees, whose complaints have been upheld, have been satisfactorily compensated for the medical and other costs they incurred due to the events that gave rise to their complaints.**

#### **Revenue Base**

- 6.58 The Committee noted that one of CIT's 2012-13 priorities was to expand and diversify its revenue base, yet CIT's overall revenue was only expected to increase by approximately two per cent in 2012-13 and the three forward estimate years. CIT advised the Committee that they expected to expand their revenue base by competitively targeting funding from the Workforce Development Agency and additional contracts with the Commonwealth Government.
- 6.59 The Committee remains concerned that the expected generation of revenue from these activities may not have been adequately reflected in the 2012-13 and three forward estimate years in the CIT Operating Statements.<sup>526</sup>

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<sup>526</sup> *Transcript of evidence*, 22 June 2012, p. 687.

## RECOMMENDATION 78

- 6.60 **The Committee recommends that the Canberra Institute of Technology (CIT) prepares a detailed strategy for the next four years that addresses how it would meet its 2012-13 priority of expanding and diversifying its revenue base.**

### **Asset Revaluation**

- 6.61 As a result of the three year cycle of revaluing assets required by Australian Accounting Standards, CIT has reduced the value of land in its 2011-12 Estimated Outcome by \$186.8 million. The Committee questioned the basis upon which the land devaluation was made.<sup>527</sup>
- 6.62 CIT advised that as a result of advice from its independent valuer land subject to a Crown lease was restricted in what it could be used for, and accordingly this reduced its value. The Committee is concerned that if CIT interpretation of Australian Accounting Standards is correct there may be a whole of ACT Government impact with respect to the valuation of land subject to Crown leases.<sup>528</sup>

## RECOMMENDATION 79

- 6.63 **The Committee recommends that the ACT Government reviews the approach taken by the Canberra Institute of Technology (CIT) to land valuation to determine whether it is consistent with the requirements of Australian Accounting Standards, and what, if any, impact this may have at a whole of government level.**

## RECOMMENDATION 80

- 6.64 **The Committee recommends that the ACT Government advises the Legislative Assembly on the outcomes of this review of the land valuation approach taken by the Canberra Institute of Technology (CIT), including whether a material write down of land across government is required.**

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<sup>527</sup> *Transcript of evidence*, 22 June 2012, p. 697.

<sup>528</sup> *Transcript of evidence*, 22 June 2012, pp. 696-697.

## CIT Solutions Pty Ltd

6.65 The Committee considered the following issues:

- skills analysis;<sup>529</sup> and
- dividends.<sup>530</sup>

### Dividends

6.66 The Committee noted that the dividend paid by CIT Solutions to CIT, as its sole shareholder, was lower last year than in previous years. CIT Solutions advised that it expected a significant profit and revenue upgrade, and ascribed the current results to a number of factors including, softening CIT Solutions revenue and a drop in the number of international students enrolling at CIT.<sup>531</sup>

6.67 CIT Solutions also explained to the Committee that its financial reporting is conducted on a calendar year basis, notwithstanding it is a corporation under the *Corporations Act 2001* (Cth). CIT Solutions stated that this was to reflect the fact that CIT prepares its accounts on a calendar year basis.<sup>532</sup>

## ACT Building and Construction Industry Training Fund Authority

6.68 The Committee considered the following issues:<sup>533</sup>

- audits of funding arrangements with registered training organisations;
- current activities involved in promoting the building and construction industries;
- access and equity programs supported by the Authority;
- benchmarking activities; and,
- asbestos-safe training.

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<sup>529</sup> *Transcript of evidence*, 22 June 2012, p. 700.

<sup>530</sup> *Transcript of evidence*, 22 June 2012, p. 703.

<sup>531</sup> *Transcript of evidence*, 22 June 2012, pp. 700-705.

<sup>532</sup> *Transcript of evidence*, 22 June 2012, pp. 704-705.

<sup>533</sup> *Transcript of evidence*, 22 June 2012, pp. 714-718.



## 7 ECONOMIC DEVELOPMENT DIRECTORATE AND RELATED AGENCIES

### Economic development portfolio

#### Economic development policy

7.1 The Committee dealt with the following issues:

- Resource Management Plans;<sup>534</sup>
- the Tuggeranong Men's Shed;<sup>535</sup>
- the Affordable Action Plan Phase III;<sup>536</sup>
- Civic revitalisation – development of a Civic Master Plan (feasibility);<sup>537</sup>
- Land Rent Scheme;<sup>538</sup>
- the estimated staffing levels;<sup>539</sup>
- the redevelopment of Downer Primary School Site;<sup>540</sup>
- the Woden Bus Interchange;<sup>541</sup> and
- the Government Office Block Project.<sup>542</sup>

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<sup>534</sup> *Transcript of evidence*, 20 June 2012, pp. 393-394.

<sup>535</sup> *Transcript of evidence*, 20 June 2012, p. 394.

<sup>536</sup> *Transcript of evidence*, 20 June 2012, pp. 394-395.

<sup>537</sup> *Transcript of evidence*, 20 June 2012, pp. 397-399.

<sup>538</sup> *Transcript of evidence*, 20 June 2012, pp. 403-409; p. 418.

<sup>539</sup> *Transcript of evidence*, 20 June 2012, pp. 409-413.

<sup>540</sup> *Transcript of evidence*, 20 June 2012, pp. 416-418; Mr Andrew Barr MLA, Response to question taken on notice No. 131, 20 June 2012.

<sup>541</sup> *Transcript of evidence*, 20 June 2012, pp. 419-420.

<sup>542</sup> *Transcript of evidence*, 20 June 2012, pp. 421-423.

## Resource management plans

- 7.2 The Committee questioned the Economic Development Directorate (EDD) with respect to whether there was a whole-of-Directorate resource management plan. EDD officials advised that the plan was currently in draft stage and would be finalised within two months. The Minister advised the Committee that once finalised the plan would be made publicly available on the Directorate's website.<sup>543</sup>

## Land Rent Scheme

- 7.3 The Committee discussed aspects of the Government's Land Rent Scheme, which forms part of the Affordable Housing Action Plan and allows a lessee to rent, rather than purchase, land on which to build a home.<sup>544</sup>
- 7.4 Earlier in its inquiry, the Committee heard the following assertion with regard to the Land Rent Scheme from a representative of ACT Shelter:

...I can say with all surety that the land rent scheme is being utilised by financially savvy people who know how, legally, to use the system. I believe it is not capped. There is no top income.<sup>545</sup>

- 7.5 In response to this assertion, the Minister informed the Committee that there are two rates for calculating the amount of land rent charged under the scheme—a standard rate of four per cent of the unimproved value of the leased land and a concessional rate of two per cent of the unimproved value of the leased land. The standard rate is not subject to either an income or asset test; however, access to the concessional rate is subject to the following conditions:

- the total annual income of all lessees must not exceed \$85,500, increasing by \$3,330 per child up to a maximum of \$102,150 for five or more children;
- lessees cannot own any other real property; and

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<sup>543</sup> *Transcript of evidence*, 20 June 2012, pp. 393-394.

<sup>544</sup> ACT Revenue Office, 'Land Rent', 19 April 2012, accessed 25 June 2012, [http://www.revenue.act.gov.au/home\\_buyer\\_assistance/land\\_rent\\_scheme](http://www.revenue.act.gov.au/home_buyer_assistance/land_rent_scheme)

<sup>545</sup> Ms Leigh Watson, *Transcript of evidence*, 15 June 2012, p.15.

- at least one of the lessees must reside in the property once a Certificate of Occupancy has been issued.<sup>546</sup>

7.6 The Committee also sought information on the review of the Land Rent Scheme that was undertaken by the University of New South Wales and was informed on notice that the review was conducted by Professor Peter Phibbs, Dr Vivienne Milligan and Dr Hazel Blunden at a cost of \$36,080.<sup>547</sup>

## RECOMMENDATION 81

7.7 **The Committee recommends that the ACT Government provide the results of the University of New South Wales review of the ACT Land Rent Scheme to the Legislative Assembly as soon as possible.**

### Civic planning projects

7.8 The Committee requested clarification with respect to the specific goals of several different planning projects relating to Civic and how they related to one another, including the development of the Commonwealth funded 'Realising the Capital in the City' plan, the Australia Forum project, and the Canberra City Area Action Plan 2010–16.

7.9 The Director of the Office of the Coordinator General informed the Committee that the 'Realising the Capital in the City' plan was the subject of a \$500,000 grant from the Commonwealth Government under its Liveable Cities Program. The project aims to develop a high-level strategy for the central business district that will look at, among other things, better integration of public transport, residential buildings, surrounding parklands, and the Australian National University (ANU) and Canberra Institute of Technology (CIT) campuses. This project is expected to be completed by June 2013.<sup>548</sup> The

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<sup>546</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 20 June 2012, pp. 418; ACT Revenue Office, 'Land Rent' webpage <[http://www.revenue.act.gov.au/home\\_buyer\\_assistance/land\\_rent\\_scheme](http://www.revenue.act.gov.au/home_buyer_assistance/land_rent_scheme)>, accessed 26 June 2012; Mr Andrew Barr MLA, Correspondence to the Chair of the Select Committee on Estimates 2012-2013, 29 June 2012.

<sup>547</sup> Mr Andrew Barr MLA, Response to question taken on notice No. 133.

<sup>548</sup> Mr Jim Corrigan, *Transcript of evidence*, 20 June 2012, pp. 398; Mr Anthony Albanese and Dr Andrew Leigh (2012) Media Release: 'Gillard Government Supports Plan For More Liveable Capital', 24 April 2012 <[http://www.minister.infrastructure.gov.au/aa/releases/2012/April/aa074\\_2012.aspx](http://www.minister.infrastructure.gov.au/aa/releases/2012/April/aa074_2012.aspx)>, accessed 26 June 2012.

Canberra City Area Action Plan 2010–16 is a more detailed plan intended to guide capital works investment in Civic improvements.<sup>549</sup>

- 7.10 The Australia Forum project looked at possible sites for a new convention centre and was undertaken by the Canberra Business Council, with assistance from the ACT Government. The project developed a proposal to construct a new convention centre on the shores of Lake Burley Griffin at West Basin.<sup>550</sup> The Government is now investigating practical elements of this proposal, including what options are possible from an engineering point of view and how other facilities might be included in the project. The Government expects to release more concrete proposals by early 2013.<sup>551</sup>

## RECOMMENDATION 82

- 7.11 **The Committee recommends that the ACT Government detail the timeline for the key deliverables in the Canberra City Area Action Plan 2010–16.**

## RECOMMENDATION 83

- 7.12 **The Committee recommends that the ACT Government outline what role Canberra CBD Limited will have in the development and implementation of the Canberra City Area Action Plan 2010–16.**

## Business development

### Clean technology sector

- 7.13 The Committee noted the presence in the Budget Papers of two accountability indicators under Output 1.2 relating to the clean technology sector—‘Clean tech’ sector new client connections and ‘Clean tech’ sector successful grant applications—and sought further information on how the Directorate defines the clean technology sector.<sup>552</sup>

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<sup>549</sup> Mr Jim Corrigan, *Transcript of evidence*, 20 June 2012, p. 398.

<sup>550</sup> Mr Jim Corrigan, *Transcript of evidence*, 20 June 2012, pp. 398-399.

<sup>551</sup> Mr Jim Corrigan, *Transcript of evidence*, 20 June 2012, p. 398-399.

<sup>552</sup> 2012-13 Budget Paper No. 4, p 236.



7.14 The Executive Director, Business Development informed the Committee that it was very difficult to produce an accurate definition of the clean technology sector.<sup>553</sup> The Committee was subsequently provided with the following discussion on notice:

The term 'clean tech' as used in *Growth, Diversification, Jobs: A Business Development Strategy for the ACT* [April 2012], endeavours to describe the likely characteristics of early stage companies as they present to various ACT Government business programs. Typically these emerging companies will be developing products and services that can potentially reduce dependence on fossil fuels and other non-renewable resources. For example, this may cover technologies and services related to recycling, renewable energy (wind power, solar power, biomass hydropower, biofuels), information technology, green transportation, electric motors, green buildings, green chemistry, lighting, greywater appliances and other applications.<sup>554</sup>

7.15 The Committee expressed concern that the accountability indicators lose their value if there is no clear definition of what sorts of ventures qualify as members of the clean technology sector.<sup>555</sup> The Executive Director, Business Development explained that, although the Directorate did not possess a precise definition of the clean tech sector, once businesses come forward it is very clear whether they belong to that sector or not.<sup>556</sup>

## Venues and events

7.16 The Committee dealt with the following issues:

- Floriade;<sup>557</sup>
- Accountability Indicators;<sup>558</sup> and

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<sup>553</sup> Mr Ian Cox, *Transcript of evidence*, 20 June 2012, pp. 439-440.

<sup>554</sup> Mr Andrew Barr MLA, Response to question taken on notice No. 136, 20 June 2012. ACT (2012) *Growth, Diversification and Jobs: A Business Development Strategy for the ACT*, April <[http://www.business.act.gov.au/\\_data/assets/pdf\\_file/0005/247766/11797\\_Business\\_Development\\_Strategy\\_Final\\_doc\\_for\\_website\\_only.pdf](http://www.business.act.gov.au/_data/assets/pdf_file/0005/247766/11797_Business_Development_Strategy_Final_doc_for_website_only.pdf)>, accessed 9 August 2012.

<sup>555</sup> *Transcript of evidence*, 20 June 2012, p. 440.

<sup>556</sup> Mr Ian Cox, *Transcript of evidence*, 20 June 2012, p. 440.

<sup>557</sup> *Transcript of evidence*, 20 June 2012, pp. 430-431.

- major events.<sup>559</sup>

### Accountability indicators

7.17 The Committee sought information from EDD as to why the Enlighten Festival was not included in the Directorate's accountability indicators given that it was described as a major and significant event. The Minister advised the Committee that the Enlighten Festival was not yet making an economic contribution to the Territory consistent with other major events. Notwithstanding this, the Committee is of the view that accountability indicators should be set for all major and significant events in the Territory.

### RECOMMENDATION 84

7.18 **The Committee recommends that the ACT Government provides accountability indicator targets and outcomes for all those events conducted in the ACT that receive significant funding from the ACT Government.**

### Land strategy and infrastructure delivery

7.19 The Committee dealt with the following issues:

- Accountability Indicators;<sup>560</sup>
- Gungahlin Strategic Offsets Package;<sup>561</sup>
- site identification for new Catholic High School in Gungahlin;<sup>562</sup>
- old Jamison Inn site;<sup>563</sup>
- proposed Woden 9 (Phillip Section 9) development;<sup>564</sup> and
- proposed structured car park (Phillip Section 3).<sup>565</sup>

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<sup>558</sup> *Transcript of evidence*, 20 June 2012, pp. 431–432.

<sup>559</sup> *Transcript of evidence*, 20 June 2012, p. 432.

<sup>560</sup> *Transcript of evidence*, 20 June 2012, pp. 441–443.

<sup>561</sup> *Transcript of evidence*, 20 June 2012, pp. 443–446.

<sup>562</sup> *Transcript of evidence*, 20 June 2012, p. 449.

<sup>563</sup> *Transcript of evidence*, 20 June 2012, pp. 450–451.

<sup>564</sup> *Transcript of evidence*, 20 June 2012, p. 451.

<sup>565</sup> *Transcript of evidence*, 20 June 2012, pp. 453–454.

## Accountability indicators

7.20 The Committee noted the accountability indicator for affordable dwellings in greenfield releases and the note to the Budget papers which suggested that the reason that the estimated outcome for 2011-12 was 15.2 per cent rather than the budgeted target of 20 per cent was that this target had only been introduced in May 2012.<sup>566</sup> The Committee asked why the Directorate had set a target of 20 per cent for 2011-12 when it was not achievable and whether the target for 2012-13 would be achieved. The Minister advised that the target should have been based on what could be achieved.<sup>567</sup>

## Gungahlin strategic offsets package

7.21 The Committee was told that in relation to biodiversity the Gungahlin Strategic Offsets Package prepared by Umwelt and SMEC had been used by the Directorate in negotiations with the Commonwealth and had been used in identifying where land development can occur and where there are issues.<sup>568</sup>

7.22 The Committee was told that this particular document has not gone before the ACT Government as yet<sup>569</sup> even though it has been used by the Directorate for referrals under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) for Kenny and Throsby.<sup>570</sup>

7.23 The Committee was told that the primary purpose of the Gungahlin avoidance, mitigation and offset package is to guide ACT Government agencies in the conservation strategy to be taken for the remaining developable areas of Gungahlin and it is still being worked through with various directorates. The Environment and Sustainable Development Directorate is critical in this development and has been assisting.<sup>571</sup>

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<sup>566</sup> 2012-13 Budget Paper No. 4, p. 238.

<sup>567</sup> *Transcript of evidence*, 20 June 2012, pp. 441–443.

<sup>568</sup> *Transcript of evidence*, 20 June 2012, p. 444.

<sup>569</sup> *Transcript of evidence*, 20 June 2012, p. 444.

<sup>570</sup> *Transcript of evidence*, 20 June 2012, p. 443.

<sup>571</sup> *Transcript of evidence*, 20 June 2012, p. 445.

- 7.24 The Committee was told that once the Government endorses the document it intends to engage with the relevant stakeholders.<sup>572</sup>
- 7.25 The Committee is concerned that major long-term decisions regarding biodiversity and urban development are being made relying on a document which has not yet been approved by the Government. Further, the Committee is concerned that there has been inadequate stakeholder and community consultation on the document and its assumptions, and that its release is being held up by slow inter-directorate processes.

### RECOMMENDATION 85

- 7.26 **The Committee recommends that the ACT Government immediately release the Gungahlin Strategic Offsets Package.**
- 7.27 The Committee notes that the EPBC Act is currently the subject of a long-running reform process. This process commenced with the commissioning of the independent review on 31 October 2008, to which the ACT Commissioner for Sustainability and the Environment provided a submission on 18 December 2008.<sup>573</sup> The final report of the independent review was delivered to the federal Minister for the Environment, Heritage and the Arts on 30 October 2009.<sup>574</sup>
- 7.28 On 24 August 2011, the federal Minister for Sustainability, Environment, Water, Population and Communities released the Commonwealth Government's response to the Independent Review as part of a broader reform package. This package aims to:
- deliver better environmental protection focusing on whole regions and ecosystems and faster environmental assessments;

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<sup>572</sup> *Transcript of evidence*, 20 June 2012, p. 445.

<sup>573</sup> Office of the Commissioner for Sustainability and the Environment, Submission to the Independent Review of the *Environment Protection and Biodiversity Conservation Act 1999*, 18 December 2008, accessed 26 July 2012, <http://www.environment.gov.au/epbc/review/submissions/pubs/098-office-commissioner-sustainability-environment.pdf>

<sup>574</sup> Department of the Environment, Water, Heritage and the Arts, *The Australian Environment Act – Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999*, October 2009, p. II

- provide a consistent national approach to environmental impact assessments that removes duplication and 'cuts red tape'; and
- provide better upfront guidance on legislative requirements and, in so doing, provide more long-term certainty and transparency.<sup>575</sup>

7.29 As part of this reform package, the Commonwealth Government has been pursuing national reforms through the Council of Australian Governments (COAG) with the intention of reducing the regulatory burdens arising from environment protection legislation. At the 13 April 2012 COAG meeting, attendees agreed to work together to:

- fast-track the development of bilateral arrangements for accreditation of state assessment and approval processes, with the frameworks to be agreed by December 2012 and agreements finalised by March 2013;
- develop environmental risk- and outcomes-based standards with States and Territories by December 2012; and
- examine and facilitate removal of unnecessary duplication and reduce business costs for significant projects.<sup>576</sup>

7.30 At its 25 July meeting, COAG reiterated its commitment to:

... reducing duplication and double-handling of environmental assessment and approval processes while maintaining high environmental standards that are risk- and outcomes-based. In line with the timing agreed at the COAG meeting in April, consultations are underway and negotiations for bilateral agreements are about to commence.<sup>577</sup>

## Exhibition Park Corporation

7.31 The Committee dealt with the following issues:

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<sup>575</sup> Department of Sustainability, Environment, Water, Population and Communities, 'Reform of the EPBC Act' webpage <<http://www.environment.gov.au/epbc/reform/index.html>>, accessed 26 July 2012.

<sup>576</sup> Council of Australian Governments, Meeting Communique, 13 April 2012, p. 2.

<sup>577</sup> Council of Australian Governments, Meeting Communique, 25 July 2012, p. 2.

- recycling;<sup>578</sup>
- current assets;<sup>579</sup>
- development of Strategic Management Plan and Land Use Master Plan;<sup>580</sup>
- low budget tourist accommodation;<sup>581</sup>
- investment and commercial opportunities;<sup>582</sup>
- Gungahlin to Civic Transit Plans;<sup>583</sup> and
- support for not-for-profit and community organisations.<sup>584</sup>

### Recycling at Exhibition Park

- 7.32 With regard to Exhibition Park Corporation's (EPC) stated priority of 'ensuring continuous improvement of environmentally sustainable measures', the Committee sought information with respect to the measures that had been taken to facilitate recycling at Exhibition Park.<sup>585</sup>
- 7.33 The Committee was advised that the Corporation was working with ACT OfficeSmart, as part of a process to educate EPC clients with respect to recycling and that feedback from clients to date had been positive.<sup>586</sup>
- 7.34 The Committee noted that organisers of events at Exhibition Park undertake different levels of recycling and asked whether EPC had considered making recycling mandatory for all events. The General Manager replied that such a change had not been considered, however, EPC was educating its clients wherever possible.<sup>587</sup>

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<sup>578</sup> *Transcript of evidence*, 20 June 2012, pp. 423.

<sup>579</sup> *Transcript of evidence*, 20 June 2012, pp. 424.

<sup>580</sup> *Transcript of evidence*, 20 June 2012, pp. 425.

<sup>581</sup> *Transcript of evidence*, 20 June 2012, pp. 425-426.

<sup>582</sup> *Transcript of evidence*, 20 June 2012, pp. 426.

<sup>583</sup> *Transcript of evidence*, 20 June 2012, p. 427.

<sup>584</sup> *Transcript of evidence*, 20 June 2012, pp. 428.

<sup>585</sup> 2012-13 Budget Paper No. 4, p. 509; *Transcript of evidence*, 20 June 2012, pp. 423.

<sup>586</sup> *Transcript of evidence*, 20 June 2012, p. 423.

<sup>587</sup> *Transcript of evidence*, 20 June 2012, pp. 423-424.

### **Gungahlin-Civic transit corridor**

- 7.35 The Committee was informed that EPC had engaged a consultant—Purdon Associates—to examine issues presented by the City to Gungahlin Transit Corridor Study on options for light rail transit or bus rapid transit along Northbourne Avenue and Flemington Road to ensure that these plans do not interfere with any major EPC works and that EPC takes advantage of any opportunities presented.<sup>588</sup>
- 7.36 EPC does not have any specific transport plans at present; however, it was of the general view that it is important to have high-frequency transport running past the venue to encourage more patrons to utilise public transport rather than private vehicles.<sup>589</sup>

### **Land Development Agency**

- 7.37 The Committee dealt with the following issues:
- the Land Development Agency's dwelling release performance;<sup>590</sup>
  - the delays in capital works projects on land release in the Molonglo Valley;<sup>591</sup>
  - the City to Gungahlin Project Office;<sup>592</sup>
  - the release of Campbell 5;<sup>593</sup> and
  - the proposed Greenway land release.<sup>594</sup>

### **Land Development Agency's dwelling releases**

- 7.38 The Committee noted that the expected outcome of approximately 3,000 dwelling releases in 2011-12 was significantly below budgeted expectations of 5,500. The Committee was advised that this was the result of longer than

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<sup>588</sup> *Transcript of evidence*, 20 June 2012, p. 427.

<sup>589</sup> *Transcript of evidence*, 20 June 2012, p. 427.

<sup>590</sup> *Transcript of evidence*, 20 June 2012, pp. 446–449.

<sup>591</sup> *Transcript of evidence*, 20 June 2012, pp. 449–450.

<sup>592</sup> *Transcript of evidence*, 20 June 2012, pp. 456–458.

<sup>593</sup> *Transcript of evidence*, 20 June 2012, pp. 459–460.

<sup>594</sup> *Transcript of evidence*, 20 June 2012, pp. 460–461.

anticipated environmental clearance processes and prolonged wet weather.<sup>595</sup> The Committee is concerned that targeted releases in the 2012-13 financial year and forward estimate years might not be achievable.

### RECOMMENDATION 86

- 7.39 **The Committee recommends that the ACT Government detail to the Legislative Assembly how it proposes to deliver serviced land to the market in line with its land release targets.**
- 7.40 The Committee is concerned at the number of disparate agencies and policy units within the ACT Public Service which are involved in the release of land, the development of infrastructure, and the planning approval process,<sup>596</sup> and whether this is the optimal approach for the management of land release, planning and development in the ACT.

### RECOMMENDATION 87

- 7.41 **The Committee recommends that the ACT Government assess and report to the Legislative Assembly on whether the current machinery of government arrangements for land releases, infrastructure development and planning approvals in the ACT are delivering optimal outcomes.**

## Tourism, sport and recreation portfolio

### Tourism

- 7.42 The Committee dealt with the following issues:
- development of an ACT Brand;<sup>597</sup>
  - Canberra Convention Bureau Business Development Manager;<sup>598</sup>
  - visitor numbers;<sup>599</sup> and

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<sup>595</sup> *Transcript of evidence*, 20 June 2012, pp. 446–449.

<sup>596</sup> The Land Development Agency, and units within the Economic Development Directorate and the Environment and Sustainable Development Directorate.

<sup>597</sup> *Transcript of evidence*, 19 June 2012, pp. 242–243.

<sup>598</sup> *Transcript of evidence*, 19 June 2012, p. 247.



- convention facilities.<sup>600</sup>

### **Development of an ACT brand**

- 7.43 The Committee noted allocations of \$500,000 in 2012–13 and \$2.1 million in 2013-14 for the development of an ACT brand and sought further information on how this money will be spent.<sup>601</sup> In particular, the Committee sought to establish whether the work would be undertaken in house or by consultants.<sup>602</sup>
- 7.44 The Executive Director of the Tourism, Events and Sport Division informed the Committee that the funds will be spent on the development of creative aspects of the brand and protocols for managing the brand, and on communication and implementation planning in 2013–14. The work will be led by the Directorate but, where necessary, experts will be engaged. The brand will be launched towards the end of 2013, Canberra’s centenary year.<sup>603</sup>

### **Visitor numbers**

- 7.45 The Committee discussed in some detail the present state of tourist visitor numbers to the ACT. The Minister informed the Committee that, although an increase in visitor numbers was recorded in the March quarter, a significant change in the international economy would be required for the market to return to the high levels recorded in 2003–04. In addition, the mining boom was effectively crowding out investment in all other industries and the high Australia dollar was encouraging Australians to travel overseas rather than domestically.<sup>604</sup>

### **Funding business development manager position**

- 7.46 The Committee noted additional allocations of \$35,000 in 2012–13 and 2013–14 to partially fund a Business Development Manager position with the Canberra

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<sup>599</sup> *Transcript of evidence*, 19 June 2012, p. 248.

<sup>600</sup> *Transcript of evidence*, 19 June 2012, pp. 247-252.

<sup>601</sup> 2012-13 Budget Paper No. 3, p. 105.

<sup>602</sup> *Transcript of evidence*, 19 June 2012, pp. 242-243

<sup>603</sup> Mr Shane O’Leary, *Transcript of evidence*, 19 June 2012, p. 243.

<sup>604</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 19 June 2012, p. 248.

Convention Bureau.<sup>605</sup> The Committee was informed that half the funding for this position would be provided by the Government and half by the Canberra Convention Bureau, and that the effectiveness of the position would be reviewed after two years. The occupant of the position will be involved in determining what elements of the G20 meeting Canberra could host and also in generating more conference business from sport and recreation events.<sup>606</sup>

### **Planning for future tourism development**

7.47 The Committee asked whether the Minister was aware of work undertaken by Tourism WA and the Western Australian Government to identify sites in the Perth central business district that will meet their long-term tourism needs with regard to accommodation, potential tourist attraction sites, restaurants and ancillary infrastructure.<sup>607</sup>

7.48 The Committee was informed that neither the Minister nor the Directorate were specifically aware of the work done by Tourism WA and the Western Australian Government; however, the Director-General noted that accommodation for the tourist sector was a high priority for the Directorate.<sup>608</sup> Furthermore, the Minister explained that the Territory Plan sets aside land for use as tourist accommodation and that this plan is regularly reviewed.<sup>609</sup>

7.49 With regard to considering sites for future tourist attractions and other tourism related infrastructure, the Director General stated:

One of the key things about the directorate coming together with all of the like-minded entities is to look at that strategy. We actually do develop the land release program and these things will be taken into account. It is not just in tourism; it is in the broad.<sup>610</sup>

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<sup>605</sup> 2012-13 Budget Paper No. 4, p. 239.

<sup>606</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 19 June 2012, p. 247.

<sup>607</sup> *Transcript of evidence*, 19 June 2012, p. 253.

<sup>608</sup> Mr David Dawes, *Transcript of evidence*, 19 June 2012, p. 253.

<sup>609</sup> Mr Andrew Barr MLA, *Transcript of evidence*, 19 June 2012, pp. 253-254.

<sup>610</sup> Mr David Dawes, *Transcript of evidence*, 19 June 2012, p. 254.

## RECOMMENDATION 88

- 7.50 **The Committee recommends that the ACT Government develop a strategy for long-term tourism needs in respect of accommodation, attractions and events and in doing so consider the Western Australian Government-Tourism WA strategies addressing the same needs.**

### Convention facilities

- 7.51 The Committee discussed a range of issues related to convention facilities in the ACT, including:
- additional funding for the Canberra Convention Bureau;
  - the time line for the development of a new convention centre;
  - opportunities presented by the closure of the Sydney Exhibition Centre; and
  - the provision of adequate hotel accommodation to support large conventions in Canberra.<sup>611</sup>

### Sport and recreation

- 7.52 The Committee dealt with the following issues:
- performance Agreement with Greater Western Sydney Australian Football League (AFL);<sup>612</sup>
  - Disability Sports Program;<sup>613</sup>
  - Safe Waters ACT 2012-13 Action Plan;<sup>614</sup>
  - hiring fees for junior football clubs;<sup>615</sup>
  - Performance Agreement with the Brumbies;<sup>616</sup>
  - Performance Agreement with the Canberra Raiders;<sup>617</sup>
  - Active Kids Challenge;<sup>618</sup>

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<sup>611</sup> *Transcript of evidence*, 19 June 2012, pp. 247-252.

<sup>612</sup> *Transcript of evidence*, 19 June 2012, pp. 255-258.

<sup>613</sup> *Transcript of evidence*, 19 June 2012, pp. 259-260 (QToN No. 59).

<sup>614</sup> *Transcript of evidence*, 19 June 2012, pp. 260-261.

<sup>615</sup> *Transcript of evidence*, 19 June 2012, p. 267 (QToN No. 60).

<sup>616</sup> *Transcript of evidence*, 19 June 2012, pp. 268-269 (QToN No. 61).

<sup>617</sup> *Transcript of evidence*, 19 June 2012, pp. 269-270 (QToN No. 63).

- revised funding for Kippax District Playing Fields;<sup>619</sup> and
- Western District Rugby Union Club facilities.<sup>620</sup>

### **Active Kids Challenge**

- 7.53 The Committee sought an update on funding for the Active Kids Challenge.<sup>621</sup>
- 7.54 In response to a question taken on notice, the Committee was advised that while there was no specific funding allocated for the Active Kids Challenge, support was provided to the Physical Activity Foundation which delivers this program.<sup>622</sup>
- 7.55 The Committee was also advised that ‘[i]n recognition of the PAF’s stated desire to position itself outside of Government and establish greater commercial support for the Challenge, and any broader activities coordinated by the PAF’, government funding had been provided on a decreasing scale since 2011-2012. The ACT Government provided \$110,000 to the PAF in 2011–12, and has allocated \$75,000 and \$50,000 for the 2012–13 and 2013–14 financial years respectively.<sup>623</sup>

## **Gaming and racing portfolio**

### **ACT Gambling and Racing Commission**

- 7.56 The Committee dealt with the following issues:
- Accountability Indicators;<sup>624</sup>
  - Auditor-General’s Report No.1 of 2012;<sup>625</sup>
  - high value bet machines;<sup>626</sup>

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<sup>618</sup> *Transcript of evidence*, 19 June 2012, p. 272 (QToN No. 65).

<sup>619</sup> *Transcript of evidence*, 19 June 2012, pp. 274-275.

<sup>620</sup> *Transcript of evidence*, 19 June 2012, pp. 275–276.

<sup>621</sup> *Transcript of evidence*, 19 June 2012, pp. 272–273.

<sup>622</sup> Answer to Question Taken on Notice E12-65, dated 27 June 2012.

<sup>623</sup> Answer to Question Taken on Notice E12-65, dated 27 June 2012.

<sup>624</sup> *Transcript of evidence*, 29 June 2012, pp. 1311.

<sup>625</sup> *Transcript of evidence*, 29 June 2012, pp. 1313-1315.

- research projects;<sup>627</sup>
- Sports Alive liquidation;<sup>628</sup>
- taxes, fees and fines;<sup>629</sup> and
- lotteries and restrictions on staff in gambling venues<sup>630</sup>

### Research projects

- 7.57 The Committee noted that the research program of the ACT Gambling and Racing Commission was now covered by accountability indicators (c) and (d) under Output 1.1, gambling regulation and harm minimisation, and discussed in some detail research projects that had been recently completed or were still underway.<sup>631</sup>
- 7.58 The Chief Executive explained that the research undertaken by the Commission was funded either by the Commission itself or by the Problem Gambling Assistance Fund. Two research projects have been completed in this financial year: *Help-seeking and uptake of services amongst people with gambling problems in the ACT* (2011) and *Profiling problem gambling symptoms in the Australian Capital Territory: socioeconomic and demographic characteristics and gambling participation*.<sup>632</sup>

### Auditor-General's Report No.1 of 2012

- 7.59 The Committee discussed the Auditor-General's Report No. 1 of 2012: *Monitoring and minimising harm caused by problem gambling in the ACT*, which was presented to the Speaker of the Legislative Assembly on 3 April 2012.<sup>633</sup>

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<sup>626</sup> *Transcript of evidence*, 29 June 2012, pp. 1314-1315.

<sup>627</sup> *Transcript of evidence*, 29 June 2012, pp. 1313-1313.

<sup>628</sup> *Transcript of evidence*, 29 June 2012, p. 1318.

<sup>629</sup> *Transcript of evidence*, 29 June 2012, pp. 1318-1319

<sup>630</sup> *Transcript of evidence*, 29 June 2012, pp. 1320-1321.

<sup>631</sup> 2012-13 Budget Paper No. 4, p. 437; *Transcript of evidence*, 29 June 2012, pp. 1313-1313; pp. 1315-1316.

<sup>632</sup> Annie Carroll, Tanya Davidson, David Marsh, Bryan Rodgers (2011) *Help-seeking and uptake of services amongst people with gambling problems in the ACT*, 31 October and Tanya Davidson and Bryan Rodgers (2011) *Profiling problem gambling symptoms in the Australian Capital Territory: socioeconomic and demographic characteristics and gambling participation*, 31 October, < <http://www.gamblingandracing.act.gov.au/Research.htm>>, both accessed 22 July 2012.

<sup>633</sup> ACT Auditor-General's Office (2012) *Monitoring and minimising harm caused by problem gambling in the ACT*, Report No. 1 of 2012, 3 April.

In particular, the Committee sought to establish when the Government would be providing a submission to the Legislative Assembly's Standing Committee on Public Accounts (PAC) inquiry into the Audit report and whether the submission would be made public.<sup>634</sup>

7.60 The Government subsequently provided its submission to PAC on 3 July 2012 agreeing to eight of the Audit report's nine recommendations, as did the Gambling and Racing Commission in its original response within the Audit report. The Government did not agree to recommendation 9, which read as follows:

The ACT Government should set a time to achieve the 4 000 gaming machine cap and implement strategies to meet the target.<sup>635</sup>

7.61 The Government's submission provided the following statement justifying its opposition to this recommendation:

The Government's view is that a prescriptive timetable to achieve the reduced cap would be unduly disruptive to the club sector. Specifically, such disruption may potentially affect the services enjoyed by members of clubs, and the community activities that clubs currently support.

The Government notes change already underway in the club industry, with many clubs wanting to diversify their sources of income, a process which is likely to be accompanied by the continuing voluntary divestment of gaming machines by clubs.<sup>636</sup>

7.62 The Committee notes that PAC recently completed an inquiry into the *Gaming Machine Amendment Bill 2011 (ACT)*, a bill that, among other amendments, would introduce a cap of 4,000 gaming machines in the ACT.<sup>637</sup> The PAC report contained discussions of both the justification for a limit of 4,000 gaming machines and the effectiveness of the proposed means of reaching this

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<sup>634</sup> *Transcript of evidence*, 29 June 2012, pp. 1313-1315.

<sup>635</sup> ACT Auditor-General's Office (2012) *Monitoring and minimising harm caused by problem gambling in the ACT*, Report No. 1 of 2012, 3 April, p. 15.

<sup>636</sup> ACT Government (2012) *ACT Government submission to the Standing Committee on Public Accounts inquiry on the Auditor-General's performance audit report: Monitoring and minimising harm caused by problem gambling in the ACT*, June, p. 10.

<sup>637</sup> ACT Legislative Assembly Standing Committee on Public Accounts (2012) *Inquiry into the Gaming Machine Amendment Bill 2011*, June 2012.

limit.<sup>638</sup> The report recommended:

...the ACT Government should commence, as a matter of priority, a review of the existing electronic gaming machine cap. The Review should commence immediately and a progress report be provided to the ACT Legislative Assembly by the second sitting Tuesday in August 2012.<sup>639</sup>

7.63 The report also recommended, with reference to the clause containing the cap of 4,000 machines that:

...amendment number 12 be deleted from the Gaming Machine Amendment Bill 2011 and not be reconsidered until such time as a review of the existing electronic gaming machine cap has been completed and reported to the ACT Legislative Assembly.<sup>640</sup>

### **Sports Alive liquidation**

7.64 The Committee sought an update on the current situation regarding the collapse of Sports Alive and the Chief Executive of the Commission provided the following summary:

Sports Alive, just for the committee's background, was a licensed sports bookmaker that was operating in the ACT, but their head office was based in Melbourne. They went into liquidation in August last year, leaving a substantial number of debts to their own creditors, including some of their directors and the parent company, as well as the betting accounts of some of their patrons.

The status of that is that in May the liquidator used its powers under the Corporations Act to hold what they call an oral examination session, which allowed them to put on the stand, under oath, the directors of Sports Alive. They also chose to put some of the directors and the CEO of Tote Tasmania on the stand. The reason they did that is that Tote Tasmania, which at that stage was a 20 per cent stakeholder in Sports

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<sup>638</sup> ACT Legislative Assembly Standing Committee on Public Accounts (2012) *Inquiry into the Gaming Machine Amendment Bill 2011*, June, pp. 24-35.

<sup>639</sup> ACT Legislative Assembly Standing Committee on Public Accounts (2012) *Inquiry into the Gaming Machine Amendment Bill 2011*, June, p. 28.

<sup>640</sup> ACT Legislative Assembly Standing Committee on Public Accounts (2012) *Inquiry into the Gaming Machine Amendment Bill 2011*, June, p. 28.

Alive, had given substantial undertakings to Sports Alive and to us that they would increase their stake from 20 per cent to a 50.5 per cent controlling interest, and obviously inject further capital, further equity, into the company. In the end, that did not happen, and that was the trigger for Sports Alive going into liquidation.

There were four days of hearings. Our view was that whatever money was available in terms of the wrap-up of the company – and there is about \$800,000 still to be resolved – or a substantial portion of that, should go to the punters, the account holders, whose interests we were trying to protect, that it was allocated to those punters. We were represented at that hearing by counsel. Our counsel asked a number of questions and clarified for the record the operation of Sports Alive in terms of these segregated accounts.

The resolution of that matter is still with the Supreme Court in Victoria, where the hearing was held. We are waiting on the outcomes of that. What we are expecting to happen next is that the liquidator will be seeking formal judgement in relation to those hearings from the Supreme Court – whether the segregated accounts were properly held or properly accounted for, and therefore the money should go to the patrons rather than the general creditors, which is what the liquidator is pushing.<sup>641</sup>

- 7.65 The Committee was further informed that, although establishing precise figures is difficult because the Commission had been supplied with incorrect information by Sports Alive, the outstanding liabilities for account holders stand at somewhere between \$1 million and \$3 million, and total liabilities stand at somewhere between \$8 million and \$10 million.<sup>642</sup>

### **Restrictions on newsagent staff purchasing lottery tickets**

- 7.66 The Committee discussed with the Gambling and Racing Commission the fact that staff of gambling venues are currently not allowed to gamble in their workplaces. The Committee was particularly interested in the effect of this restriction on staff of newsagents, who are not permitted to purchase

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<sup>641</sup> Mr Greg Jones, *Transcript of evidence*, 29 June 2012, p. 1318.

<sup>642</sup> Mr Greg Jones, *Transcript of evidence*, 29 June 2012, p. 1318.



scratchies or lottery tickets from their place of work.

7.67 This restriction is outlined in the Code of Practice, which covers all gambling licensees in the ACT. Section 1.4, Staff Training and Care, contains the following provisions:

- (1) The licensee of a gambling facility must ensure that—
  - (a) each staff member who is directly involved in providing gambling services to patrons and each person who supervises the staff members—
    - (i) has successfully completed an approved training program within the previous 5 years; and
    - (ii) does not take part, or allow anyone else to take part on their behalf, in a gambling activity at the facility except as part of the member's duty; and
  - (b) each staff member is aware of his or her obligations under this code of practice.<sup>643</sup>

7.68 The Committee questioned whether this restriction should cover staff of newsagents, given that they have no ability to affect the outcome of lotteries or scratchies. The Chief Executive of the Gambling and Racing Commission responded that the restriction was intended not only to remove any incentive to manipulate the results of gambling activities but also to minimise the harm caused to staff who work in gambling venues:

If we are talking a lottery outlet, for example, they cannot manipulate the outcome or whatever, because they are not responsible for that. It is predetermined regardless of whatever they sell or the draw is done elsewhere if it is a Lotto block-type product. But it is also a harm minimisation product. If you are faced with a gambling product all day, for example, an instant scratchie, you could go through, if you were inclined or bored or whatever, quite a few instant scratchies and get a substantial amount of money either taken from the till or otherwise in

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<sup>643</sup> *Gambling and Racing Control (Code of Practice) Regulation 2002*, Sch 1.

terms of what is going on. There is, with lottery products, an instant return available. So it is more, in terms of the lotteries, a harm minimisation approach with that.<sup>644</sup>

7.69 Nevertheless, the Chief Executive also acknowledged that, relative to other forms of gambling, lotteries and scratchies present a low risk of abuse. The Gambling and Racing Commission has commenced a review of the Code of Practice, which will involve public consultation later in the year, and the Chief Executive informed that Committee that this issue would be examined:

Clearly, one of the issues that we will no doubt be addressing is the issue with that, commensurate with the risk, and if it is not, then we will drop it. And if it is, because of the potential harm minimisation, then we will probably keep it and increase our education.<sup>645</sup>

## RECOMMENDATION 89

7.70 **The Committee recommends that the ACT Gambling and Racing Commission, as part of its review of the Code of Practice, consider excluding staff of newsagents from the general restriction on staff of gambling facilities taking part in gambling at those facilities.**

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<sup>644</sup> Mr Greg Jones, *Transcript of evidence*, 29 June 2012, p. 1320.

<sup>645</sup> Mr Greg Jones, *Transcript of evidence*, 29 June 2012, pp. 1320-1321.

## 8 JUSTICE AND COMMUNITY SAFETY DIRECTORATE AND RELATED AGENCIES

### Directorate administration

- 8.1 Budgets and outcomes for Directorate Administration are reported under Output Class 1 - Justice Services.
- 8.2 A number of matters were raised by the Committee regarding the Administration of the Directorate. These included:
- Budgetary savings;
  - justice reinvestment; and
  - new accommodation for the Women's Legal Centre.

### Budgetary savings

- 8.3 In relation to budgetary savings, the Committee asked the Directorate to explain how it could meet the budgetary savings required by the ACT Government while maintaining staff numbers.<sup>646</sup>
- 8.4 In response, the Director-General told the Committee that the savings would be achieved in the areas of
- travel and accommodation, printing, publications and stationery, contractors and consultants, staff training, development and recruitment and staff savings generally.<sup>647</sup>
- 8.5 It also told the Committee that staff numbers would be maintained because there would be 'new staff that relate to new budget initiatives and then,

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<sup>646</sup> *Transcript of evidence*, 20 June 2012, p. 344.

<sup>647</sup> Ms Kathy Leigh, *Transcript of evidence*, 20 June 2012, p. 344.

against that, the net savings that we will make in the staffing'. This, it told the Committee, was 'the explanation for why staff can increase, despite savings'.<sup>648</sup>

### Justice reinvestment

8.6 The Committee asked the Minister for further detail on what the Directorate was planning to do, in the coming year, in the area of justice reinvestment.<sup>649</sup>

8.7 'Justice reinvestment' has been defined as an approach under which:

a portion of the public funds that would have been spent on covering the costs of imprisonment are diverted to local communities that have a high concentration of offenders. The money is invested in community programs, services and activities that are aimed at addressing the underlying causes of crime in those communities.<sup>650</sup>

8.8 In response the Minister told the Committee about the results of the Property Crime Reduction Strategy, of which he said that a key element was to:

focus strongly on issues around diversion, opportunities for rehabilitation and particularly younger offenders being moved away from the criminal justice system conventional processes.<sup>651</sup>

8.9 He told the Committee that this had resulted in reductions 'in the order of over 30 per cent in crimes like motor vehicle theft and burglary' over the previous 12 to 18 months', and that further work was needed on:

diversion, rehabilitation and education—basically breaking the cycle of reoffending that is driven by factors other than matters that the police deal with directly.<sup>652</sup>

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<sup>648</sup> *Transcript of evidence*, 20 June 2012, p. 344.

<sup>649</sup> *Transcript of evidence*, 20 June 2012, p. 345.

<sup>650</sup> Mr Mick Gooda, Aboriginal and Torres Strait Islander Social Justice Commissioner, Australian Human Rights Commission, 'Justice Reinvestment: a new solution to the problem of Indigenous over-representation in the criminal justice system', presentation to *ANTaR NSW Seminar - Juvenile Justice Strategy: A Better Way*, Sydney Mechanics School of Arts NSW, 20 March 2010 <[http://www.hreoc.gov.au/about/media/speeches/social\\_justice/2010/20100320\\_justice\\_reinvestment.html](http://www.hreoc.gov.au/about/media/speeches/social_justice/2010/20100320_justice_reinvestment.html)>, accessed 2 July 2012.

<sup>651</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 345.

<sup>652</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 345.

- 8.10 The Executive Director, Legislation and Policy Branch, told the Committee that the Directorate was working with the Chief Minister's directorate to promote a 'a whole-of-government perspective around justice reinvestment'.<sup>653</sup>
- 8.11 Collaborative work in this area was also progressing with the Community Services Directorate.<sup>654</sup>
- 8.12 When asked if there would be further budgetary allocations for justice reinvestment, the Directorate responded saying that it already had 'a lot' of justice reinvestment programs underway.
- 8.13 An example was the High Density Housing Safety and Security Project which, the Minister told the Committee:
- provides a range of programs to help residents in those complexes to improve their personal safety, improve their physical environment—obviously develop ownership of and pride in their physical environment—improve their access to government and non-government programs, and promote their health and wellbeing.<sup>655</sup>
- 8.14 Under the program a third-party provider was contracted to deliver:
- a range of recreational programs and physical fitness programs which are low impact and good for socialisation as much as for physical fitness, to help to develop and build a sense of community in those precincts.<sup>656</sup>
- 8.15 The Minister advised that outcomes showed that the project had been 'very successful':
- ACT Policing advise that, with respect to total incidents at all of these sites, requirements for police attendance have decreased from 310 in September 2008 to 258 in March 2012, or a 17 per cent decrease, and total offences at all sites have decreased from 120 in September 2008 to just 68

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<sup>653</sup> Ms Julie Field, *Transcript of evidence*, 20 June 2012, p. 345.

<sup>654</sup> Ms Julie Field, *Transcript of evidence*, 20 June 2012, p. 346.

<sup>655</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 346.

<sup>656</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 346.

in March 2012, or a 43 per cent decrease in the number of offences being committed at those sites.<sup>657</sup>

8.16 He said that this was:

a really good example of a relatively low cost program which is engaging with residents in a vulnerable community, and often a very transient community in those public housing complexes, and delivering real results in terms of safety, security and reductions in crime.<sup>658</sup>

### **New accommodation for the Women's Legal Centre**

8.17 The Minister was asked questions concerning the relocation of the Women's Legal Centre from its present accommodation in Havelock House.<sup>659</sup>

8.18 In response he told the Committee that in the Budget the government had provided \$660,000 over three years to allow the Centre to move to 'more appropriate accommodation'. This, he said, was the 'most cost-efficient option' identified in the report that he provided to the Assembly on 27 March 2012.<sup>660</sup> This solution would, he said, provide greater space for the Centre, allowing it to 'expand and provide the services they want to provide particularly in relation to pro bono staff and so on'. 'At the same time', he said, it would free up 'significant space' for the other Community Legal Centres (CLCs) in Havelock House.<sup>661</sup>

8.19 Asked where the new site for the Women's Legal Centre would be, the Minister told the Committee that this would 'be determined over the next 12 months':

That is why the government has indicated that the funding is being made available in the 2013-14 financial year. It will take some time to identify a site ... There is not a lot of vacant government-owned property in the city centre. We will review that further, but our initial scan indicates that

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<sup>657</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 346.

<sup>658</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 346.

<sup>659</sup> *Transcript of evidence*, 20 June 2012, p. 352.

<sup>660</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 352.

<sup>661</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 353.

there is not really a lot around in the city centre and it is the preference of the CLCs to be in a central location. They prefer to be somewhere in the vicinity of Civic. So that may necessitate exploring private tenancy arrangements in a private building.<sup>662</sup>

8.20 The Minister was also asked whether the options considered for the Women's Legal Centre also included the co-location of all CLCs in one new location, an option that had been canvassed in the feasibility study tabled in the Assembly.<sup>663</sup>

8.21 The Minister responded by saying that this option would come at a significantly higher recurrent cost than that under discussion.<sup>664</sup> He also suggested that the Women's Legal Centre did not view the prospect of being accommodated separately from the other CLCs as a negative outcome, and that the new funding for accommodation had been welcomed by the Centre.<sup>665</sup>

8.22 The Committee takes a different view from the Minister and remains concerned at the negative impact that will come from splitting up the three CLCs currently based at Havelock House.

8.23 The Committee is concerned at the negative impact that will be caused by relocating the Women's Legal Centre away from the Tenants Union and the Welfare Rights and Legal Centre. These three community legal centres enjoy considerable advantages by being collocated such as sharing of certain costs and ease of referring clients to their neighbouring CLC who may be more suitable.

## RECOMMENDATION 90

8.24 **The Committee recommends that the ACT Government develop a plan to address the long-term accommodation needs of community legal centres.**

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<sup>662</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 353.

<sup>663</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 353.

<sup>664</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 355.

<sup>665</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 355.

## Courts and Tribunals

8.25 The Committee asked a number of questions regarding the ACT's Courts and Tribunals, under Output 3.1: Courts and Tribunal.

8.26 These included questions regarding:

- finances and staffing;
- the Courts backlog;
- a new case management system for the Courts;
- whether a fifth judge would be appointed to the Supreme Court;
- new fees in the Courts and Tribunals; and
- other matters.

### Finances and staffing

8.27 The Committee asked questions regarding an apparent decrease in employee expenses in the Courts and Tribunals and in particular as to whether this entailed reductions in staffing.<sup>666</sup>

8.28 The Directorate's response to the question stated that:

The main reasons for the reduction are one-off expenses in 2011-12. There was a non-cash long service leave provision adjustment this financial year of about \$300,000. There is the Supreme Court blitz this financial year of \$243,000. That is partially offset with the new initiatives in next year's budget. There is a new initiative of \$243,000. Then there are savings and other net adjustments from one year to the next of about \$300,000.<sup>667</sup>

### The Court cases backlog

8.29 The Committee asked a number of questions regarding the Courts case backlog and measures designed to address it.

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<sup>666</sup> *Transcript of evidence*, 25 June 2012, pp. 776-777.

<sup>667</sup> Ms Moira Crowhurst, *Transcript of evidence*, 25 June 2012, p. 777.



8.30 Among these was a question asking how the Directorate had achieved a 32 per cent reduction in cases taking more than 24 months.<sup>668</sup>

8.31 The Director-General responded, saying that there had been ‘a number of measures’ which had been put in place to improve efficiency in the Supreme Court and that the decrease in cases taking more than 24 months was the result of ‘seeing [those measures] flow through’.<sup>669</sup>

8.32 She told the Committee that important factors in the reduction were the so-called ‘blitz’, a funded period of intense Court activity designed to reduce a backlog of cases, and the introduction of a new docket system designed to increase efficiency in the way that cases are handled within the Courts.<sup>670</sup>

8.33 These were intended to work together to reduce the Court cases backlog. She told the Committee that the blitz ‘was a short-term measure to deal with some of the backlog to enable the court to move to [the] a new docket system’.<sup>671</sup> She told the Committee that the docket system would increase efficiency because under it judges would be ‘better able to actively manage cases’.<sup>672</sup> As a result:

when parties bring matters to court, they will be fully prepared and able to proceed at that point rather than having matters listed and then having them fall through when, on later examination, they decide that in fact they are willing to settle that matter or, in a criminal matter, to plead guilty or to plead to a lesser charge. All of those things should be brought forward and the court’s valuable time will not be allocated to matters that are not, in fact, going to run.<sup>673</sup>

8.34 The Minister also responded in relation to the blitz, saying that, for civil matters:

the first six-week period of the blitz—it is occurring in two six-week periods—saw 93 civil matters listed. Forty-five were settled, 13 were

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<sup>668</sup> *Transcript of evidence*, 25 June 2012, p. 777. The reduction is represented in 2012–13 Budget Paper No. 4, p.261.

<sup>669</sup> Ms Kathy Leigh, *Transcript of evidence*, 25 June 2012, pp. 777-778.

<sup>670</sup> Ms Kathy Leigh, *Transcript of evidence*, 25 June 2012, p. 778.

<sup>671</sup> Ms Kathy Leigh, *Transcript of evidence*, 25 June 2012, p. 778.

<sup>672</sup> Ms Kathy Leigh, *Transcript of evidence*, 25 June 2012, p. 778.

<sup>673</sup> Ms Kathy Leigh, *Transcript of evidence*, 25 June 2012, p. 778.

completed with the decisions reserved, six of which have been subsequently delivered by the court, five were vacated, two were adjourned, one was sent to referee and 27 were not reached. So it was a very good outcome on civil.<sup>674</sup>

8.35 For criminal matters, the Minister told the Committee:

in the first six-week period there were 40 criminal matters listed. Over half—21—were resolved with a plea of guilty, six were discontinued by the DPP, four were vacated, only nine were heard—so the remaining nine were heard—and decisions reserved, of which three have now been delivered.<sup>675</sup>

8.36 Regarding this the Minister observed that, as for civil matters:

what this highlights equally on the criminal side is a more effective listing process that makes it clear to the parties that a matter is going to run and it is going to run soon. It focuses people's minds on whether or not—on the criminal side—they want to plead guilty or accept a lesser charge or whatever it might be or, on the prosecution side, the prosecution deciding that they are not going to proceed or they are only going to charge for a lesser offence where there is going to be a plea of guilty and so on.<sup>676</sup>

8.37 He also suggested that the blitz was:

a really useful precursor to an ongoing level of case management in the courts that we have not seen previously which should ensure that parties are able to reach decisions about whether or not the matter actually needs to be heard in court and the grounds on which it needs to be heard sooner. That is a good thing in terms of the efficient use of the court's time.<sup>677</sup>

8.38 The Minister went on to say that the docket system would allow 'an ongoing level of proactive case management':

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<sup>674</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 778.

<sup>675</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 778.

<sup>676</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 778.

<sup>677</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, pp. 778-779.

... with the judge that the case is allocated to managing the case from start to finish and being quite clear about when matters are going to be heard, when certain dates need to be met and so on ...<sup>678</sup>

8.39 Under the new arrangements, he said, there would be none of:

this laying over of matters to a future date and then not being ready to go and so it is laid over again for another period of time. That sort of practice needs to change in our courts. The court's time is valuable. We should be utilising the court's time as efficiently and as productively as possible, and the docket system is designed to provide for that.<sup>679</sup>

### **A new case management system for the Courts**

8.40 The Committee asked about the Courts case management system, also relevant to the question of efficiency in the Courts.

8.41 Specific questions were asked regarding interconnectivity between information systems, whether this was factored into these systems during their development, and what efficiencies a new case management system, detailed in the Budget Papers, could be expected to achieve.<sup>680</sup>

8.42 The Courts Administrator responded, saying that the current case management system routinely interoperated with other databases, such as those under the ownership of the Director of Public Prosecutions and ACT Policing. For the new system, she told the Committee:

we are looking at maintaining those links and enhancing those links so that we can continue to take data from the police when they arrest somebody, straight through to the courts so that we do not have to double-entry things, and provide that back to variety of parties, including corrections for sentencing matters.<sup>681</sup>

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<sup>678</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 779.

<sup>679</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 779.

<sup>680</sup> *Transcript of evidence*, 25 June 2012, p. 787.

<sup>681</sup> Ms Alison Purvis, *Transcript of evidence*, 25 June 2012, p. 787.

- 8.43 She told the Committee that the new system would generate a range of efficiencies which she would 'explain them in terms of the different people that will benefit from the system':

For the judiciary, it is expected there will be greater visibility and tracking of cases, more readily accessible information and improved in-court facilities. For the ACT community, it is expected there will be greater access to e-services, minimising visits to court, saving time and resources. This will also include the ability to pay court fees and fines online. For the ACT legal community, the same benefits apply, including increasing confidence in the timely progress of cases.

For our staff, it is expected that there may be savings in work effort due to e-filing, e-searching and less effort in preparing statistical reports. For the other criminal justice agencies, there will be less duplication of administrative effort, access to timely information and more streamlined and efficient business processes. And the final one, for the people who work with me in the executive group, it is providing us with management information.<sup>682</sup>

- 8.44 The Courts Administrator also told the Committee that the timeline for the introduction of the new case management system was 'around four years'. When asked why that was, the Administrator responded by saying that:

The time frame for the progress of that project includes making sure that we are moving from one system to the other without disruption and making sure that we carry across information in an effective manner so that there is a continuity of service. The time line that we have set out includes getting the system in place, and that takes us to the end of 2012, installing hardware and infrastructure, configuration, data migration and testing. That all happens in 2013. Training and deployment will be at the same time, and there is a large training component for the staff. And then we are going to do configuration and deployment, as we call them, releases across the business.<sup>683</sup>

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<sup>682</sup> Ms Alison Purvis, *Transcript of evidence*, 25 June 2012, pp. 787-788.

<sup>683</sup> Ms Alison Purvis, *Transcript of evidence*, 25 June 2012, p. 788.

- 8.45 These last components of configuration and deployment, she said, would occur under the terms of a 'deployment timetable so that we are sending it out to the organisation in a prepared and proper way'.<sup>684</sup>
- 8.46 Further questions were asked as to whether the case management system was off the shelf software or was being written expressly for the ACT, and whether the product had been used and tested in other jurisdictions. In response the Director-General told the Committee that specific software had not yet been selected for the system, but that background preparation had resulted in the Directorate holding 'a lot of detailed information', on the basis of which a decision would be made.
- 8.47 The Director-General also said that while the Directorate would prefer to implement a system that had been proven in other jurisdictions, there were important questions of whether such a system could be scaled-down for such a small jurisdiction as the ACT, and that this would be taken into account in the final decision.<sup>685</sup>

### **A fifth judge for the Supreme Court?**

- 8.48 The Committee asked whether there were plans to appoint a fifth judge to the ACT Supreme Court. This was another line of questioning which touched upon questions of efficiency in the Courts.
- 8.49 Specifically, the question was asked as to whether the total cost of the measures taken to reduce the courts backlog would exceed the cost of appointing a fifth judge to the Court.<sup>686</sup>
- 8.50 The Director-General responded, saying that this was not the case:
- A judge of the Supreme Court is somewhere between \$800,000 and \$1 million per year. You have to take into account all of the related costs that come with appointing a judge. Pension is significant. In any given year, the cost of the future pension for a judge is more than 50 per cent of the remuneration of the judge per year. Each year you have to add that on to

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<sup>684</sup> Ms Alison Purvis, *Transcript of evidence*, 25 June 2012, p. 788.

<sup>685</sup> *Transcript of evidence*, 25 June 2012, pp.789-790.

<sup>686</sup> *Transcript of evidence*, 20 June 2012, p. 351.

the cost of the judge and there are a number of other significant on-costs with appointing judicial officers.

In addition, of course, when you appoint a judicial officer you are appointing them until age 70. That is part of the key plank of the independence of our judicial system. To appoint a permanent judicial officer without first identifying whether in fact the issues in the court are of a permanent nature but can be addressed through changing the way the court operates would not be a responsible use of public money.

All of the work that the government has been doing in partnership with the court and the legal profession has been aimed at identifying what is the underlying cause of the backlog in time frames in the court and reorganising how the court operates to address those causes. As has always been demonstrated in the blitz, there is no inherent workload pressure. It is about the way the cases are managed. As we saw in the blitz, more than 50 per cent of cases that fill our lists never run. That is not a very efficient use of the court's time. If we pulled those out we would halve our court waiting lists.<sup>687</sup>

- 8.51 When asked when the government would consider appointing a fifth judge, the Minister responded, saying that the Government 'keeps these matters under review':

the government's position is that it is incumbent on the court, as much as it is on any other part of the territory's public administration, to ensure that it is able to utilise its resources as efficiently as possible. There is well established practice in other jurisdictions that we are now drawing upon in terms of case management, docket system and so on to improve that efficiency. The government keeps the issue of a fifth judge under review but there is no specific time frame or projected time frame around if and when a fifth resident judge is required.<sup>688</sup>

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<sup>687</sup> Ms Kathy Leigh, *Transcript of evidence*, 20 June 2012, p. 351.

<sup>688</sup> *Transcript of evidence*, 20 June 2012, p. 251.

## Sentencing database

8.52 At its public hearing of 20 June 2012 the Committee asked questions about expenditure on the proposed sentencing database detailed in the Budget Paper No.4.<sup>689</sup>

8.53 In particular, the Minister was asked about the cost of the database, who was responsible for it, and staffing.<sup>690</sup>

8.54 The Minister responded, saying that:

The sentencing database project is the implementation of a government election commitment around improving consistency in sentencing and having a better knowledge base to support sentencing decisions. The implementation of this initiative will be driven by support from the New South Wales Judicial Commission. The New South Wales Judicial Commission over the last two decades have developed a leading-edge best-practice sentencing information system that is now available to judicial officers across all jurisdictions in the New South Wales system. They have kindly agreed to develop a similar framework for the territory, drawing on their expertise and knowledge.<sup>691</sup>

8.55 Regarding responsibility for the database, he told the Committee that:

The management of the system, in terms of data entry, will involve data entry by court staff, I am advised. So court staff will enter requisite data into the system and the system will be able to be interrogated by a range of justice stakeholders—obviously, first and foremost, by judicial officers themselves, in drawing down relevant sentencing decisions, case notes and other relevant material to assist them in their work. But it will also be able to be interrogated by staff of the Justice and Community Safety Directorate for the purposes of policy development and analysing trends.<sup>692</sup>

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<sup>689</sup> See 2012-13 Budget Paper No.4, pp. 260, 278, 280.

<sup>690</sup> *Transcript of evidence*, 20 June 2012, p. 356.

<sup>691</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 356.

<sup>692</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 356.

8.56 He told the Committee that funding for the system would entail the following arrangements for staffing and resourcing:

Recurrent funding for 2.2 FTE to configure and support the database and oversee statistical operations in the law courts and tribunals. So that is one senior officer grade B, one ASO6 and 0.2 of an FTE of a JACS ICT specialist. There are also payments to New South Wales for modifications to the database, hosting costs, training of staff and other support costs.<sup>693</sup>

8.57 At the Committee's public hearing of 25 June 2012, further questions were asked about the sentencing database. In particular it was asked who would have access to the database.<sup>694</sup>

8.58 The Minister responded, saying that:

The database primarily, first and foremost, will support the work of judicial officers themselves in making assessments about sentencing decisions and drawing down on relevant precedent in past cases. The database will also be available for use by the Justice and Community Safety Directorate to access data to assist in policy development.<sup>695</sup>

8.59 The Committee is concerned that the Sentencing Database, while providing important information to the legal profession, will not be accessible to the rest of the community. There is a genuine interest in the community for information about sentencing and it appears that if the Government is going to the extent of spending \$2.23 million on a database, it would make most sense to have JACS publish statistical summaries or fact sheets for public consumption.

## RECOMMENDATION 91

8.60 **The Committee recommends that the ACT Government publish summaries of the statistics produced from the ACT crimes sentencing database once it is operational.**

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<sup>693</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 356.

<sup>694</sup> *Transcript of evidence*, 25 June 2012, p. 786.

<sup>695</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 786.



## New fees in the Courts and Tribunals

8.61 The Committee also asked about new fees in the Courts and Tribunals, in particular as to the intended policy outcomes of the new fees structure.

8.62 The Minister responded to the question, saying that the new fees had been recommended by the Auditor-General in 2010. Their present implementation was part of the broader effort to improve case management in the courts:

The fee structure is designed to send some price signals around the value of the court's time and the need to ensure that matters are heard not only in a timely manner but also in an efficient manner—that is, that appropriate assessments are made about how much time needs to be set aside for a matter to be heard. Having a price around the cost of a matter, particularly a matter that may extend over an extended period of time, is an accepted and well-established mechanism in other jurisdictions to focus the parties in a civil matter on the key issues in dispute and the use of their time efficiently.<sup>696</sup>

8.63 He told the Committee that a secondary consideration for the change in fees was the issue of 'cross-jurisdictional shopping', where parties from another jurisdiction would seek to have a matter heard in a jurisdiction where courts charged lower fees.<sup>697</sup> In addition, he told the Committee:

All jurisdictions have agreed, through what was the Standing Committee of Attorneys-General, now the ministerial council on law and justice, to ensure that court fee structures, particularly in the civil jurisdiction, are broadly consistent, to prevent movements between different jurisdictions.<sup>698</sup>

8.64 He told the Committee that in aggregate the new fees would deliver a further \$227,000 to the public purse, which he regarded as 'not a significant level of

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<sup>696</sup> *Transcript of evidence*, 20 June 2012, p. 339.

<sup>697</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 339.

<sup>698</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, pp. 339-340.

fees'.<sup>699</sup> Responses to other questions showed that this was Territory revenue, which 'goes into consolidated revenue'.<sup>700</sup>

- 8.65 The Committee notes the Attorney has exempted certain organisations from the fees and that better consultation prior to the release of the fees would have avoided the need to amend the fees so quickly after they were announced.

## RECOMMENDATION 92

- 8.66 **The Committee recommends that before making significant changes to court fees in the future, the ACT Attorney General consult with the legal profession.**

### Other matters

- 8.67 In relation to the Office of the Director of Public Prosecutions (DPP), the Committee considered:
- a low figure for the number of the DPP cases meeting the courts timeline, and additional funding for the DPP with respect to the blitz on the Courts backlog;<sup>701</sup>
  - the effectiveness of the Sexual Assault Reform Program;<sup>702</sup>
  - the status of reference appeals in the Courts system;<sup>703</sup> and
  - proposed reforms on 'double jeopardy' in criminal cases.<sup>704</sup>
- 8.68 The Committee also considered other matters which touched upon the operation of the courts, including:
- fees in the ACT Civil and Administrative Tribunal;<sup>705</sup> and
  - the Fine Enforcement Unit in the ACT Courts.<sup>706</sup>

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<sup>699</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 340.

<sup>700</sup> Ms Moira Crowhurst, *Transcript of evidence*, 20 June 2012, p. 341.

<sup>701</sup> *Transcript of evidence*, 20 June 2012, p. 372.

<sup>702</sup> *Transcript of evidence*, 20 June 2012, pp. 373-374.

<sup>703</sup> *Transcript of evidence*, 20 June 2012, p. 372.

<sup>704</sup> *Transcript of evidence*, 20 June 2012, pp. 372-373.

<sup>705</sup> *Transcript of evidence*, 25 June 2012, pp. 791-794.

<sup>706</sup> *Transcript of evidence*, 25 June 2012, pp. 793-794.

## WorkSafe, Office of Regulatory Services, and Transport Regulation

8.69 Budgets and outcomes of WorkSafe, the Office of Regulatory Services and Transport Regulation are reported under Output Class 1.7: Regulatory Services.

### WorkSafe

8.70 The Committee asked questions regarding the work of WorkSafe, which concerned, among other things:

- the effect of budgetary constraints on WorkSafe ACT;
- inspections and rates of compliance; and
- other matters.

### Budgetary constraints

8.71 The Committee asked whether budgetary restraint would result in a reduction in numbers in WorkSafe staff.<sup>707</sup>

8.72 The Executive Director, Office of Regulatory Services responded, saying that there would not be any reductions in staff at WorkSafe. He said rather that:

the reverse is true in relation to WorkSafe. It has received a significant amount of money from the Australian government to undertake a healthy work campaign and so the numbers have actually increased there.<sup>708</sup>

8.73 The Committee also asked whether budgetary constraints would have a significant impact on advertising by WorkSafe. The Executive Director responded, saying that it would not:

Across the board ... we do not spend an enormous amount of money on advertising. The materials that we undertake and we prepare are largely done in-house. They are largely published on our websites and also we

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<sup>707</sup> *Transcript of evidence*, 20 June 2012, p. 378.

<sup>708</sup> Mr Brett Phillips, *Transcript of evidence*, 20 June 2012, p. 378.

have the benefit, in relation to areas such as WorkSafe and fair trading, of being part of national campaigns so that a number of the materials are actually developed outside what you would call your normal advertising campaigns.<sup>709</sup>

### **Inspections and rates of compliance**

8.74 Questions were asked about how WorkSafe inspections occur and rates of compliance with Work Safety legislation. The Work Safety Commissioner/Senior Director, WorkSafe ACT responded, telling the Committee that inspections usually arose from tip-offs or from 'a formal report from the workplace where there has been an incident'.<sup>710</sup>

8.75 This had an influence over indicators for compliance, because:

A very large percentage of attendances by an inspector are in relation to an issue that has been identified, so we already know there is a problem before we go out.<sup>711</sup>

8.76 He told the Committee that the indicator in question was not:

a true measure of the level of compliance across ACT workplaces. A better measure might be if we just measured random visits—did a sample group and just went out at random. Most of our activity is directed to places where there are already problems.<sup>712</sup>

8.77 WorkSafe had also considered:

whether it would be better if we just measured proactive audits rather than our reactive work, but even with proactive audits we tend to target them in areas where we suspect there might be some, so they are skewed as well.<sup>713</sup>

8.78 As a result, he said, WorkSafe was reviewing the indicator.<sup>714</sup>

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<sup>709</sup> Mr Brett Phillips, *Transcript of evidence*, 20 June 2012, p. 379.

<sup>710</sup> Mr Mark McCabe, *Transcript of evidence*, 20 June 2012, p. 374.

<sup>711</sup> Mr Mark McCabe, *Transcript of evidence*, 20 June 2012, p. 374.

<sup>712</sup> Mr Mark McCabe, *Transcript of evidence*, 20 June 2012, p. 374.

<sup>713</sup> Mr Mark McCabe, *Transcript of evidence*, 20 June 2012, p. 374.

<sup>714</sup> Mr Mark McCabe, *Transcript of evidence*, 20 June 2012, p. 374.

## Other matters

8.79 Questions were also asked about:

- coordination between WorkSafe and Health Inspectors and complaints about WorkSafe;<sup>715</sup> and
- how many complaints were lodged against WorkSafe ACT;<sup>716</sup>
- compliance with and monitoring of plastic bag legislation;<sup>717</sup>
- compliance with egg-labelling legislation;<sup>718</sup>
- random vehicle inspections targets;<sup>719</sup>
- the stability of the *Rego ACT* system;<sup>720</sup> and
- the legality of forward-facing speed cameras.<sup>721</sup>

## Emergency Services Agency

8.80 Budgets and outcomes for the Emergency Services Agency (ESA) are reported under Output 4.1: Emergency Services.

8.81 With regard to the ESA, the Committee considered the following matters:

- staffing numbers and training;
- ambulance and fire station relocations;
- backup systems and support for the 000 service; and
- other matters.

### Staffing numbers and training

8.82 In relation to staffing for the ESA, the Committee asked a series of questions about the agency's budgetary position and its implications for staffing.<sup>722</sup>

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<sup>715</sup> *Transcript of evidence*, 20 June 2012, p. 379

<sup>716</sup> *Transcript of evidence*, 20 June 2012, p. 379.

<sup>717</sup> *Transcript of evidence*, 20 June 2012, pp. 377-378

<sup>718</sup> *Transcript of evidence*, 20 June 2012, p. 380.

<sup>719</sup> *Transcript of evidence*, 20 June 2012, p. 383.

<sup>720</sup> *Transcript of evidence*, 20 June 2012, p. 383.

<sup>721</sup> *Transcript of evidence*, 20 June 2012, p. 381

<sup>722</sup> *Transcript of evidence*, 25 June 2012, pp. 743-748

- 8.83 A question was asked as to whether the need to fund \$2.2 million of additional employee expenses in 2013-14 would make it necessary to reduce staff in the ESA.<sup>723</sup> The Minister responded, saying that that he did not anticipate that staff would be reduced.<sup>724</sup>
- 8.84 A question was asked as to whether the ESA was being funded adequately, in view of it needing to seek a Treasurer's advance.<sup>725</sup>
- 8.85 The Minister responded to this question, saying that it was a matter of achieving a balance between assessment of appropriate base funding while ensuring that 'services can continue to be delivered, but delivered as efficiently as possible'.<sup>726</sup> He also told the Committee that the Treasurer's advance was being sought due to 'a range of cost pressures', including those arising from overtime and allowances, and from movements in fuel and oil prices.<sup>727</sup>
- 8.86 At this point a question was asked regarding a letter written by an ESA employee, a firefighter, alleging that low staffing levels had led to staff not being able to access leave entitlements and being obliged to work excessive overtime.<sup>728</sup>
- 8.87 The Minister responded, saying that the Government had 'supplemented ACT Fire and Rescue capability', in particular by providing for a series of recruit colleges for new recruits. He also noted that ongoing negotiations with the Commonwealth Government about the Commonwealth Fire Payment, a payment for service to the ACT Government for the provision of fire services for commonwealth properties in the ACT, had also had an impact on the ESA's budgetary position.<sup>729</sup>
- 8.88 In response to further questioning, the Minister told the Committee that there would be one recruit college in the 2012-13 financial year.<sup>730</sup> In addition, the

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<sup>723</sup> *Transcript of evidence*, 25 June 2012, p. 743.

<sup>724</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, pp. 743-744.

<sup>725</sup> *Transcript of evidence*, 25 June 2012, p. 744.

<sup>726</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 744.

<sup>727</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 744.

<sup>728</sup> *Transcript of evidence*, 25 June 2012, p. 745.

<sup>729</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 745.

<sup>730</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 746.

Commissioner, ACT Emergency Services Agency, told the Committee that there had been 'significant commitment' by the ACT Government to 'implement additional recruit colleges'. He also told the Committee that he understood that Fire and Rescue were 'up to their full complement of firefighters', and that this accorded with staff, 'general speaking, being able to access most of their entitlements'. Overtime, he said, was a 'routine and standard part of running a 24/7, 365-day operation' and that this was, in general, 'welcomed by the workforce'.<sup>731</sup>

- 8.89 Adding to the comments of the Commissioner, the Minister told the Committee that ACT firefighters were 'the best paid in the country', and also maintained 'the best response times in the country'. He also detailed upgrades to equipment which had been supplied to the fire brigade in recent times, including vehicles, personal protective equipment, and other capabilities.<sup>732</sup>
- 8.90 A further question was asked about whether fire stations were closed during training exercises. The Commissioner responded by saying that training usually occurred on shift and while that was taking place stations were not closed. Skills acquisition was not done on shift, 'outside of shift arrangements', but firefighters were still able to respond to emergencies as required during these times.<sup>733</sup>

### RECOMMENDATION 93

- 8.91 **The Committee recommends that the ACT Government present to the Legislative Assembly the records on the number of times that fire brigade and ambulance stations have been closed over the last two financial years due to there being insufficient staff because the staff are on leave and/or training exercises.**

### RECOMMENDATION 94

- 8.92 **The Committee recommends that the ACT Government present to the Legislative Assembly the policy on closures of fire brigade and**

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<sup>731</sup> Mr Mark Crosweller, *Transcript of evidence*, 25 June 2012, p. 746.

<sup>732</sup> Mr Simon Corbell, *Transcript of evidence*, 25 June 2012, p. 747.

<sup>733</sup> Mr Mark Crosweller, *Transcript of evidence*, 25 June 2012, p. 748.

**ambulance stations, including what provisions are made for fire and ambulance call-outs during these closures.**

- 8.93 Another question was asked about firefighters being called to attend in place of police and the ambulance service. In response, the Minister told the Committee that if this were a problem then the effects would be evident in deteriorating response times, and that this was not the case.<sup>734</sup>

**Ambulance and fire station relocations**

- 8.94 The Committee asked a series of questions regarding the relocation of ambulance and fire stations under the Emergency Services Station Relocation Strategy.<sup>735</sup>
- 8.95 Initially, the Committee asked a question regarding the funding for the Strategy, as to the components that had been funded in this Budget and those which would be funded in the future.<sup>736</sup>
- 8.96 The Minister responded, saying that funding had been allocated in this Budget for a new station at Charnwood which, he said, would 'for the first time ... place an ambulance station in the west Belconnen area'. It would also 'allow us to provide the fire brigade with a new modern facility to replace the existing Charnwood station'.<sup>737</sup>
- 8.97 The Minister told the Committee that new stations at Aranda and at Calwell and Conder were 'currently subject to ongoing planning, site preparation and design', and construction would be funded 'in the coming financial year'.<sup>738</sup>

**The 000 service: systems and training**

- 8.98 The Committee asked a number of questions about the 000 emergency service.

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<sup>734</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 749.

<sup>735</sup> *Transcript of evidence*, 25 June 2012, pp.739-740 and pp. 750-754.

<sup>736</sup> *Transcript of evidence*, 25 June 2012, p. 739.

<sup>737</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 739.

<sup>738</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 739.



- 8.99 Questions were put regarding safeguards and redundancy in the computer system which supports the 000 call-answering service, in particular with regard to the ESA strengthening 000 Backup Capability project.<sup>739</sup>
- 8.100 In response, the Chief Officer, ACT Ambulance Service, told the Committee that the supporting computer system spans two ESA sites, with a 50% capability at Curtin, which could be scaled up 'in a few days' if necessary, and a 100% capability at the ESA headquarters at Fairbairn. Calls were routed using the Genesis system, which helped 'to disaggregate [incoming calls] and send the call to the right desk'.<sup>740</sup>
- 8.101 The Chief Officer told the Committee that because the computer system spans two sites, 'from time to time the server gets a little confused and when it does we have to shut it down and reboot it'. This resulted in 'a period of about 15 to 20 minutes where that capability [was] not available' However, it did not 'stop any calls coming into the room at all; it simply '[made] it a little more complex about how we manage them'. Mr Foot advised the Committee that the Backup Capability project sought 'simply [to] put two servers in, one in each site, so that we do not get that problem occurring in the room'.<sup>741</sup>
- 8.102 Questions were also asked about training and the 000 service, in particular regarding the clinical expertise of staff answering calls.<sup>742</sup>
- 8.103 In response, the Minister told the Committee that the Government had provided:
- additional funding to recruit ambulance clinicians to work full time in the comm cen. That supports the call-takers who use an algorithm within a response program to assess calls. We do not just rely on the algorithm process. It is similar to a health call centre-type model. We also have specialist clinicians physically present in the comm cen, who can deal with more complex or difficult calls, or indeed with calls where the call-

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<sup>739</sup> *Transcript of evidence*, 25 June 2012, pp. 755-756.

<sup>740</sup> Mr David Foot, *Transcript of evidence*, 25 June 2012, pp. 755-756.

<sup>741</sup> Mr David Foot, *Transcript of evidence*, 25 June 2012, pp. 755-756.

<sup>742</sup> *Transcript of evidence*, 25 June 2012, p. 756.

takers themselves are unsure how to assess and rate the priority of the call.<sup>743</sup>

8.104 The Chief Officer, ACT Ambulance Service, also responded to the question, detailing training for 000 call takers as follows:

Officers working in the communications centre, that are actually taking the calls, undertake a certificate III in call-taking. ACTAS actually restructured its qualification and governance framework in the room some years ago. So those officers actually undertake an extended period of both practical and theoretical training to achieve that certificate III and are trained in areas like medical terminology, phone management techniques and obviously the medical aspects, to prepare them to enter those 000 calls, when they come into the room, correctly. The dispatcher, because we have separated the two roles, undertakes a certificate IV in dispatch, and both those qualifications reside within the health training package at a national level.<sup>744</sup>

## Other matters

8.105 Other matters considered by the Committee in the hearing were:

- the relationship between ESA and Emergency Management Australia;<sup>745</sup>
- the Farm Fire Wise program;<sup>746</sup> and
- compliance with guidelines regulating the use of non-executive private-plated vehicles.<sup>747</sup>

## ACT Policing

8.106 ACT Policing appeared before the Committee on 25 June 2012. Budgets and outcomes for ACT Policing are reported under Output EBT 1: ACT Policing.

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<sup>743</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 756.

<sup>744</sup> Mr David Foot, *Transcript of evidence*, 25 June 2012, p. 757.

<sup>745</sup> *Transcript of evidence*, 25 June 2012, pp. 740-741.

<sup>746</sup> *Transcript of evidence*, 25 June 2012, pp. 741-743.

<sup>747</sup> *Transcript of evidence*, 25 June 2012, pp. 757-760.

8.107 In hearings the Committee asked questions regarding:

- staffing and funding;
- operational matters;
- the use of tasers;
- the Mental Health Community Policing Initiative;
- random roadside drug testing; and
- other matters.

### **Staffing and funding**

8.108 The Committee asked a number of questions regarding staffing and funding for ACT Policing.<sup>748</sup>

8.109 In relation to staffing, the Committee asked the Chief Police Officer (CPO) what were the current Full Time Equivalent (FTE) staffing levels 'for the AFP for the ACT'.<sup>749</sup>

8.110 The CPO responded, saying that current strength for ACT Policing was 950, made up of operational staff 'plus 100 enabling'. Of these 689 were sworn staff and 261 unsworn. Of the figure given for enabling staff, the CPO told the Committee that the greater part of this was made up of staff in forensic services, and that it also included staff engaged in 'ICT support, administrative, HR' and associated functions.<sup>750</sup>

8.111 The Committee asked the CPO about planning to meet future workforce requirements for ACT Policing.<sup>751</sup>

8.112 The CPO responded, detailing forward planning that had been undertaken by ACT Policing with regard to future workforce requirements. He told the Committee that about:

About 18 months ago we did some fairly in-depth analysis in terms of what model I had in the future. We had briefings from ACT planning in

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<sup>748</sup> *Transcript of evidence*, 25 June 2012, pp. 760-761, 765-767,

<sup>749</sup> *Transcript of evidence*, 25 June 2012, p. 765.

<sup>750</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 765.

<sup>751</sup> *Transcript of evidence*, 25 June 2012, pp. 765-767.

terms of what was the population demographic increases and where those demographic increases were going to occur. I am still of the view that we have sufficient police, and I think we will have sufficient police for the next number of years.<sup>752</sup>

8.113 However the CPO also told the Committee that:

If you ask me do I think I currently have sufficient police for what we might be facing in 10 years' time, the answer is no. That is not an exact science. We are working through with the directorate of justice and community safety in terms of what a model might look like and calculating how one may project how many police we need in the ACT. That model is not yet fully developed but like any model it will depend on the data that we put into it in terms of the answers you get out of it.<sup>753</sup>

## RECOMMENDATION 95

8.114 **The Committee recommends that the ACT Government provide information on the planning being undertaken to ensure that there are sufficient numbers of police now and in future years.**

8.115 The Committee asked about projections for outyears, for the overall level of funding for services provided by ACT Policing under the ACT Policing Agreement. The Director-General of the Justice and Community Safety Directorate told the Committee that additional money had been allocated for the contract in future years.<sup>754</sup>

8.116 The Minister also responded. He told the Committee that:

An additional \$45.278 million over four years has been allocated to ACT Policing. This recognises increases in salaries as a result of the new AFP enterprise agreement, which was entered into earlier this year for the 2012-2016 years. In 2012-13 the increase is \$5.755 million, in 2013-14 a

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<sup>752</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 766.

<sup>753</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 766.

<sup>754</sup> Ms Kathy Leigh, *Transcript of evidence*, 25 June 2012, p. 760.

further increase of \$7 million, in 2014-15 a further increase of \$9.8 million and in 2015-16 a further increase of \$9.8 million.<sup>755</sup>

## Operational matters

8.117 The Committee asked a series of questions about operational matters for ACT Policing, including questions about:

- the use of Tasers;
- the Mental Health Community Policing Initiative;
- random roadside drug testing and policing of alcohol-related crime; and
- strategies regarding Aboriginal and Torres Strait Islander offenders.

8.118 These are considered below.

### Use of tasers

8.119 The Committee asked about the introduction of 'taser cams' in the ACT; about associated purchasing and training; and about the timing of their implementation.<sup>756</sup>

8.120 The CPO responded, saying that this hinged on a recently-made decision to move from an X26 to an X2 model taser. Procurement of the new device had been completed and there was more work to be done on governance and training to support the new equipment. In view of this, he told the Committee, the implementation of the new equipment was 'probably some months away yet'.<sup>757</sup>

8.121 In response to further questioning, the CPO told the Committee that the majority of taser units that would be phased out with the introduction of the new equipment would by then have been operating for seven or eight years. A further 34 units of the older model had been acquired in July 2011 and would

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<sup>755</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 760.

<sup>756</sup> *Transcript of evidence*, 25 June 2012, p. 761.

<sup>757</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 761.

continue to be employed until the new equipment had been deployed: a period of two years.<sup>758</sup>

8.122 A question was also asked as to whether the authority to use tasers will be extended to other ranks. Currently tasers are only used by sergeants.<sup>759</sup>

8.123 The CPO responded, saying that:

The taser implementation to sergeants in the ACT has now been active for almost 12 months. At the 12-month mark we will have a full evaluation of that model. We will make decisions based on what the findings of that particular review will be, but at this point in time I can indicate I have no intention of rolling out tasers beyond sergeants unless the review reveals that there is a compelling need to do that.<sup>760</sup>

### **The Mental Health Community Policing Initiative**

8.124 The Committee asked a question as to whether there would be an expansion of the Mental Health Community Policy Initiative.<sup>761</sup>

8.125 The CPO responded, saying that it was the intention of ACT Policing to maintain the program 'at current levels'. An evaluation had recently been completed and further metrics were being applied to the data. He told the Committee that:

early indications are that it is a very successful program leading to better therapeutic outcomes for mental health consumers. So our intent is to maintain it.<sup>762</sup>

8.126 He also told the Committee that a recommendation had emerged from the evaluation for ACT Policing to consider extending the program beyond 'the peak hours'. He told the Committee that coverage was currently 'from Thursday through to Sunday'. In light of the report recommendation, ACT

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<sup>758</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 762.

<sup>759</sup> *Transcript of evidence*, 25 June 2012, p. 761.

<sup>760</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 761.

<sup>761</sup> *Transcript of evidence*, 25 June 2012, p. 770.

<sup>762</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 770.

Policing was considering 'extending that across a 24/7 operation'. However, he said, until he had:

those metrics back in terms of where the capability is best placed, I am not in a position to actually make a judgement about whether it should go 24/7 because I want to get the best bang for buck.<sup>763</sup>

8.127 When asked about timelines for the decision on extending coverage, the CPO told the Committee that:

I am expecting those assessments back in the very near future, but I should indicate that we made a deliberate decision to have stand-up clinicians in our operations centre during peak times, from Thursday through to Sunday, and whilst I think, on the evidence we have to date, there may be some value in extending that capability across a broader range, I am loath to make it 24/7 because it may be not be the best use of those resources. I want to know when, outside those peak times, is best to place clinicians in our ops centres.

So until I have that back, I am not in a position to make that judgement. But I am a very strong advocate of the capability. It has achieved, I think, some very good health outcomes and certainly I feel, intuitively, it has led to an increase in front-line capacity, releasing police back out on the road. It is those metrics that I am after to give me that hard evidence to make those decisions.<sup>764</sup>

8.128 The Minister also responded to this line of questioning, saying that:

The funding for this initiative, which has my strong support, is delivered through the existing purchase agreement payments. So there is no supplementation or additional funding as part of the overall purchase agreement and the chief police officer has given priority to the initiative within this budget.<sup>765</sup>

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<sup>763</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 770.

<sup>764</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, pp. 770-771.

<sup>765</sup> Mr Corbell MLA, *Transcript of evidence*, 25 June 2012, p. 770.

### Random roadside drug testing

- 8.129 Questions were asked in public hearings regarding ACT Policing's random roadside drug testing program. In particular the CPO was asked to provide an update on the conduct of the program.<sup>766</sup>
- 8.130 The CPO responded. He told the Committee that ACT Policing had set a target of 750 random roadside drug tests for the program's first year of operation. At the time of the hearing, 809 tests had been conducted, 'of which 25 have returned positive tests', of which a 'handful' had resulted in prosecutions.<sup>767</sup>
- 8.131 He also told the Committee that random roadside drug testing had been 'integrated that into our road safety operations team'. Under these arrangements 'our random roadside drug tests will be conducted with random breath tests and other road enforcement operations'.<sup>768</sup> He told the Committee that ACT Policing's objective from next financial year was to achieve 'somewhere in the order of 2,000 tests per year'.<sup>769</sup>
- 8.132 The CPO was asked about the rate of positive tests under the program, which currently equated to approximately 1 in 60 of tests completed. This was different to rates reported from other jurisdictions, and the CPO was asked to reflect on why this was so.<sup>770</sup>
- 8.133 The CPO responded, and agreed that this was likely to be due to a combination of higher rates of drug driving, effective targeting and a relatively small sample size. He went on to tell the Committee that:

I think the data set is relatively small and I would be hesitant to make a ratio judgement based on 809 tests. Once we get 5,000 or 10,000 tests under the belt, my suspicion is we will get back to a ratio of about one in 60. The reason I think for having a ratio of one in around 40—and I know one in 32 is about right, but it is around one in 40—is that we seem to have had a spike in the last 50 or 60 tests. We have had about five or six,

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<sup>766</sup> *Transcript of evidence*, 25 June 2012, p. 768.

<sup>767</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 768.

<sup>768</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 768.

<sup>769</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, pp. 768-769.

<sup>770</sup> *Transcript of evidence*, 25 June 2012, p. 769.



which has brought the average up; hence the danger of the small data set. I think whilst the capability is random in nature, the way our team has gone about establishing the capability and being selective in terms of whom they conduct the tests on has probably led to a higher ratio than would be ordinarily in place.<sup>771</sup>

8.134 The CPO also made comment on findings reported from other jurisdictions, which helped possible to explain the early data emerging from testing in the ACT:

What we have found in comparison to other jurisdictions is that when they stood up their capabilities—and some of these capabilities have been in place now for a number of years; they also had high hit rates for the first 12 months of operation—then it evened out over a period, once the sample set got much larger.<sup>772</sup>

8.135 When asked about levels of awareness and acceptance of the program, the CPO told the Committee that:

Anecdotally, talking to the team that is actually conducting these tests on the roadside, they are being advised by motorists that they are well aware of the testing capability and they have been very supportive. In fact, it has been quite positive. There have not been too many complaints or grievances about people being held by the roadside for up to 10 minutes whilst these tests come back.<sup>773</sup>

### **Other matters**

8.136 In public hearings, the Committee also asked questions concerning:

- the enforcement of traffic laws;<sup>774</sup>
- the Alcohol Crime Targeting Team;<sup>775</sup> and

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<sup>771</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 769.

<sup>772</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 769.

<sup>773</sup> Assistant Commissioner Roman Quaedvlieg, *Transcript of evidence*, 25 June 2012, p. 769.

<sup>774</sup> *Transcript of evidence*, 25 June 2012, p. 774.

<sup>775</sup> *Transcript of evidence*, 25 June 2012, p. 774.

- The Aboriginal and Torres Strait Islander Justice Agreement and its relationship to the management of Aboriginal and Torres Strait Islander offenders.<sup>776</sup>

## Corrections

- 8.137 Budgets and outcomes for Corrections are reported under Output 2.1: Corrective Services.
- 8.138 Matters discussed included:
- the Crisis Support Unit (CSU) at the Alexander Maconochie Centre (AMC);
  - provision of throughcare for prisoners and people released after detention at the AMC;
  - women prisoners at the AMC, their access to programs and women and babies at the AMC;
  - assaults at the AMC, on prisoners and staff;
  - the RFID system and its termination; and
  - other matters.

### The Crisis Support Unit at the Alexander Maconochie Centre

- 8.139 The Committee asked questions regarding the Crisis Support Unit (CSU) at the AMC. In particular it asked about \$558,000 of funding for the CSU provided in the 2012-13 Budget.
- 8.140 The Executive Director, ACT Corrective Services, responded, saying that:
- The money is to look at the internal design of the CSU—both the cell accommodation and the officer area as well as some of the common amenity areas. We want to enhance some privacy issues. We want to relook at the positions of cameras and we want to refit the cell accommodation to make it safer. We have not had any major incidents, but we want to make sure that going forward we have a better amenity for staff and detainees. It is in line with recommendation that Hamburger

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<sup>776</sup> *Transcript of evidence*, 25 June 2012, pp. 774-775.

made that we engage architects with experience in this area to give us that advice as well.<sup>777</sup>

8.141 When asked whether this work would include providing for access to outside areas, as had been recommended in the 2011 Hamburger report on the AMC,<sup>778</sup> the Executive Director told the Committee that, first of all 'the design of the building is what we have [and that] we can only work within the confines of that building'.<sup>779</sup>

8.142 She told the Committee that in broader terms the challenge was not just 'getting access ... to grassed areas', but 'also to other amenities outside the crisis support unit, like programs, education or the gym'.<sup>780</sup>

8.143 She also told the Committee that for the 2011-12 financial year the average stay in the crisis support unit had been 18 days, and the median stay 10 days.<sup>781</sup>

8.144 She told the Committee that this showed that the:

group coming into the centre are acutely unwell for a short period of time. For example, we may have someone who has come in who has high use of ice and amphetamine and who will probably require at least two or three weeks of managing. They often show psychotic symptoms.<sup>782</sup>

8.145 However, 'generally once we have got them stable, we want to actually get them out into the main part of the jail straight away'. In general, the main focus for these prisoners was on 'getting them well and getting them out, or stabilising them'. There were still 'a couple of longer-term ones', but numbers in this category were reduced.<sup>783</sup>

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<sup>777</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1124.

<sup>778</sup> Knowledge Consulting (2011) *Independent Review of Operations at the Alexander Maconochie Centre*, 12 March  
<[http://www.justice.act.gov.au/resources/attachments/Report\\_of\\_Independent\\_Review\\_of\\_AMC\\_12\\_March\\_2011.pdf](http://www.justice.act.gov.au/resources/attachments/Report_of_Independent_Review_of_AMC_12_March_2011.pdf)> accessed 6 July 2012.

<sup>779</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>780</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>781</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>782</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>783</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

8.146 She recalled that at the time of the previous year's Estimates hearings, there were 'a couple of very long-term young men'.<sup>784</sup> Regarding these prisoners, she told the Committee, she was 'happy to say that both those particular young men have been out since December last year and both are doing extremely well'.<sup>785</sup> She said that:

What we did was work with them to get them out gradually to get them used to being in the outside area. So we started them on going to one program a week and going to the gym and eventually stepping them down in a programmed kind of way to live in the main. I might say that one of those young men now is probably going to graduate at the therapeutic community in the next graduation.<sup>786</sup>

8.147 The Executive Director went on to say that:

We still have a couple of very unwell people whose stay will be a bit longer than the median 10 days. Again, our goal is to get them well and to get them out but where we can, we will escort them and take them to grassed areas or other appropriate areas where it is possible.<sup>787</sup>

8.148 She noted, in relation to this process of moving them within the prison so that they could access open areas, that:

a couple of the very unwell people at the moment can be quite—I will not say noncompliant; they are unwell. But they are often a bit aggressive and their mood swings are quite great.<sup>788</sup>

8.149 However, she said:

Staff know them very well and are able to work on that kind of stuff. So it is not just as case of "well, today we'll take you out"; it depends on how they are as well.<sup>789</sup>

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<sup>784</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>785</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>786</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>787</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>788</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1125.

<sup>789</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, pp. 1125-1126.

### Indigenous prisoners in the Crisis Support Unit

8.150 The Executive Director was asked about concerns which had been previously raised about high numbers of Aboriginal and Torres Strait Islander young men in the CSU. In particular she was asked as to whether this was still a feature of the CSU population.

8.151 The Executive Director responded, saying that:

Today we have nine people in the CSU. One is an Indigenous man. In the last financial year we have had 39 Indigenous out of 140 admissions, but I might say that some of those have come in and out more than once. Having one is great. We have been down to two or three, and we have been down to none. So it does fluctuate over time.<sup>790</sup>

8.152 She also told the Committee that a specialised program for Indigenous prisoners has been brought in with a community sector organisation as the provider:

We have also started since this time last year working with Winnunga and their health and wellbeing program. So we have counsellors who are regularly visiting on a weekly basis now and work with men, particularly Indigenous men, in the crisis support unit. That program is working very well, along with the mental health Indigenous liaison officer.<sup>791</sup>

8.153 The Executive Director told the Committee that a counsellor from Winnunga had been visiting the AMC since August 2011.<sup>792</sup>

### RECOMMENDATION 96

8.154 **The Committee recommends that the ACT Government report in annual reports (a) the number of detainees held in the Crisis Support Unit at the Alexander Maconochie Centre for longer than two weeks; and (b) a breakdown of the numbers of detainees in terms of gender, identification as Aboriginal and/or Torres Strait Islander, and other pertinent socio-demographic categories.**

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<sup>790</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1126.

<sup>791</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1126.

<sup>792</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1126.

## Throughcare

8.155 The Committee asked a series of questions about extensions to the through-care program at the AMC. 'Throughcare' originally referred, in the context of the AMC, to case-managed rehabilitation for prisoners during their period of detention, with the intention of protecting against recidivism and consequent additional periods of detention.<sup>793</sup>

8.156 As the Committee noted, the expansion of through-care funded in the 2012-13 Budget extends the through-care model through to post-release, and the Committee asked how this would work in light of the fact that in this context the former detainee would be outside Correction's formal area of jurisdiction.<sup>794</sup>

8.157 The Minister responded, saying that the initiative funded in the Budget provided 'funding for personnel to be placed in corrections to work with community organisations to coordinate that through-care'.<sup>795</sup> He told the Committee that the focus of this effort was coordination:

What I have heard from talking to organisations is that there are already sufficient resources within the community to deliver through-care. It is the coordination of that through the many agencies that have some part in throughcare that is the issue. And that is what this money is to do—to cover a period from induction, when they actually go into the prison, and extend it for around 12 months after they leave the AMC.<sup>796</sup>

8.158 He provided further details of the program, which included:

a number of elements, including a single point for service coordination, client centric case management, services which are actually responsive to that offender's needs, tailored services, and establishing links with providers prior to release, introducing the community organisation or provider of whatever through-care service is required to the detainees before they are actually released, so that the personal link, that personal

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<sup>793</sup> *Transcript of evidence*, 28 June 2012, p. 1127.

<sup>794</sup> *Transcript of evidence*, 28 June 2012, p. 1127.

<sup>795</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 28 June 2012, p. 1127.

<sup>796</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 28 June 2012, p. 1127.

relationship, is beginning to be developed and so that the detainees know where they are going to be going and what they are going to be doing after they are released, which is very important for them. And this is how we can ensure that we work to reduce those causes of recidivism which occur in the community.<sup>797</sup>

8.159 As the Committee observed, this involved an approach in which:

the minute a prisoner is sentenced, as soon as that happens, you are starting to talk about the release plan for this person, and that gives you your goals. Both people sign up to the contract of what is going to happen during their stay as a guest in your establishment.<sup>798</sup>

8.160 In light of this, the Committee asked 'how you are going to make the connections' between the client of the through-care program and the community organisations who had been engaged.<sup>799</sup>

8.161 The Minister responded, saying that the new unit responsible for coordination would be established 'around late August' 2012 and that the first client intake would occur in September. Recruitment to permanent positions would take place 'before the end of the year'.<sup>800</sup>

8.162 The Executive Director also responded to this line of questioning. In relation to the issue of jurisdiction, she told the Committee that:

...in a nutshell, it is true that we do not always have control over someone when they leave custody. Not everyone has a period of supervision. But if we can engage a client or an offender in a process prior to release, they are more likely to stay involved, at least with other agencies.<sup>801</sup>

8.163 The Executive Director went on to say that Corrections would be 'working with those groups and extending that' process of engagement:

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<sup>797</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 28 June 2012, p. 1127.

<sup>798</sup> *Transcript of evidence*, 28 June 2012, p. 1127.

<sup>799</sup> *Transcript of evidence*, 28 June 2012, p. 1127.

<sup>800</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 28 June 2012, p.1128.

<sup>801</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1128.

We have already started mapping the services in the ACT, and those services do not always provide a service in the AMC, because that is not what is needed when someone gets out. While we have a manager and a coordination process, the key to this is the brokerage funding that is available. For example, someone that does not have high needs may get out of custody. They may have some needs, but it might be they need some extra assistance in terms of seeking a job or some equipment or some clothing or some help with housing.<sup>802</sup>

8.164 In particular, she spoke to the Committee about re-offenders:

for those groups that come in and out on a regular basis, what I would call the churn-through, I want to do something different there and actually engage them with their family members in conferencing before they get out of custody, for them to help us design what will work to keep them out of custody and hopefully keep their children, particularly if they have got teenagers, out of the juvenile system as well.<sup>803</sup>

8.165 The Executive Director went on to say that, for these clients:

we might want to do some more wraparound services around a family, for example, that are quite intensive for six months. It might mean engaging a caseworker to have contact with that family four or five times a week to help them settle down as a family and to stop the patterns. It may be that we engage them in some relationship counselling – whatever it takes, I think.<sup>804</sup>

8.166 She also told the Committee that flexibility of arrangements was critical for this brokerage process:

I do not want to be locked into saying we are going to do X with the brokerage money, because each person coming out of custody will be very different.<sup>805</sup>

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<sup>802</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1128.

<sup>803</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1128.

<sup>804</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1128.

<sup>805</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1128.



8.167 A discussion ensued of 'the forgotten victims of crime', which indicated the problems faced by families of people who had been detained within the criminal justice system. In relation to this, the Executive Director noted that:

when someone gets out of custody, often there is a little honeymoon period at Dad or Mum's home, and it is all very exciting for a couple of days, and then patterns set in in terms of behaviour. And if some of those patterns are around alcohol and drugs, particularly alcohol, family violence can start to develop again. So I am very interested in engaging families before someone gets out of custody.<sup>806</sup>

8.168 Responding to such scenarios, she told the Committee, entails:

having them help co-design the kinds of services we might build in for that family to keep the parent out of custody – and it is generally the male – which will then impact on everyone. And that includes a combination of economic stability, counselling, making sure children are getting to school.<sup>807</sup>

8.169 With regard to this, she commented again on the need for flexibility in making arrangements to support former prisoners:

I do not want to be limited in what we might do for a family to keep them out of the justice system.<sup>808</sup>

### **Women prisoners at the Alexander Maconochie Centre**

8.170 The Committee asked a series of questions about the status of women prisoners at the AMC, in particular with regard to women being able to stay with their babies at the AMC, and more generally access to facilities for women prisoners.

8.171 With regard to women prisoners with babies, the Committee asked if it was still possible for women and their babies to stay together in the AMC if it were in the interests of the child.<sup>809</sup>

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<sup>806</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1129.

<sup>807</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1129.

<sup>808</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1129.

<sup>809</sup> *Transcript of evidence*, 28 June 2012, p. 1311.

- 8.172 The Executive Director responded, saying that in determinations about feasibility in any particular instance always hinged on considerations of 'the best interests of the child'.<sup>810</sup>
- 8.173 There had been 'one application that did not get past the superintendent stage in the last financial year'.<sup>811</sup> In general:
- even before you assess an application ... you potentially have to assess whether someone has clean urines and is not engaged in incidents in the centre that would put them at risk of actually having their child. So we have had that circumstance and it was not appropriate to go any further. We would assess on a needs basis, and it would depend on a number of factors.<sup>812</sup>
- 8.174 The Executive Director was asked by the Committee to comment on the circumstances of women in the prison, who were described as being 'in a prison within a prison', and more specifically on their access to programs and facilities.<sup>813</sup>
- 8.175 The Executive Director responded to the first point, saying that it was 'very difficult':
- We have, I think, today 11 women in custody. Probably a third of those are on remand and there are a couple of long sentences; the rest are fairly short. So it is very difficult. Within that group of 11 there is probably a number that cannot be together for personal association reasons. That makes it very difficult again, because then the groups become smaller. So it is difficult to engage. Depending on offences, some cannot be with anyone. So even with the 11 today it is difficult. We have been down as low as three women in custody last year.<sup>814</sup>
- 8.176 In relation to access to education and programs, the Executive Director told the Committee that:

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<sup>810</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1131.

<sup>811</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1131.

<sup>812</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1131.

<sup>813</sup> *Transcript of evidence*, 28 June 2012, p. 1311.

<sup>814</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1131.

we cannot run a therapeutic community like we do for Solaris, many of them have drug and alcohol issues, so we do things that fit into a readiness program so that they might then engage in that sort of a program on release. We are trying to do things around that.<sup>815</sup>

8.177 However, she said:

... we have a good space in the women's precinct. Since we spoke last year we bring education staff into the unit to do one-on-one or group things. We do encourage work as well. Depending on who is in custody and the motivation, that may or may not happen.<sup>816</sup>

8.178 The Executive Director said that it was 'very challenging' because due to turnover of women prisoners, but that 'service organisations come in on a monthly basis and meet in the women's precinct and talk to the women':

There are probably about a dozen groups that are involved in that, and sometimes the women might ask for a particular group to come, and we will engage them in that too—everything from women's counselling groups, accommodation, legal aid, rape crisis or whatever group. We think that works better so you do not actually miss anyone. That happens on a monthly basis. And bimonthly we also meet with service providers so we can make sure that we are providing particular services.<sup>817</sup>

8.179 She said that they engaged:

Relationships Australia, the case managers, to refer anyone who may need some individual counselling. That is for men and women and that is working quite well. So we are doing a number of things, but it a challenge.<sup>818</sup>

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<sup>815</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1131-1132.

<sup>816</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1132.

<sup>817</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1132.

<sup>818</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1132.

### Assaults at the Alexander Maconochie Centre

- 8.180 The Committee asked a number of questions regarding assaults at the AMC, both on prisoners and staff.<sup>819</sup>
- 8.181 Questions were asked regarding a recent alleged assault in the prison which resulted in a prisoner being taken to Canberra Hospital. In particular, the Minister was asked the classification of the prisoner committing the alleged assault, and the prisoner to whom it occurred. The Minister responded, saying that he was constrained in the degree to which he could comment because it was under police investigation. The Executive Director also responded, and told Committee that both prisoners were being held in remand, and were 'on protection' at the time of the alleged assault.<sup>820</sup>
- 8.182 A further question was asked about assaults on prison guards, in particular as to media reports that prison guards believed that they were 'walking on eggshells' with regard to their capacity to act to protect themselves against assaults.<sup>821</sup>
- 8.183 The Minister responded by saying that there had been no investigations of guards who had defended themselves, as had apparently been stated in media reports, and this was corroborated by the Executive Director.<sup>822</sup>
- 8.184 A question was also asked about the number of assaults on prison officers that had been recorded in the first six months of 2012.<sup>823</sup> The Executive Director responded to the question,<sup>824</sup> and later corrected her answer, saying that there had been '17 actual assaults and five reportable' in the first half of 2012.<sup>825</sup>
- 8.185 The Executive Director went on to describe the support given to prison officers who had been the subject of an assault:

In relation to any officer that is engaged in an incident, which may or

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<sup>819</sup> *Transcript of evidence*, 28 June 2012, pp. 1133-1134.

<sup>820</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 28 June 2012, pp. 1132-1134.

<sup>821</sup> *Transcript of evidence*, 28 June 2012, p. 1134.

<sup>822</sup> Dr Chris Bourke MLA, Ms Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1135.

<sup>823</sup> *Transcript of evidence*, 28 June 2012, p. 1135.

<sup>824</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1135.

<sup>825</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1137.

may not result in a physical assault, they are supported and there is a debriefing. There is counselling offered. If they have time off work due to that assault, they are given supports. We have a peer support system in the AMC as well, which is officer to officer, which is highly regarded in the centre. We have a counselling service available if they need it, as well as anything else they need. And there is certainly contact with phone calls and support.<sup>826</sup>

8.186 A further question was asked about threats to prisoner officers. In response, the Executive Director told the Committee that:

It depends on the nature of the threat and the risk assessment. If it is someone mouthing off, we might want to make a note of that and do an incident report, because it is important to know that. And then someone who has got rapport with them would get involved. It just depends on the level of those threats and how that is managed.<sup>827</sup>

8.187 She also sought to place the subject of assaults in context:

I think it is important to understand that, while there have been assaults, every day there are dozens and dozens of really great interactions with custodial staff and detainees—remandees and detainees. They do wonderful work, and they know them. The thing about this town is that they are not strangers. Many of our custodial staff have known many of our detainees, even some of the ones who are difficult to manage, for many years. That is probably unfortunate, because they have been coming in for many years, but there are excellent relationships where staff have built good rapport and are able to talk people down and engage them. It is hard to give a black-and-white answer when you are managing, today, 275 offenders in custody with a whole different way of managing all of them.<sup>828</sup>

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<sup>826</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1136.

<sup>827</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1137.

<sup>828</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1137.

### **The Radio Frequency Identification system at the Alexander Maconochie Centre**

8.188 The Committee asked a number of questions regarding the Radio Frequency Identification (RFID) system at the AMC, its discontinuation and cost.<sup>829</sup>

8.189 The Minister responded, telling the Committee that:

The RFID system was ceased in October 2011. The system was never fully commissioned because of a range of implementation problems. Whilst some of those were resolved, ACT corrections were not satisfied that they could satisfactorily resolve problems with the battery life of individual devices.<sup>830</sup>

8.190 In particular, questions were asked about how much had been spent on the system. The Director-General responded, saying that:

The original expected cost for the RFID system was \$3.9 million, but only \$1 million has ever been paid for the system. That is because of the issues that led to the system being ceased. The balance of the money was to be paid on a monthly basis once it was commissioned. Because it was not commissioned, that money was not paid. Since we have ceased the system, there have been some payments for the maintenance of the officer duress aspect of the system.<sup>831</sup>

8.191 The Executive Director also responded, telling the Committee that the duress system and system hardware had been retained by Corrections.<sup>832</sup> By way of clarification, she told the Committee that:

the ACT government paid \$1 million for the entire RFID system; that was out of the \$3.9 million that was supposed to be paid for it.<sup>833</sup>

8.192 A further question was asked as to the cost of a stand-alone duress system, and this was taken as a Question Taken on Notice.<sup>834</sup>

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<sup>829</sup> *Transcript of evidence*, 28 June 2012, p. 1138.

<sup>830</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 28 June 2012, p. 1138.

<sup>831</sup> Ms Kathy Leigh, *Transcript of evidence*, 28 June 2012, p. 1138.

<sup>832</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1138.

<sup>833</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1139.

<sup>834</sup> *Transcript of evidence*, 28 June 2012, p. 1141.

## RECOMMENDATION 97

- 8.193 **The ACT Government commission an independent review of the procurement process that led to the acquisition of the Radio Frequency Identification (RFID) system at the Alexander Maconochie Centre.**

### **Progress on gymnasium, chapel and quiet place**

- 8.194 At its public hearing of 28 June 2012, the Committee asked the Minister for an update on progress on the completion of gymnasium, chapel and quiet place facilities at the AMC.<sup>835</sup>

- 8.195 The Minister responded, saying that:

As you say, the feasibility study on the AMC's future correctional facility requirements was funded from the 2011-12 budget. The purpose of that was to examine short and long-term options in relation to accommodation in the AMC, and this will be used to inform future budget initiatives and will be used to inform the budget process coming into next year and is, therefore, confidential to cabinet.<sup>836</sup>

- 8.196 The Committee is concerned that a gymnasium, chapel and quiet place are still yet to be provided at the AMC.

## RECOMMENDATION 98

- 8.197 **The Committee recommends the ACT Government provide a date by which the gymnasium, chapel and quiet place facilities will be constructed and available to detainees at the Alexander Maconochie Centre.**

### **Access to counselling**

- 8.198 The Committee asked questions regarding access to counselling at the AMC, noting that the Hamburger report into management of the AMC had:

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<sup>835</sup> *Transcript of evidence*, 28 June 2012, p. 1130.

<sup>836</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 28 June 2012, pp. 1130-1131.

found there were a number of stakeholders who were concerned about that lack of in-depth counselling being available.<sup>837</sup>

8.199 The Executive Director responded, saying that:

I struggled with that part of the Hamburger question, because what does counselling mean? What it means to me might be different from what it means to someone else. Most correctional jurisdictions do not do one-on-one work. So the best way for us to do it is to engage, and that has worked quite well, with three sessions and if they need some more we can work through that.

So we are doing it that way and working on group work. I am not sure that there is a better way of doing it in correctional centres generally. Some jurisdictions engage their own psychologist, but even then they would do more group work and might do three to five individual sessions and then move on. So it depends, again, on the need, absolutely.<sup>838</sup>

8.200 The Committee notes concerns raised through the Hamburger Report about the need to make more counselling available to detainees at the Alexander Maconochie Centre.

## RECOMMENDATION 99

8.201 **The Committee recommends that the ACT Government report to the Legislative Assembly what generic counselling is currently available to detainees at the Alexander Maconochie Centre, and what future counselling will be made available and by what date.**

### Other matters

8.202 In addition, questions were asked about:

- prisoner numbers at the AMC and its capacity to accommodate greater than expected numbers of prisoners;<sup>839</sup> and

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<sup>837</sup> *Transcript of evidence*, 28 June 2012, p. 1132.

<sup>838</sup> Mrs Bernadette Mitcherson, *Transcript of evidence*, 28 June 2012, p. 1132.

<sup>839</sup> *Transcript of evidence*, 28 June 2012, pp. 1141-1143.



- proposals that recidivism would be reported on in future Annual Reports of the Directorate.<sup>840</sup>

## Statutory officers

- 8.203 Budgets and outcomes for statutory officers for which the Directorate holds administrative responsibility are reported under Output 1.5: Protection of Rights.
- 8.204 The Committee considered the work of, and budgetary provision, for these, including:
- the Human Rights Commission, considered immediately below; and
  - the work of the Legal Aid Commission, the Public Advocate, the Public Trustee, and the Victims of Crime Commissioner, which is considered below under the heading 'Other statutory offices'.

## Human Rights Commission

- 8.205 The Committee asked the Human Rights Commission questions on:
- resourcing;<sup>841</sup> and
  - proposed amendments to the *Human Rights Act 2004* (ACT) which would have the effect of implementing a 'right to education'.<sup>842</sup>

## Resourcing

- 8.206 With regard to resourcing for the Human Rights Commission, the Committee noted that the Commission was 'struggling to meet their time limit indicators, with only 54 per cent of complaints concluded within target'. In light of this, the Committee asked the Government's 'intention in addressing this'.<sup>843</sup>

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<sup>840</sup> *Transcript of evidence 28 June 2012*, pp. 1143.

<sup>841</sup> *Transcript of evidence*, 20 June 2012, pp. 360-361, 362-363.

<sup>842</sup> *Transcript of evidence*, 20 June 2012, pp. 363-366.

<sup>843</sup> *Transcript of evidence*, 20 June 2012, p. 360.

8.207 The Minister responded, saying that these were matters for the Commission 'to determine how they prioritise and manage their work'.<sup>844</sup> He went on to say that:

The government has provided additional funding to the commission in recent years, including for the conduct of their inquiry into the youth justice system of \$195,000. The government has also provided funding to the commission through COAG arrangements for the introduction of national practitioner registration in relation to the health complaints commissioner of \$135,000 each year for two years to 2011-12.<sup>845</sup>

8.208 The Minister also told the Committee that:

In relation to the accountability targets, it is worth highlighting that the commission has improved its performance compared to the previous year. In 2011-12, the target set for percentage of complaints concluded within commission standards and targets was achieved at a 54 per cent level rather than the target of 75 per cent. In 2010-11 the commission only met this same target 49 per cent of the time. So we have seen an improvement in the commission's percentage of matters that are being met within that target time. It is also worth noting that the commission has exceeded the accountability indicator for the number of clients who considered its processes fair, accessible and understandable at 79 per cent rather than the 75 per cent target that has been set.<sup>846</sup>

8.209 When the Committee asked the Commissioners for comment on not meeting targets, the Children and Young People Commissioner responded. He told the Committee that 'the complaint numbers we are receiving continue to increase', and that this was due to increasing public awareness of the functions of the Commission due to marketing and promotion undertaken by the Commission.<sup>847</sup>

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<sup>844</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 360.

<sup>845</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 360.

<sup>846</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 360.

<sup>847</sup> Mr Alasdair Roy, *Transcript of evidence*, 20 June 2012, pp. 360-361.

8.210 When asked for more detail about increases in complaints, the Commissioner told the Committee that:

Since 2007-08 the total number of complaints received by the commission has been about 356. Last year in the annual report we reported 728, which is obviously a 104 per cent increase. So certainly the volume is increasing.<sup>848</sup>

8.211 He also told the Committee that the 'complexity of complaints is probably increasing as well', but he could not provide details of 'X per cent of complaints being more complex'.<sup>849</sup>

8.212 As part of its consideration of resourcing for the Human Rights Commission, the Committee noted that while the target was 12, eight projects would be conducted by the Commission, and which projects would not go ahead.<sup>850</sup> The Commission responded, saying that a project regarding complaints handling by ACT Government directorates would not go ahead, but he undertook to provide further details on notice.<sup>851</sup>

### **A proposed right to education**

8.213 The Committee asked the Commission to provide more detail about the right to education envisaged in amendments to the *Human Rights Act 2004* which were being considered by the Legislative Assembly.<sup>852</sup>

8.214 The Human Rights Commissioner responded. She told the Committee that 'we support the inclusion of the right to education in the Human Rights Act'. However the Commission had not 'obtained additional funding to do work in that area' and noted that the Commission's 'situation has worsened in relation to our ability to do non-complaints work'.<sup>853</sup>

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<sup>848</sup> Mr Alasdair Roy, *Transcript of evidence*, 20 June 2012, p. 361.

<sup>849</sup> Mr Alasdair Roy, *Transcript of evidence*, 20 June 2012, p. 361.

<sup>850</sup> *Transcript of evidence*, 20 June 2012, p. 362.

<sup>851</sup> Mr Alasdair Roy, *Transcript of evidence*, 20 June 2012, p. 363.

<sup>852</sup> *Transcript of evidence*, 20 June 2012, p. 363.

<sup>853</sup> Dr Helen Watchirs, *Transcript of evidence*, 20 June 2012, p. 363.

8.215 This made her 'unsure how much work we can do' in this area,<sup>854</sup> however she detailed some recent work that had been done by the Commission in this area:

We have had two race roundtables where bullying of children on the basis of race has been raised, and recently, in May, a report was released on the treatment of Jewish children in different schools around Canberra.<sup>855</sup>

8.216 Asked as to the implications of the amendments, the Commissioner told the Committee that:

I think it has a direct impact on public schooling because they are public authorities and subject to the Human Rights Act, although the right to education has a different mechanism. It is like the original Human Rights Act, whereas other human rights have been amended so you have a direct right of action to the court and there is a direct obligation on public authorities. It will have an impact, certainly in any discrimination cases involving education. I would have thought it would increase the obligations about the kind of education provided, particularly for children with disabilities, if there are problems in relation to bullying of children with disabilities or homophobia or racism or religion.<sup>856</sup>

8.217 The Minister also responded to the question. He told the Committee that:

In relation to the more general question, the implementation of the right in the first instance is a right that engages government agencies in ensuring that their practices and procedures are consistent with the right as proposed. As Dr Watchirs indicates, at this point in time there is no proposal for a right to action, unlike the civil and political rights that are incorporated into the act. This reflects the government's decision to take an incremental approach to the implementation of economic, cultural and social rights, in the same way as we initially did not propose a right of action for civil and political rights when the act was first implemented.<sup>857</sup>

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<sup>854</sup> Dr Helen Watchirs, *Transcript of evidence*, 20 June 2012, p. 363.

<sup>855</sup> Dr Helen Watchirs, *Transcript of evidence*, 20 June 2012, p. 363.

<sup>856</sup> Dr Helen Watchirs, *Transcript of evidence*, 20 June 2012, p. 364.

<sup>857</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 365.

8.218 He provided the Committee with further details on the implications of the amendments:

So, in relation to the right to education in these types of circumstances, the right would impose obligations on the relevant government agencies to ensure that the manner in which they are handling these types of circumstances pays appropriate respect to and adheres to the right as outlined in the act and they would have to demonstrate that their actions in relation to protecting the rights of others, which would be an important consideration the rights of other children, teachers and so on to a safe environment were appropriately balanced and that any response was proportionate to the risk presented.<sup>858</sup>

### **Other statutory offices**

8.219 For other statutory offices, matters considered during hearings were:

- for the Legal Aid Commission: funding for blitz, funding for expensive cases, and its budget in coming years;<sup>859</sup>
- for the Public Advocate: scrutiny over emergency responses in the Office of Children, Youth and Family Support and a proposed Children's Guardian;<sup>860</sup>
- for the Public Trustee: new information systems and their budgetary implications and costs;<sup>861</sup> and
- for the Victims of Crime Commissioner: an Ombudsman's report on delays in compensation payments to victims of crime.<sup>862</sup>

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<sup>858</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 20 June 2012, p. 365.

<sup>859</sup> *Transcript of evidence*, 20 June 2012, p. 386.

<sup>860</sup> *Transcript of evidence*, 20 June 2012, pp. 366-369.

<sup>861</sup> *Transcript of evidence*, 20 June 2012, pp. 387-388.

<sup>862</sup> *Transcript of evidence*, 20 June 2012, pp. 359-360.



## 9 COMMUNITY SERVICES DIRECTORATE

9.1 The Community Services Directorate provides a wide range of programs and policies which deliver services to individuals, families and the ACT community. Broadly the Directorate provides:

- public housing, related support and community linkage services;
- individual support services for people with disability;
- therapy services for people with developmental delays and disabilities;
- assistance to children, young people, their families and those who support and care for them;
- provision of adoption services, support services to young people at risk and support and supervision of young offenders;
- advice to promote multiculturalism in the ACT;
- whole-of-Government approach to issues affecting Aboriginal and Torres Strait Islander people;
- policy advice to Government in relation to positive ageing;
- policy advice to Government in relation to women, ageing, community services, disability, housing, concessions, children, young people, families, multicultural communities, therapy and homelessness issues; and
- support for the arts, including arts policy, arts facilities, and funding for artists, arts activities and programs.<sup>863</sup>

9.2 The Committee met with the Minister for Community Services on 25 and 28 June 2012. The Committee met with the Minister for Ageing, the Minister Multicultural Affairs, and the Minister for Women on 29 June 2012. The Committee also met with the Minister for Aboriginal and Torres Strait Islander Affairs on 22 June and 2 July 2012.

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<sup>863</sup> Community Services Directorate, *Annual Report*, 2010 – 2011, p. 22.

9.3 The Community Services Directorate provides services through the following Output Classes:

- Disability and Therapy Services (Output Class 1);
- Early Intervention (Output Class 2);
- Community Development and Policy (Output Class 3);
- Children, Youth and Family Services (Output Class 4); and
- Housing ACT (Output Class 1 Social Housing Services).<sup>864</sup>

9.4 Key issues raised included:

- the working relationship between the Community Services Directorate and Housing ACT, the Education and Training Directorate and the Health Directorate;
- the legal status of occupants in Disability ACT housing, and option for occupants to have single tenancy agreement with housing providers;<sup>865</sup>
- complaint handling structures;<sup>866</sup>
- staff turnover, and retention strategies;
- accounting practices with long service leave arrangements;<sup>867</sup>
- accounting practices for superannuation expenses;<sup>868</sup>
- Disability Information and Support Hub at Oatley;
- operations at the House With No Steps;<sup>869</sup>
- options for different models of housing for people with a disability;
- post school options and social ventures;<sup>870</sup>
- Directorate cost saving measures;<sup>871</sup>
- respite fee charges calculations;<sup>872</sup>

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<sup>864</sup> The Hansard transcripts of evidence for the public hearings held on 25, 28 and 29 June 2012 can be accessed on the Select Committee on Estimates 2012-2013 Inquiry webpage <<http://www.parliament.act.gov.au/committees/index1.asp?committee=177>>, accessed 2 July 2012.

<sup>865</sup> *Transcript of evidence*, 25 June 2012, p. 808.

<sup>866</sup> Mr Steve Doszpot MLA, *Transcript of evidence*, 25 June 2012, p. 810.

<sup>867</sup> Mr Ian Hubbard, *Transcript of evidence*, 25 June 2012, p. 815.

<sup>868</sup> *Transcript of evidence*, 25 June 2012, pp. 816 - 817.

<sup>869</sup> Mr Steve Doszpot MLA, *Transcript of evidence*, 25 June 2012, p. 821.

<sup>870</sup> *Transcript of evidence*, 25 June 2012, p. 824.

<sup>871</sup> *Transcript of evidence*, 25 June 2012, p. 826.



- individual support packages;<sup>873</sup>
- targets for client satisfaction rates;<sup>874</sup>
- waiting list management for Therapy ACT;<sup>875</sup>
- Therapy ACT staff qualifications;<sup>876</sup>
- the location of where Therapy ACT services are provided;<sup>877</sup> and
- staffing levels and retention activities.

9.5 The Committee notes that the Directorate's saving target is over \$1.8 million for 2012-13, and increases each financial year to reach over \$5 million in 2012-16. The Committee expects the effects of these to be significant as the Directorate provides extensive front line services, and plans on providing additional services in that period.<sup>878</sup>

## Staffing matters

### Equal remuneration case

9.6 Under the *Fair Work Act 2009 (Cth)*,<sup>879</sup> Fair Work Australia (FWA) can make orders to ensure that men and women receive the same pay for work of 'equal or comparable value'. This is known as an Equal Remuneration Order. FWA made an Equal Remuneration Order in relation to women employed under the *Social, Community, Home Care and Disability Services Industry Award* in May 2011. In February 2012, FWA released their decision on the appropriate rate of remuneration for people employed under the Award. The decision suggests significant wage increases are implemented for all people employed under the Award.<sup>880</sup>

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<sup>872</sup> *Transcript of evidence*, 25 June 2012, p. 829.

<sup>873</sup> *Transcript of evidence*, 25 June 2012, p. 834.

<sup>874</sup> *Transcript of evidence*, 25 June 2012, p. 835.

<sup>875</sup> Mr Steve Doszpot MLA, *Transcript of evidence*, 25 June 2012, p. 840.

<sup>876</sup> Mr Steve Doszpot MLA, *Transcript of evidence*, 25 June 2012, p. 845.

<sup>877</sup> Ms Bronwen Overton-Clarke, *Transcript of evidence*, 25 June 2012, p. 840.

<sup>878</sup> Ms Joy Burch MLA, *Transcript of evidence*, 25 June 2012, p. 831.

<sup>879</sup> *Fair Work Act 2009* <<http://www.comlaw.gov.au/Details/C2012C00483>>, accessed 27 July 2012.

<sup>880</sup> Equal Remuneration Case [2012] FWAFB 1000

- 9.7 The Committee notes that a large proportion of the ACT community sector is employed under the Award, and although a majority of employees are paid above the award wage, the decision will have a significant impact upon the sector.
- 9.8 The Committee commends the Government on its decision to implement the decision across the entirety of the sector, and acknowledges the work undertaken by the Directorate to ensure this reform is undertaken in a way that provides clarity for the sector.

### **Community Sector Reform Program**

- 9.9 The Committee had a number of questions relating to how consultation with the sector had been undertaken, when the decision was reached by the Government to seek a co-contribution from the community sector that will equate to 0.34% of total funding, and why the business sector had been allocated monies in the Budget for similar reforms. The Committee also recognised the benefits the reforms will offer the community sector.
- 9.10 The Minister and Directorate officials informed the Committee that a Community Sector Reform Advisory Group was established, with a board membership base consisting of government and non government representatives.<sup>881</sup>
- 9.11 The Minister highlighted that the community sector has recognised the need for reform over a period of eight years, through discussions of the Joint Community Government Reference Group.<sup>882</sup>
- 9.12 The Minister also clarified that not all community organisations will be required to make the co-contribution and that a number of exceptions are available.<sup>883</sup>

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<<http://www.fwa.gov.au/sites/remuneration/decisions/2012fwafb1000.htm>>, accessed 27 July 2012.

<sup>881</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1237. Membership consists of representatives from the Community Services Directorate, ACT Health Directorate, Barnardos, YWCA of Canberra, Communities@Work, Anglicare ACT, Northside Community Service, ACTCOSS, National Disability Service, Sexual Health and Family Planning, Inanna, Men's Link, and Beryl Women Inc.

<sup>882</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1238.

- 9.13 The Committee inquired into how the funds would be spent. Directorate officials informed the Committee that the \$1.5 million raised by the co-contribution will be pooled and used for cross sector governance arrangements.<sup>884</sup>

## RECOMMENDATION 100

- 9.14 **The Committee recommends that the ACT Government not impose a co-contribution on the community sector to fund the Community Sector Reform Program.**

### Staff attraction and retention

- 9.15 In the public hearing on 25 June, Therapy ACT identified staff shortages, particularly in relation to psychologists, as an ongoing concern. The Committee asked what measures were being taken to combat shortages.
- 9.16 Directorate officials informed the Committee that the Directorate has a senior officer dedicated to workforce planning working very closely with the Australian Catholic University, Australian National University, University of Canberra and Charles Sturt University to improve the level of engagement and to make the Directorate look like an attractive place for students to want to come and work when they graduate or undertake an internship with.<sup>885</sup>
- 9.17 The Committee notes that staff shortages are felt across the Community Services Directorate, and acknowledges that the Directorate is taking measures to increase staffing levels in allied health areas.
- 9.18 The Committee questioned whether the early childhood scholarship program is the best way to attract people to work in the sector.<sup>886</sup>
- 9.19 The 2011-12 Budget allowed \$785,000 over two years to sponsor existing staff to up-skill to a Certificate III in Children's Services qualification and to encourage new people into the childcare industry.<sup>887</sup>

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<sup>883</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1240.

<sup>884</sup> Mr Robert Gotts, *Transcript of evidence*, 28 June 2012, pp. 1241-1242.

<sup>885</sup> Mr Paul Wyles, *Transcript of evidence*, 25 June 2012, pp. 849-850.

<sup>886</sup> *Transcript of evidence*, 28 June 2012, p. 1209.

- 9.20 Directorate officials informed the Committee that 56 people have been approved to participate in the program, and provided a breakdown:
- nine currently work in family day care;
  - four currently work in preschools;
  - 28 currently work in long day care; and
  - 18 do not currently work in the sector.<sup>888</sup>
- 9.21 The Directorate confirmed that an evaluation of the program will be completed when all participants have completed their study.<sup>889</sup>
- 9.22 The Directorate also informed the Committee that the University of Canberra (UC) has partnered with the Canberra Institute of Technology (CIT) to have a pathway to advanced degrees for early education and that a pamphlet advertising this will be produced.<sup>890</sup>
- 9.23 The Directorate also highlighted that the Community Services Directorate Workforce Strategy has a Children's Services Forum reference group with both the Australian National University (ANU) and UC participating and looking at ways to encourage people into the sector.<sup>891</sup>
- 9.24 Finally the Directorate reminded the Committee that the Big Steps campaign in relation to wages is continuing.<sup>892</sup>

## Capital initiatives/works

- 9.25 The Committee asked about the progress of Holder child care centre. A Directorate official acknowledged that there had been delays due to a need to change the development application and design. The officials anticipate the centre being completed within 12 months.<sup>893</sup>

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<sup>887</sup> Community Services Directorate, *Annual Report, 2010 – 2011*, p. 53.

<sup>888</sup> Ms Danielle Stiff, *Transcript of evidence*, 28 June 2012, p. 1209.

<sup>889</sup> Ms Danielle Stiff, *Transcript of evidence*, 28 June 2012, p. 1210.

<sup>890</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1222.

<sup>891</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1222.

<sup>892</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1222.

<sup>893</sup> Mr David Collett, *Transcript of evidence*, 28 June 2012, p. 1219.

- 9.26 The Committee asked why the cost of the Holder child care centre was significantly more than other centres built previously by the Directorate or by non-government providers. The Directorate clarified that the design included the following features that accounted for 30 per cent of the total cost:
- the kitchen complies with commercial kitchen regulations;
  - ceiling heights of three metres maximises the flexibility of the space in terms of moving equipment in, and allowing for a range of indoor activities; and
  - impact-resistant plasterboard was used, which means fewer ongoing costs in repairing damage to walls and ceilings.<sup>894</sup>
- 9.27 The Committee also asked about the substantial amount of capital rollovers. The Committee heard that delays in works being completed, financial commitments being given late in the financial year, and interim ACT Civil and Administrative Tribunal (ACAT) decisions all affected the progress of capital work projects. The Committee was informed that all works have now commenced,<sup>895</sup> and that a breakdown of rollovers by financial year is available.<sup>896</sup>
- 9.28 The Committee asked about the capital initiative of \$350,000 for a feasibility study to determine whether the Civic child care centre should shift to a different location or remain on site, noting that it was a large amount of funding for a study of a single centre.<sup>897</sup>
- 9.29 The Committee was informed that the study will result in a decision being made regarding an alternative location, or the option of rebuilding on the existing site. The Directorate is anticipating that there will be a need to do engineering studies and geotechnical assessments in order to set a budget and timeframe for a future budget commitment.<sup>898</sup>

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<sup>894</sup> Mr David Collett, *Transcript of evidence*, 28 June 2012, pp. 1213-14.

<sup>895</sup> Mr David Collett, *Transcript of evidence*, 28 June 2012, pp. 1222 - 1223.

<sup>896</sup> Community Services Directorate, *Delivering quality early childhood education and care*, Canberra, ACT, 2012, p. 6.

<sup>897</sup> Mrs Vicki Dunne MLA, *Transcript of evidence*, 28 June 2012, p. 1224.

<sup>898</sup> Mr David Collett, *Transcript of evidence*, 28 June 2012, pp. 1224 - 1225.

## Disability and Therapy Services

- 9.30 The Directorate provides disability services through government and non government service providers to meet the accommodation support, community access, community support, respite care and wellbeing needs of people with moderate to severe disabilities.<sup>899</sup>

### Disability and Therapy Services policy

- 9.31 This Output aims to provide high quality community-based, consumer focused disability services through government and non government service providers to meet the accommodation support, community access and support, respite care and wellbeing needs of people with moderate to severe disabilities.

### National Disability Insurance Scheme

- 9.32 The Committee notes that the 2012-13 Budget provides no funding for the implementation of the National Disability Insurance Scheme (NDIS), noting that there is no national cost sharing agreement yet in place and that the ACT focus, at this time, is on contributing to key aspects of the program design.<sup>900</sup>
- 9.33 The Committee was informed that two community groups were provided with a grant of \$25,000 to undertake research and conduct training that will assist when the NDIS is rolled out. This funding was provided after the Budget was announced.<sup>901</sup>
- 9.34 The Directorate advised it was establishing a reference group so that it could get guidance on areas of priority with regards to the NDIS implementation in the ACT.<sup>902</sup>
- 9.35 The Committee is concerned that a large number of people with disabilities will need to receive training in self advocacy and decision making in order to be ready for the implementation of the NDIS.

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<sup>899</sup> 2012–13 Budget Paper No. 4, p. 340.

<sup>900</sup> Ms Joy Burch MLA, *Transcript of evidence*, 25 June 2012, p. 797.

<sup>901</sup> Ms Joy Burch MLA, *Transcript of evidence*, 25 June 2012, p. 798.

<sup>902</sup> *Transcript of evidence*, 25 June 2012, p. 799.

## RECOMMENDATION 101

- 9.36 **The Committee recommends that the ACT Government determine and report to the ACT Legislative Assembly the number of people with disabilities who will need training in self-advocacy and decision-making to make optimal use of the National Disability Insurance Scheme, and the ACT Government's plans to fund and implement that training.**

### **Housing for people with disabilities**

- 9.37 The Minister and Directorate discussed the new disability information and support hub (DISH). DISH is an accessible information hub which brings different areas of the community sector together with government delivered services. One of the resources available is a housing options coordinator, who is able to assist people with a disability to identify and develop housing options that suit their needs.<sup>903</sup>
- 9.38 The Minister informed the Committee that there are currently 52 households in the supported accommodation program.<sup>904</sup> In 2010-11, the Directorate received 127 complaints and 32 compliments in relation to the provision of supported accommodation.<sup>905</sup> The Minister also notified the Committee that in a recent client satisfaction survey, there was a close to a 65 per cent satisfaction rate.<sup>906</sup>
- 9.39 The Committee asked about the injection of funds for additional supported accommodation. The Minister informed the Committee that the Budget assigned \$3 million in capital funding to construct homes for people with disabilities and a further \$5 million over three years to construct additional social housing with a focus on supported accommodation.<sup>907</sup>
- 9.40 The \$3 million will be used to construct dual occupancy dwellings to house six people with disabilities.<sup>908</sup> Directorate officials also informed the Committee

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<sup>903</sup> Ms Joy Burch MLA, *Transcript of evidence*, 25 June 2012, p. 797.

<sup>904</sup> Ms Maureen Sheehan, *Transcript of evidence*, 25 June 2012, p. 810.

<sup>905</sup> Ms Meredith Whitten, *Transcript of evidence*, 25 June 2012, p. 810.

<sup>906</sup> Ms Joy Burch MLA, *Transcript of evidence*, 25 June 2012, p. 810.

<sup>907</sup> Ms Joy Burch MLA, *Transcript of evidence*, 25 June 2012, p. 797.

<sup>908</sup> Ms Kate Starick, *Transcript of evidence*, 25 June 2012, p. 807.

that \$5 million will be used to develop more generally for the social housing stock. In 2012-13, \$500,000 will assist ACT Housing in partnership with Disability ACT to investigate innovative models of provision of social housing to people with a disability, and then in the following two years \$2 million and \$2.5 million, respectively, have been allocated for construction.<sup>909</sup>

9.41 The Committee notes that Carers ACT made a Budget submission requesting \$250,000 to fund a study of innovative housing models for people with disabilities, with the support of carers, community organisations, and the government. The Government advised in the hearings that it had already completed the work request by Carers ACT.<sup>910</sup>

9.42 The Committee is of the understanding that the work done by the ACT Government only examined model of innovative housing that could be provided by the government sector, and did not examine housing models that could be delivered without the housing sector, which is what Carers ACT is particularly interested in.

### **Therapy Services**

9.43 This Output Class concerns the provision of therapy services for children with delays in development from birth to age eight, and for children, young people and adults with disabilities including counselling and support, and assistance with physical, intellectual, communication and other functional disabilities.

9.44 The Committee was advised that 91 per cent of Therapy ACT clients were either satisfied or very satisfied with received services.<sup>911</sup>

### **Therapy Assistance Program**

9.45 The Committee received positive testimony in relation to the pilot Therapy Assistance Program. Directorate officials informed the Committee that it would be increased by 100 hours in 2012-2013.<sup>912</sup>

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<sup>909</sup> Ms Kate Starick, *Transcript of evidence*, 25 June 2012, p. 802.

<sup>910</sup> *Transcript of evidence*, 25 June 2012, p. 823.

<sup>911</sup> Ms Joy Burch MLA, *Transcript of evidence*, 25 June 2012, pp. 797 - 798.

<sup>912</sup> 2012-13 Budget Paper No. 4, p. 348.



9.46 Directorate officials provided the Committee with feedback from an interim evaluation, highlighting that there were three primary outcomes from early evaluation. Firstly, 50 per cent of all children referred for intervention during the pilot were new clients to Therapy ACT,<sup>913</sup> secondly; seventy-eight per cent of children completing an individual program with a therapy assistant reached or exceeded their target goal and, thirdly; 85 per cent of children completing a group program with a therapy assistant improved in standardised testing.<sup>914</sup>

## RECOMMENDATION 102

9.47 **The Committee recommends that the ACT Government make the pilot Therapy Assistance Program an ongoing program, with a view to increasing the number of schools, including non-government schools, who can access this program.**

### **The Children and Young People Equipment Loan Service**

9.48 The Committee highlights the recent high take up of the Children and Young People equipment loan scheme and acknowledges that since 2001, the number of loans per year has almost doubled to 96.<sup>915</sup> Directorate officials informed the Committee that the most common equipment items loaned were to assist with bathing, toileting and mobility.

9.49 The Committee also acknowledges that the service is designed in a way to provide assistance to families in difficult situations, with the service having the capacity to fit loaned equipment to the child or young person, and then deliver that equipment to the families.<sup>916</sup>

### **Early intervention**

9.50 The Directorate aims to improve developmental outcomes by providing therapy services for children with delays in development from birth to age eight, and for children, young people and adults with disabilities, including counselling and support, and assistance with physical, intellectual,

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<sup>913</sup> Ms Bronwen Overton-Clarke, *Transcript of evidence*, 25 June 2012, p. 842.

<sup>914</sup> Ms Ros Hayes, *Transcript of evidence*, 25 June 2012, p. 843.

<sup>915</sup> Mr Paul Wyles, *Transcript of evidence*, 25 June 2012, p. 840.

<sup>916</sup> Mr Paul Wyles, *Transcript of evidence*, 25 June 2012, p. 839.

communication and other functional disabilities.<sup>917</sup> Growth in the number of clients accessing therapy service is used as an indicator of the availability of services to improve outcomes for people with physical, intellectual, communication and other functional difficulties.<sup>918</sup>

### **National Quality Framework Reforms**

- 9.51 The Committee asked questions regarding the challenges childcare service providers may be facing with the implementation of the National Quality Framework. The Committee understands that the National Quality Framework is undergoing a staged implementation, which commenced in January 2012. The ACT passed legislation through the ACT Legislative Assembly in 2011, to enact the National Law through the *Education and Care Services National Law (ACT) Act 2011 (ACT)*.<sup>919</sup>
- 9.52 The Committee also understands that there has been training provided to the sector through communication strategies and professional development opportunities to understand and implement the National Quality Framework.<sup>920</sup>
- 9.53 The Committee notes that the Budget allows an additional \$1.6m for the continuing implementation.<sup>921</sup> When asked what these funds will be used for, Directorate officials informed the Committee that it would fund:
- changes to the existing assessment and rating system;
  - five additional staff, who will conduct regular assessments in accordance with the new system;
  - production of a workforce study, that will identify ACT specific needs;
  - components of a media campaign relating to the ACT Children's Services Forum; and

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<sup>917</sup> 2012–13 Budget Paper No. 4, p. 340.

<sup>918</sup> 2012–13 Budget Paper No. 4, p. 340.

<sup>919</sup> Community Services Directorate, *Annual Report, 2010 – 2011*, p. 22. *Education and Care Services National Law (ACT) Act 2011 (ACT)* <<http://www.legislation.act.gov.au/a/2011-42/default.asp>>, accessed 28 July 2012.

<sup>920</sup> Community Services Directorate, *Annual Report, 2010 – 2011*, p. 22.

<sup>921</sup> 2012–13 Budget Paper No. 3, p. 128.

- compliance with the new national IT framework.<sup>922</sup>
- 9.54 The Committee asked how many exemptions have been given to child care facilities since the implementation began.
- 9.55 Directorate officials informed the Committee that under the National Quality Framework reforms, exemptions have not been issued since 1 January 2012. CSD now issue temporary waivers that are valid for a maximum of 12 months, or permanent waivers. Waivers replace the previously issued exemptions and operate in a similar nature.
- 9.56 The Committee was told that a total of 16 waivers have been put in place. Temporary waivers have been granted as follows:
- two for staff qualifications for preschool age and under;
  - nine staff qualifications waivers granted that relate to children for services above the preschool age; and
  - one for the staff ratios for preschool age and under.
- 9.57 There have been four permanent waivers, which were all in relation to prescribed space requirements. They were all for school age care services and they are all specifically for vacation care programs that have not been able to meet the space requirements over the school age care.<sup>923</sup>
- 9.58 The Committee was later informed that since the introduction of the waiver system on 1 January 2012, two additional waivers had been issued and already expired.<sup>924</sup>
- 9.59 The Committee raised concerns that waivers are no longer considered notifiable instruments, and are therefore not accessible on the Legislation Register website. The Committee questioned if there are other options for accessing this information, including using the Children's Policy and Regulation Unit or CSD website.

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<sup>922</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1205.

<sup>923</sup> Ms Danielle Stiff, *Transcript of evidence*, 28 June 2012, p. 1211.

<sup>924</sup> Letter, dated 17 July 2012, from Community Services Directorate Deputy Director-General, Ms Maureen Sheehan, to the Committee. All letters of correction are on the Inquiry webpage <<http://www.parliament.act.gov.au/committees/index1.asp?committee=177&inquiry=1053&category=14>>, accessed 27 July 2012.

### RECOMMENDATION 103

- 9.60 **The Committee recommends that a list of childcare providers granted temporary and permanent waivers from staff qualification, space or other requirements are made accessible on the Community Services Directorate website.**

#### **Child and Family Centres**

- 9.61 The Directorate aims to improve outcomes for children and families through the Child and Family Centres Program. Services and programs are delivered in partnerships with other ACT Government agencies and local community based organisations. The number of families accessing the centres indicates the number of families supported in the ACT by a range of early intervention and prevention services and also indicates community awareness of the centres.<sup>925</sup>
- 9.62 The Committee asked a question regarding access to specialist trauma services, Aboriginal and Torres Strait Islander staff, and plans to create additional centres.
- 9.63 The Committee was advised that staff at the centres provide universal services, however staff will support referrals to appropriate services. There are currently four staff members who identify as Aboriginal and Torres Strait Islander, and that all staff are offered cultural competency training. The Committee was further advised that while there has been no analysis of needs for the civic 2606 area, work is currently under way to explore the needs of the Weston – Molonglo area.

#### **Aboriginal and Torres Strait Islander Affairs**

- 9.64 The Committee heard from the Minister for Aboriginal and Torres Strait Islander Affairs on Friday 22 June and Monday 2 July 2012 to discuss Output Class 3: Community Development and Policy, including 3.2 Community Affairs (Aboriginal and Torres Strait Islander Affairs).
- 9.65 Key issues included:

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<sup>925</sup> 2012–13 Budget Paper No. 4, p. 341.

- Aboriginal and Torres Strait Islander Elected Body;
- CHANCES pilot program;
- small grants program;<sup>926</sup>
- genealogy project;<sup>927</sup>
- ACT Closing the gap report 2012 and youth justice practices;<sup>928</sup>
- ACT Indigenous business development program;<sup>929</sup>
- secretariat support for the Aboriginal and Torres Strait Islander Elected Body;
- communication between the Aboriginal and Torres Strait Islander Elected Body and Directorates; and
- United Ngunnawal Elders Council.<sup>930</sup>

### **Billabong Aboriginal Development Corporation**

- 9.66 The Committee asked about the transfer of properties from Billabong Aboriginal Development Corporation (Billabong) to Housing ACT. Directorate officials informed the Committee that since the ACT Government decided to regulate community housing organisations through passing amendments to the *Housing Assistance Act 2008* (ACT)<sup>931</sup> there is a requirement that all community housing organisations must be registered to receive government funding.<sup>932</sup>
- 9.67 Officials informed the Committee that Billabong did make moves to register its community housing under a new organisation called Bambara, however decided in May not to proceed and handed the properties back to Housing ACT.
- 9.68 The Committee asked if the transferred properties continue to be properties for

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<sup>926</sup> *Transcript of evidence*, 22 June 2012, p. 719.

<sup>927</sup> *Transcript of evidence*, 22 June 2012, p. 736.

<sup>928</sup> *Transcript of evidence*, 22 June 2012, p. 720.

<sup>929</sup> *Transcript of evidence*, 22 June 2012, p. 720.

<sup>930</sup> *Transcript of evidence*, 22 June 2012, p. 721.

<sup>931</sup> *Housing Assistance Act 2008* (ACT) < <http://www.legislation.act.gov.au/a/2007-8/default.asp>>, accessed 2 July 2012.

<sup>932</sup> Ms Maureen Sheehan, *Transcript of evidence*, 22 June 2012, p. 724

- Aboriginal and Torres Strait Islander people.<sup>933</sup> Directorate staff confirmed that the properties will be tenanted by the tenants who are in the properties. However, the property would not be designated to be re-tenanted only by an Aboriginal person. Officials did highlight that Housing ACT has a target which it has set itself, which it meets every year, to increase the number of Aboriginal and Torres Strait Islander tenancies by 10 per cent every year, and that would continue.<sup>934</sup>
- 9.69 The Minister stated 'the issue of Billabong is that Billabong is not an Aboriginal organisation,'<sup>935</sup> he then stated 'I said it is not an Aboriginal organisation in the context that it is not registered as an Aboriginal organisation.'<sup>936</sup>
- 9.70 At the recall session on 2 July, the Minister apologised to the Committee for any misunderstanding and stated 'I acknowledge the name has changed and it is now the Billabong Aboriginal Development Corporation. I note that Billabong Aboriginal Corporation was registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* [Cth]. It was deregistered under this act on 26 November 2008. I am advised that deregistration was voluntary. Billabong Aboriginal Development Corporation was then registered under the *Corporations Act 2001* [Cth] as of 6 November 2008.'<sup>937</sup>
- 9.71 The Minister later added '[Billabong] is not registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*. This is the only legislation which assesses and requires Aboriginal membership and directorship for incorporation.'<sup>938</sup>
- 9.72 The Minister continued, to clarify that Billabong also falls outside 'the definition of an Aboriginal and Torres Strait Islander organisation within the constitution of the National Congress of Australia's First Peoples. That

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<sup>933</sup> *Transcript of evidence*, 22 June 2012, p. 721.

<sup>934</sup> Ms Maureen Sheehan, *Transcript of evidence*, 22 June 2012, p. 721.

<sup>935</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 22 June 2012, p. 722.

<sup>936</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 22 June 2012, p. 723.

<sup>937</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 2 July 2012, p. 1350. See *Corporations (Aboriginal and Torres Strait Islander) Act 2006* <<http://www.comlaw.gov.au/Details/C2012C00400>> *Corporations Act 2001* (Cth) <<http://www.comlaw.gov.au/Details/C2012C00447>>, both accessed 7 August 2012.

<sup>938</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 2 July 2012, p. 1350.

Constitution<sup>939</sup> defines an Aboriginal organisation as one which is:

- (1) an incorporated organisation that has at least 51 per cent of its members being Aboriginal and Torres Strait Islander people;
- (2) which has at least 52 per cent of its governing board being Aboriginal and Torres Strait Islander people; and
- (3) whose principal purpose and activity is related specifically to Aboriginal and Torres Strait Islander people but which is not a national Aboriginal and Torres Strait Islander organisation.<sup>940</sup>

9.73 When asked by the Committee why the Minister felt Billabong failed to fulfil these requirements the Minister stated that the principle purpose of Billabong, according to its Constitution, referred to land ownership and management. The Minister continued to say that only 4 of the 19 purposes of the corporation in the Constitution were Aboriginal specific matters. He concluded that this prevented Billabong from being categorised as an Aboriginal organisation under the Constitution of the National Congress of Australia's First Peoples.<sup>941</sup>

9.74 The Minister also advised that some members of the Aboriginal and Torres Strait Islander community had advised him that they did not believe Billabong is an Aboriginal organisation, but the Minister was unable to advise why they did not or other elaborate on this.<sup>942</sup>

9.75 The Committee is concerned about the manner in which the Minister has come to define what is and is not an Aboriginal organisation. The Committee strongly disagrees with the Minister's position that Billabong is not an Aboriginal organisation. The Committee notes the strong and ongoing commitment of Billabong to advancing the status and welfare of Aboriginal people.

9.76 The Committee is also concerned that the Minister used concerns expressed by individuals about Billabong in his consideration of the organisation, which

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<sup>939</sup> Constitution of National Congress of Australia's First Peoples  
<<http://natiotu.customers.ilisys.com.au/wp-content/uploads/2010/12/101201-National-Congress-Constitution-Amended.pdf>>, accessed 3 July 2012.

<sup>940</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 2 July 2012, p. 1356.

<sup>941</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 2 July 2012, p. 1356.

<sup>942</sup> Dr Chris Bourke MLA, *Transcript of evidence*, 2 July 2012, p. 1357.

could then not be substantiated in questioning from the Committee.

#### **RECOMMENDATION 104**

9.77 **The Committee recommends that the ACT Minister for Aboriginal and Torres Strait Islander Affairs not make decisions about whether organisations are Aboriginal and/or Torres Strait Islander on the basis of unsubstantiated statements.**

9.78 This Committee is also concerned that there is no longer any community housing run and managed by Aboriginal and Torres Strait Islander people in the ACT that is supported by the ACT Government. The Committee recognises the importance of housing to reaching the 'Closing the Gap' goals.

#### **RECOMMENDATION 105**

9.79 **The Committee recommends that the ACT Government work with the Aboriginal community in the ACT to foster the development of capacity for Aboriginal organisations to provide housing and housing support services to Aboriginal people.**

9.80 The Committee is concerned that the expertise and years of experience that Billabong has accumulated will now not be invested in social housing provision for Aboriginal people in the ACT. The Committee considers that Billabong provided a highly valuable social housing service.

9.81 The Committee understands that Billabong may be reluctant to re-enter the field of managing social housing provision, given the highly problematic government processes that led to Billabong surrendering the houses it managed for tenancies by Aboriginal people. Notwithstanding this, the Committee considers that the ACT Government should open discussions with Billabong about whether Billabong is interested in once again providing a social housing service to Aboriginal people in the ACT with ACT Government support.

#### **RECOMMENDATION 106**

9.82 **The Committee recommends that the ACT Government open discussions with Billabong Aboriginal Development Corporation about whether it is interested in once again providing a social**



**housing service to Aboriginal people in the ACT with ACT Government support.**

- 9.83 Evidence from the Committee's hearing of the ACT Aboriginal and Torres Strait Islander Elected Body and the Aboriginal and Torres Strait Islander Affairs ministerial portfolio clearly shows a need for greater consultation with the Elected Body, and more regular contact with the relevant Directorates.<sup>943</sup>

**RECOMMENDATION 107**

- 9.84 **The Committee recommends the ACT Government review the current secretariat support offered to the ACT Aboriginal and Torres Strait Islander Elected Body.**

**RECOMMENDATION 108**

- 9.85 **The Committee recommends that the ACT Government engage and consult with the ACT Aboriginal and Torres Strait Islander Elected Body on a more frequent and regular basis.**
- 9.86 Evidence from the Elected Body presented during the community hearings, combined with questions raised during the Estimates hearing on Community Services Directorate: Aboriginal and Torres Strait Islander Affairs focused on the Community Helping Aboriginal Australians to Negotiate Choices leading to Employment and Success program (CHANCES). This is an intensive three-month program that targets indigenous people at risk of long-term unemployment, reoffending or homelessness, and incorporates training, networking and work experience placements with the aim of making them job ready.

**RECOMMENDATION 109**

- 9.87 **The Committee recommends that the Community Helping Aboriginal Australians to Negotiate Choices leading to Employment and Success program (CHANCES) be provided with at least two-yearly recurrent funding, with appropriate evaluation mechanisms, to provide some certainty to staff, partner agencies, and clients.**

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<sup>943</sup> 2012–13 Budget Paper 4, Accountability Indicators, p. 35.

9.88 CHANCES is also discussed in Chapter 12 of this Report, at paragraphs 12.59 and 12.60.

## Office for Ageing

9.89 Key issues raised included:

- secretariat support provided to the Ministerial Advisory Council on Ageing;
- Woden Senior Citizens centre;
- Canberra Citizens centre;
- volunteers indemnity insurance;
- Retirement Village Bill; and
- concession cards reciprocity arrangements.

9.90 The Committee raised concerns that the Budget did not provide a true reflection of the scope of work undertaken by the Office for Ageing and suggested that an approach which recognises this be taken in applying the strategic indicators,<sup>944</sup> including factors such as how the ACT is meeting its obligations to become an age friendly city and through the Positive Ageing Strategy.

### RECOMMENDATION 110

**The Committee recommends the Community Services Directorate develop indicators for the Office for Ageing which show how the ACT Government is meeting its key plans in policy and programs for ageing.**

## Office of Multicultural Affairs

9.91 Key issues raised included:

- multicultural festival plans for 2013;<sup>945</sup> and

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<sup>944</sup> *Transcript of evidence*, 29 June 2012, p. 1290.

<sup>945</sup> *Transcript of evidence*, 29 June 2012, pp. 1295-1297.

- racial and religious vilification.<sup>946</sup>
- 9.92 The Committee acknowledges that the Office of Multicultural Affairs is striving to reduce occurrences of discrimination within the ACT community. The Committee supports measures such as the Race Relations roundtables held in conjunction with the Human Rights Commission.
- 9.93 The Committee commends the Office on the success of the work experience and support program for migrants, and questions why the program has not been extended when there is demand and proven outcomes.<sup>947</sup>

## Status of Women

- 9.94 Key issues raised included:
- YWCA Respect, Communicate, Choose program;<sup>948</sup>
  - national plan to reduce violence against women;<sup>949</sup>
  - domestic violence crisis service;<sup>950</sup> and
  - the Women's Information and Referral Centre.<sup>951</sup>
- 9.95 The Committee was pleased to hear that a large amount of work is being undertaken in relation to safety audits, and the ongoing focus in prevention education.<sup>952</sup>

## Arts Policy, Advice and Programs

- 9.96 The Committee examined the following matters:
- Cultural Inclusion Officers;
  - review of arts policy and release of a draft arts policy in April 2012;
  - allocation of funds of \$3.2 million for extension of the Street Theatre;

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<sup>946</sup> *Transcript of evidence*, 29 June 2012, p. 1300.

<sup>947</sup> *Transcript of evidence*, 29 June 2012, pp. 1305-1306.

<sup>948</sup> *Transcript of evidence*, 29 June 2012, p. 1305.

<sup>949</sup> *Transcript of evidence*, 29 June 2012, p. 1307.

<sup>950</sup> *Transcript of evidence*, 29 June 2012, p. 1306.

<sup>951</sup> *Transcript of evidence*, 29 June 2012, p. 1308.

<sup>952</sup> Mr David Matthews, *Transcript of evidence*, 29 June 2012, p. 1306.

- allocation of funds of \$2 million for capital upgrades of the Tuggeranong Arts Centre;
- allocation of funds of \$300,000 for a feasibility study into expansion of Belconnen Arts Centre;
- Kingston Arts precinct; and
- future of the Fitters' Workshop, Kingston.

9.97 The Directorate advised the Committee that cultural inclusion officers are the community arts officers replacing the disability, indigenous and multicultural arts officers made redundant last year. There are now six cultural inclusion officers and they are based at Belconnen and Tuggeranong Arts Centres. The Committee has sought a list of activities in which the officers are currently engaged, as well as assurances that similar people are accessing the relocated services.<sup>953</sup>

9.98 Advice was provided to the Committee on upgrade work to the Tuggeranong Arts Centre, with a focus on better utilisation of some of the large space in the centre. While any increase in accommodation may be modest, the operations and effectiveness of the centre's utilisation will be enhanced. The work to carry out the changes is to start later in 2012.<sup>954</sup>

9.99 The Directorate advised the Committee that the Government continues to pursue arts policy reforms which stem from the Loxton review of arts in the ACT.

9.100 The Directorate advised the Committee that they expect to release the new Arts Policy in July 2012. They further advised that a strong theme arising through the public consultations of the review was 'community participation'. The new ACT Arts policy is designed to work in parallel with national arts, health and education strategies. The ACT intends to engage these national strategies through representatives on relevant national working groups.<sup>955</sup>

9.101 The Committee had a detailed discussion with the Minister and Directorate officials in relation to the timing of future action on the Fitters' Workshop,

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<sup>953</sup> *Transcript of evidence*, 28 June 2012, pp. 1178-1179.

<sup>954</sup> *Transcript of evidence*, 28 June 2012, p. 1180.

<sup>955</sup> *Transcript of evidence*, 28 June 2012, p. 1183.

Kingston. This discussion focussed on the steps the government intended taking, given the terms of the resolution of the Assembly passed in June 2011. The Minister advised she was taking advice as to the efficacy of the Assembly motion. The Minister did not advise the Committee of any development or change regarding their intention to convert the Fitters' Workshop into a studio for Megalo print studio, as previously announced by the Government.<sup>956</sup>

- 9.102 The Committee sought a number of assurances from the Minister about matters governing the timing of any proposed works commencing at the Fitters' Workshop. The Directorate advised they are about to submit a DA to remove underground tanks and would proceed with that work upon approval. The Directorate further advised that the progress of the DA before ACTPLA would determine the start date of the substantive works at the site, and therefore determine the end date. As such, no definite timeline is currently available on actual construction, however June 2013 would be the earliest possible completion date.<sup>957</sup> The Committee is concerned that, in all this discussion, aspects of the planning process for the Kingston Arts precinct remain incomplete. The Committee considers that this site should be examined in the light of that process.

#### **RECOMMENDATION 111**

- 9.103 **The Committee recommends that the ACT Government commence a master planning process for the Kingston Arts Precinct that considers all options for the Fitters' Workshop.**

#### **RECOMMENDATION 112**

- 9.104 **The Committee recommends that the ACT Government release all documents connected with existing Kingston Arts Precinct planning and consultation processes.**
- 9.105 The Committee raised concerns regarding the suitability of the newly introduced Arts accountability indicators, specifically indicator 'm' which specifies the arts budget as an indicator. The Directorate undertook to

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<sup>956</sup> *Transcript of evidence*, 28 June 2012, pp. 1186-1195.

<sup>957</sup> *Transcript of evidence*, 28 June 2012, pp. 1186-1195.

investigate the suitability of this indicator.

### RECOMMENDATION 113

- 9.106 **That the ACT Government investigate the suitability of existing accountability indicators for the Arts portfolio and amend or remove indicators as necessary.**
- 9.107 The Directorate advised the Committee that Tuggeranong Arts Centre and the Glassworks are both *line-funded* arts organisations and exist outside the normal arts budget. The Committee sought, on notice, advice on the structure and distribution of arts funding.
- 9.108 The Directorate advised the Committee that funding arrangements for organisations are reviewed each year so it may be determined if funded organisations are delivering as proposed. Under-performing organisations can and have had their funding withdrawn.
- 9.109 The Directorate informed the Committee of a distinction between funding for Key Arts Organisations and 'program organisations' which are more geared toward delivering a single event each year such as International Music Festival.
- 9.110 The Committee questioned the Budget rollover of the public art scheme, and The Directorate advised that there had been delays in the installations of four works (at sites in the City, Pialligo, Woden and Scullin) and the installation costs had been rolled over. The works would be completed in the foreseeable future.<sup>958</sup>

### Cultural Facilities Corporation

- 9.111 The following matters were dealt with:
- allocation of funds (\$3.1 million) for upgrade and renovation work on the Canberra Theatre Centre to coincide with the Canberra Centenary; and
  - Lanyon and art works by the late Sir Sidney Nolan.
- 9.112 The Committee was advised that works by Sir Sidney Nolan, previously on
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<sup>958</sup> *Transcript of evidence*, 28 June 2012, pp. 1196-1197.

display at Lanyon Gallery, fall into two categories: the gifted works, which are now in the Canberra Museum & Gallery, and the loaned works which have been returned to Lady Nolan in the United Kingdom.

- 9.113 The future use of Lanyon, and particularly the Nolan Gallery building, was the subject of detailed advice to the Committee which spelled out that options included: an artist-in-residence program; a permanent Indigenous artist studio and gallery option; and, a visitor orientation and interpretation centre for the Lanyon heritage precinct. Possible use as a cafe or restaurant, and a conference centre has also been considered.
- 9.114 The Committee is aware that a community member has provided the ACT Government with a proposal to develop a rural fire service museum, with the building that housed the former Nolan Gallery being an 'ideal location' for it.<sup>959</sup>

#### RECOMMENDATION 114

- 9.115 **The ACT Government consider supporting the community group proposal it has received to develop a rural fire service museum that would be housed in the former Nolan Gallery.**

## Children Youth and Family Services

### Youth Services

- 9.116 The Committee discussed the following matters related to the Youth Services Output with the Community Services Directorate :
- community youth justice clients;<sup>960</sup>
  - therapeutic protection orders;<sup>961</sup>

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<sup>959</sup> Correspondence from Mr Patrick Barling of 26 July 2012 to the Select Committee on Estimates 2012-2013 providing the 'ACT Rural Fire Service Museum Proposal', addressed to Mr Simon Corbell MLA, Mr Brendan Smyth MLA and Mr Rattenbury MLA, in their respective capacities as Minister for Police and Emergency Services, Shadow Minister for Emergency Services and Spokesperson for Police and Emergency Services, dated 27 June 2012  
<<http://www.parliament.act.gov.au/committees/index1.asp?committee=177&inquiry=1053&category=14>>, accessed 2 August 2012.

<sup>960</sup> *Transcript of evidence*, 28 June 2012, p. 1247.

- services provided to grandparent and kinship carers;<sup>962</sup>
- youth justice blueprint and expert advisory panel<sup>963</sup>; and
- interpreter services.<sup>964</sup>

9.117 The Directorate advised the Committee that the number of community youth justice clients were estimated to rise from 280 in 2011-12, to 315 in 2012-13. The Committee noted that the relevant Budget paper makes a note to say that the increase is due to the increased number of young people remanded into police custody and then released by the court at the first appearance. Directorate officials advised the Committee that this was a target that the Directorate was working hard not to reach.<sup>965</sup>

9.118 The Directorate advised the Committee of a range of diversionary programs and new initiatives that have been funded, including the allocation of funding to the implementation of the Blueprint for Youth Justice and the After Hours Bail Support Service. Directorate officials advised the Committee that the After Hours Bail Support Service had made a significant reduction of approximately 20 per cent in remand events for short term remands. The Committee notes that the program is subject to an evaluation which is to be available in July 2012. On the basis of Minister Burch's advice to the Committee at its hearing, the Committee anticipates that this evaluation will be made public.<sup>966</sup>

### **Therapeutic Protection Orders**

9.119 The Directorate was questioned regarding the use of Therapeutic Protection Orders since its legislation in 2008. The Committee was advised that there had been no orders made, and no applications received. Directorate officials will be meeting with the Chief Magistrate and Children Courts Magistrate in the near future, and this topic may be discussed. The Committee was further advised that there was currently no facility established to respond to Therapeutic

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<sup>961</sup> *Transcript of evidence*, 28 June 2012, p. 1244.

<sup>962</sup> *Transcript of evidence*, 28 June 2012, p. 1245.

<sup>963</sup> *Transcript of evidence*, 28 June 2012, p. 1244.

<sup>964</sup> *Transcript of evidence*, 28 June 2012, p. 1249.

<sup>965</sup> *Transcript of evidence*, 28 June 2012, p. 1242-1243.

<sup>966</sup> *Transcript of evidence*, 28 June 2012, p. 1242-1243



Protection Orders if they were made.<sup>967</sup>

- 9.120 The Directorate stressed that, whilst arranging discussions with the appropriate court officials, the central reason for the fact there have been no orders made, is that there have been no applications for therapeutic protection orders.<sup>968</sup>

## RECOMMENDATION 115

- 9.121 **The Committee recommends that the ACT Government commence the tender process for a therapeutic protection facility.**

### Kinship carers

- 9.122 The Committee asked questions regarding informal kinship carers arrangements and entitlements, and access to a specific agency targeting the group.<sup>969</sup> The Directorate advised that in the case of informal arrangements, the Directorate would not be aware of all cases, and that there may be some thousands of these cases in the ACT.<sup>970</sup> The Directorate noted that there are an array of community services and government support services such as the child and family centres that would provide some support, and that the Directorate does indeed provide support and advice, but that there is no specific agency.<sup>971</sup> The Directorate also noted that Centrelink, within the Federal Government Department of Human Services, were working to improve income support to Grandparent carers in particular.<sup>972</sup>
- 9.123 The Committee asked what services are provided to kinship carers in the ACT.<sup>973</sup> The Directorate informed the Committee that when children are the parental responsibility of the territory parent, the Directorate will pay kinship care allowances, which are equivalent to foster care allowances. However, in situations where an informal arrangement exists there would be support

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<sup>967</sup> *Transcript of evidence*, 28 June 2012, p. 1244-1245.

<sup>968</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, p. 1245

<sup>969</sup> Mrs Vicki Dunne MLA, *Transcript of evidence*, 28 June 2012, p. 1247.

<sup>970</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, p. 1246.

<sup>971</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, p. 1246.

<sup>972</sup> Ms Natalie Howson, *Transcript of evidence*, 28 June 2012, pp. 1245-1246.

<sup>973</sup> Mrs Vicki Dunne MLA, *Transcript of evidence*, 28 June 2012, p. 1245.

services available through the child and family centres or child protection workers, however financial support would need to be provided through the Commonwealth.<sup>974</sup> The Minister undertook to ensure that the Targeted Assistance website will include links the Commonwealth support providers.<sup>975</sup>

## RECOMMENDATION 116

- 9.124 **The Committee recommends that the ACT Government ascertain the number of informal kinship carer arrangements in the ACT to understand the total scale of kinship care arrangements and their support needs.**

### Blueprint for Youth Justice

- 9.125 The Committee asked the Minister for an update on the development of the Blueprint for Youth Justice (the Blueprint). The Directorate advised the Committee that details of the Blueprint are expected it to go to Cabinet at the end of July, and for the Blueprint to be released in August 2012.<sup>976</sup>
- 9.126 The Committee asked about the input of the Expert Advisory Panel, created in December 2011 by a Motion of the Assembly to assist in the development and implementation of the Blueprint. The Committee notes that Assembly's motion provided for establishment of a Youth Justice Advisory Panel (the Panel) in accordance with a recommendation made by the Human Rights Commission in its Report into the Youth Justice System in the ACT. In its response to the Human Rights Commission report, the Government had rejected the recommendation for a separate Youth Justice Advisory Panel.<sup>977</sup>
- 9.127 The role of the Panel is to be an ongoing specialist advisory body comprising a range of specialists as well as academics and researchers, to ensure that ACT youth justice policy practice reflects the current evidence base available.
- 9.128 The Assembly's motion, pursuant to clause (2)(e), requires that the CSD is to report in its annual report on the activities of the CSD Youth Justice

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<sup>974</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, pp. 1245-1246.

<sup>975</sup> Mrs Vicki Dunne MLA, *Transcript of evidence*, 28 June 2012, p. 1247.

<sup>976</sup> Ms Meredith Hunter MLA, *Transcript of evidence*, 28 June 2012, p. 1247.

<sup>977</sup> ACT Legislative Assembly, *Minutes of Proceedings*, 7 December 2011, pp. 1693-1697.

Implementation Taskforce (the Taskforce), and the Panel, including a summary of the advice the Panel has provided to the Government and the Taskforce, and the responses made by the Government and the Taskforce to that advice.<sup>978</sup>

- 9.129 The Directorate advised the Committee that the Panel has met once, although not all members were present. The Directorate also advised the Panel has not had an opportunity to see the draft Blueprint to date, and due to the document being subject to cabinet-in-confidence limitations, would not be able to see the document before it was publicly released. The Minister later advised the Committee that she had made adjustments to the process, which would now allow the Panel to view the document in a week's time.<sup>979</sup>

### RECOMMENDATION 117

- 9.130 **The Committee recommends that the ACT Government report as part of the Government's response to this Inquiry report the extent of the involvement of the Expert Advisory Panel in the development of the Blueprint for Youth Justice.**

#### **Children, Youth and Family Services Program**

- 9.131 The Committee asked questions about recent evidence given by the Youth Coalition of the ACT, and recent correspondence from the Youth Coalition and Families ACT, highlighting concerns regarding the recent reforms to the Directorate funded Children, Youth and Family Services Program.<sup>980</sup> In response, the Minister acknowledged that the Office for Children, Youth and Family Support, and particularly the youth and family support program, had been through a process of extensive change with implementation less than ideal. The Minister clarified that although the program has moved towards an outreach and early intervention focus, there has been no loss of investment in care and protection services for young people.<sup>981</sup>

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<sup>978</sup> ACT Legislative Assembly, *Minutes of Proceedings*, 7 December 2011, pp. 1696-1697.

<sup>979</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, pp. 1247-1248.

<sup>980</sup> *Transcript of evidence*, 28 June 2012, p. 1226.

<sup>981</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1226.

- 9.132 Directorate officials informed the Committee that the suite of changes will result in a more systematic approach to the delivery of services, including a centralised intake system and regional coordination network.<sup>982</sup>
- 9.133 The Committee asked how the central intake system was progressing. Directorate officials acknowledged that it is a learning process, and that the Directorate is working closely with the sector as issues arise. They also confirmed that the Office is meeting with Housing ACT, who has recently created a central intake service.<sup>983</sup> Officials also confirmed that an evaluation of the system is being developed with the Australian Catholic University, with outcome and output measures included.<sup>984</sup> This will be completed by the end of 2012.<sup>985</sup>
- 9.134 The Children, Youth and Family Services Program is also discussed in Chapter 12 of this Report, at paragraphs 12.27 to 12.31 inclusive.

### **Care and protection services**

- 9.135 The Committee asked about how the Directorate is responding to the recent Public Advocate report into the care and protection system, and the recommendations that pertain to the 'culture' within the Office for Children, Youth and Family Support. The Minister confirmed that changing the culture is a focus of reforms, and that a number of strategies have commenced to facilitate change. Measures include more supervision, a renewed focus on quality, a renewed focus on reflective practice, increased workforce capacity, an integrated management system and continuing to focus on very close partnerships with the sector.<sup>986</sup>
- 9.136 Directorate officials provided additional information on changes to the Committee, including the creation of a change management steering Committee, the training of 30 champions for change amongst the staff. Additionally, as part of the integrated management system, every single policy

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<sup>982</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, p. 1226.

<sup>983</sup> Ms Natalie Howson, *Transcript of evidence*, 28 June 2012, p. 1227.

<sup>984</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, p. 1228.

<sup>985</sup> Ms Leanne Power, *Transcript of evidence*, 28 June 2012, p. 1228.

<sup>986</sup> Ms Joy Burch MLA, *Transcript of evidence*, 28 June 2012, p. 1229.

and procedure is being reviewed, in conjunction with operational staff.<sup>987</sup>

### **Early intervention programs for young people aged 12- 25**

9.137 The Committee notes with concern that there appears to be little resource allocation to early intervention programs for young people aged 12- 25 in this Budget, and also notes the recent letter to Cabinet from the peak bodies for Families and Youth, calling for increased resources to be allocated to youth support services. The Youth Coalition of the ACT, in evidence presented during the community hearings, described this need as 'urgent'. The Committee recommends the ACT Government review this request, and fund any identified and unintended gaps created by the recent reforms to the Children, Youth and Family Services Program.<sup>988</sup>

## **Housing ACT**

9.138 Housing ACT's principle objective is to provide safe, affordable and appropriate housing that responds to the individual circumstances and needs of low income and disadvantaged people in the community.<sup>989</sup>

9.139 The Committee met with the Minister for Community Services and officials from Housing ACT on Friday 29 June 2012.

9.140 The Community Services Directorate provides services through the Social Housing Services (Output Class 1).

9.141 Key issues raised included:

- the Social Compact;<sup>990</sup>
- Firstpoint;
- social housing costs;
- social housing turnover;
- youth homelessness;<sup>991</sup>

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<sup>987</sup> Ms Christine Nolan, *Transcript of evidence*, 28 June 2012, p. 1229.

<sup>988</sup> 2012–13 Budget Paper 3, pp. 127-129.

<sup>989</sup> 2012–13 Budget Paper No. 4, p. 377.

<sup>990</sup> Ms Joy Burch MLA, *Transcript of evidence*, 29 June 2012, p. 1254.

- older people as social housing tenants;
- maintenance of social housing stock;<sup>992</sup>
- waivering of rental debts;
- cost of living pressures;<sup>993</sup>
- transfer of properties;<sup>994</sup>
- targets for social housing; and
- downsizing policy.<sup>995</sup>

## Social housing

- 9.142 The Directorate has confirmed it may not meet its current target for public housing stock until the end of next financial year. The Committee notes that the current housing stock totals 11,484 properties and the target for this financial year was 12,050. The Directorate identified the large scale of redevelopment projects as responsible for the delay, and anticipates that the target will be met upon the completion of those projects.<sup>996</sup>
- 9.143 The Committee notes that Housing ACT has not met its target of 12,050 dwellings and appears unlikely to reach it within the next financial year.
- 9.144 The Committee notes that only \$5 million is being spent over three years to increase public housing stock.

## RECOMMENDATION 118

- 9.145 **The Committee recommends that the ACT Government outline their strategy for increasing public housing stock.**
- 9.146 The Committee asked questions in relation to the *Report on Government Services 2012*<sup>997</sup> produced by the Productivity Commission. The report suggests that the

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<sup>991</sup> *Transcript of evidence*, 29 June 2012, p. 1269.

<sup>992</sup> *Transcript of evidence*, 29 June 2012, pp. 1262-1263.

<sup>993</sup> *Transcript of evidence*, 29 June 2012, pp. 1279-1280.

<sup>994</sup> Mr Ian Hubbard, *Transcript of evidence*, 29 June 2012, p. 1264.

<sup>995</sup> Mr David Collett, *Transcript of evidence*, 29 June 2012, p. 1632.

<sup>996</sup> Mr David Collett, *Transcript of evidence*, 29 June 2012, p. 1282.

<sup>997</sup> <<http://www.pc.gov.au/gsp/rogs/2012>>, accessed 4 July 2012.

ACT turn around figures is higher than the national average. Directorate officials explained that the report includes hard to let properties, properties where we have a significant number of refusals and stock held for redevelopment.<sup>998</sup>

- 9.147 The report also identifies the ACT as having higher overcrowding levels and maintenance costs than many other states. Both the Minister and the Directorate clarified that this is largely due to the lack of regional stock compared to other jurisdictions, and the age of the ACT stock. The Directorate also highlighted that the ACT average rebate to tenants is \$240, compared to \$138 nationally.<sup>999</sup> It also shows that low income households in the ACT are less likely to be in rental stress than those in New South Wales, Victoria, Queensland or Western Australia.<sup>1000</sup>
- 9.148 The Committee also sought information on the additional funds for improved safety and security of older public housing tenants. The Directorate informed the Committee that items to address this included sliding door and window locks, protective screens, external lighting where that is appropriate and some garden maintenance to remove furtive spaces around the buildings.<sup>1001</sup>
- 9.149 The Committee is concerned about the level of understanding in the community sector regarding the policies and practices involved in determining a minimum repayment amount for tenancy related debts.<sup>1002</sup> The Directorate informed the Committee that the policy stipulates that no tenant pay more than 30 per cent of their weekly income, including their rent and repayment of any debt and that the Directorate is always open to negotiate payment schedules.<sup>1003</sup>

## RECOMMENDATION 119

- 9.150 **The Committee recommends that the ACT Government clearly inform community sector organisations about the procedures and guidelines**
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<sup>998</sup> Mr David Collett, *Transcript of evidence*, 29 June 2012, p. 1266.

<sup>999</sup> Ms Joy Burch MLA and Mr David Collett, *Transcript of evidence*, 29 June 2012, p. 1267.

<sup>1000</sup> Ms Joy Burch MLA, *Transcript of evidence*, 29 June 2012, p. 1287.

<sup>1001</sup> Mr David Collett, *Transcript of evidence*, 29 June 2012, pp. 1272-1273.

<sup>1002</sup> *Transcript of evidence*, 29 June 2012, p. 1278.

<sup>1003</sup> Ms Maureen Sheehan, *Transcript of evidence*, 29 June 2012, p. 1278.

**for minimum rental debt repayments by ACT public housing tenants.**

- 9.151 The Committee also asked whether the ACT Government would be implementing recommendations on repaying debt from the Targeted Assistance Panel, and a request of the submission made by the ACT Welfare Rights and Legal Centre about reinstating a Debt Review Committee which comprised members of both Treasury and Housing ACT. The Directorate seemed unaware of the request.<sup>1004</sup>
- 9.152 With regards to ACT Government debt repayment, the Committee questioned whether the ACT Government would be implementing a recommendation from the Targeted Assistance Strategy Panel that debt waiver and partial debt waiver be used as a form of assistance where people have little or no capacity to pay, and where the debt would prolong or compound financial hardship.<sup>1005</sup>
- 9.153 The Committee is concerned that the Directorate seemed unaware of the Welfare Rights and Legal Centre had raised this issue in their submission to the Targeted Assistance Strategy Panel.<sup>1006</sup>

**RECOMMENDATION 120**

- 9.154 **The Committee recommends that the ACT Government implement the recommendation from the Targeted Assistance Panel that the ACT Government use debt waiver and partial debt waiver as a form of assistance where people have little or no capacity to pay, and where the debt would prolong or compound financial hardship.**

**Total Facilities Management contract**

- 9.155 The Committee sought information regarding the employment component of the Total Facilities Management contract (TFM contract) for maintenance of Housing ACT properties. The Minister told the Committee that the contract has very clear targets. A Directorate official clarified that the current contract moved away from the previous aspirational target, and now includes a minimum requirement clause. The contract now has clear requirements for

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<sup>1004</sup> *Transcript of evidence*, 29 June 2012, pp. 1277-1278.

<sup>1005</sup> *Transcript of evidence*, 29 June 2012, pp. 1277-1278.

<sup>1006</sup> *Transcript of evidence*, 29 June 2012, pp. 1277-1278.



young people, people with disabilities, public housing tenants, and people with an Aboriginal or Torres Strait Islander background. The TFM contractor will be in default if they do not comply.<sup>1007</sup>

- 9.156 The Committee notes the TFM contractor is required to report quarterly,<sup>1008</sup> and include the hours that they have worked, the training that they have been given and the sorts of activities that they are engaged in.<sup>1009</sup>
- 9.157 The Directorate also clarified that they would not rule out the TFM contractor subcontracting the management of employment to another provider to meet this performance indicator.<sup>1010</sup>
- 9.158 The Committee believes that stringent reporting processes should be in place to ensure that the ACT Government's TFM contract which provides maintenance services for ACT Housing properties provides employment to people who are experiencing disadvantage and people with a disability. The Committee also considers that a specialist provider of employment support services to people experiencing disadvantage be engaged to discharge this component of the contract.

## RECOMMENDATION 121

- 9.159 **The Committee recommends that the ACT Government (a) provide updates, in Annual Reports, on the performance of the ACT Government's Total Facilities Management contract in respect of employment of young people, people with disabilities, public housing tenants, and people with an Aboriginal or Torres Strait Islander background; and (b) consider whether the Government should contract a specialist provider of employment support services to people experiencing disadvantage to discharge this component of the Total Facilities Management contract.**

### Firstpoint

- 9.160 The Committee asked if there had been any concerns raised over First Point

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<sup>1007</sup> Mr David Collett, *Transcript of evidence*, 29 June 2012, p 1255.

<sup>1008</sup> Mr David Collett, *Transcript of evidence*, 29 June 2012, p. 1256.

<sup>1009</sup> Mr David Collett, *Transcript of evidence*, 29 June 2012, p. 1255.

<sup>1010</sup> Ms Natalie Howson, *Transcript of evidence*, 29 June 2012, p. 1257.

not being a 24 hour service.<sup>1011</sup> The Directorate informed the Committee that there is already a range of 24 hour service providers and as such, it is comfortable that First Point effectively operates within its current hours.

9.161 The Committee is concerned that Firstpoint is not provided on a 24/7 basis and that people facing immediate homelessness out of the hours Firstpoint operates may fall through the gaps in after hour care.

9.162 The Committee asked what evaluation of First Point is being undertaken.<sup>1012</sup> The Directorate informed the Committee that the Australian Catholic University has been contracted to provide a comprehensive evaluation. It will examine the effectiveness of the current model, how the outreach and accommodation services are working together and at the level of service provided.<sup>1013</sup>

9.163 The Committee also queried record keeping associated with First Point. The Directorate confirmed that records show the type of service request and the service that was provided.<sup>1014</sup>

## RECOMMENDATION 122

9.164 **The Committee recommends the ACT Government ensure Firstpoint is provided on a 24 hour, seven days a week basis.**

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<sup>1011</sup> *Transcript of evidence*, 29 June 2012, p. 1258.

<sup>1012</sup> *Transcript of evidence*, 29 June 2012, p. 1260.

<sup>1013</sup> Ms Maureen Sheehan, *Transcript of evidence*, 29 June 2012, p. 1260.

<sup>1014</sup> Ms Maureen Sheehan, *Transcript of evidence*, 29 June 2012, p. 1261.

## 10 ENVIRONMENT AND SUSTAINABLE DEVELOPMENT DIRECTORATE AND RELATED AGENCIES

### Environment and Sustainable Development

10.1 Issued discussed under Output Class 1 include:

- costs and environmental sustainability of energy use in the ACT;
- ACTSmart programs for water and energy efficiency and waste recycling;
- other ACT waste management matters;
- sustainability initiatives of ACT public sector entities;
- the review of the *Nature Conservation Act 1980* (ACT) and the roles and functions of the Conservator of Flora and Fauna;
- the review of the *Environment Protection Act 1997* (ACT) and review and regulatory activities of the Environment Protection Authority;
- ACT State of the Environment Report 2011 and Government policies;
- the impacts of cost savings required by the Budget on staff and service levels; and
- capital works for water-ways.

### Regulation and Services

10.2 The Committee dealt with the following issues:

- the review of planning and building regulations to identify opportunities for reducing greenhouse gas emissions;<sup>1015</sup>

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<sup>1015</sup> *Transcript of evidence*, 19 June 2012, pp. 280-282.

- the cessation of funding for the 'Maintain ACT building quality' initiative following the completion of the review of the *Building Act 2004* (ACT) and implementation of reforms arising from it;<sup>1016</sup>
- the implementation of the fire-rated cable ladder AS/NZS 3012:2005 standard;<sup>1017</sup>
- regulatory compliance for water connections in new developments<sup>1018</sup>;
- the processes associated with, and the timeframe targets set for, responding to complaints under the *Planning and Development Act 2007* (ACT) and *Construction Occupants (Licensing) Act 2004* (ACT);<sup>1019</sup> and
- whether consideration would be given to creating a restricted plumbing license for landscapers to connect to the ActewAGL network.<sup>1020</sup>

### Restricted plumbing licence for landscapers

- 10.3 The Committee observed that the ACT is the only jurisdiction where a licensed plumber rather than a landscaper is required when connecting to the city's water supply.<sup>1021</sup>
- 10.4 The Directorate advised the Committee that to enable landscapers to undertake this work, a restricted plumbing licence for landscapers would need to be created, noting that:

ActewAGL is always very concerned about the protection of its network. It has a significant risk where anything gets connected to its network. One of the issues about landscaping and irrigation systems is that the network becomes susceptible to back flow; that is, water going back into the network when the pressure in the network drops. So summer, when more water gets used, is the point in time at which you are more susceptible to back flow and that is when irrigation systems potentially have the problem; they will suck dirt through. If there are not proper

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<sup>1016</sup> *Transcript of evidence*, 19 June 2012, p. 301.

<sup>1017</sup> *Transcript of evidence*, 19 June 2012, pp. 321-325.

<sup>1018</sup> *Transcript of evidence*, 19 June 2012, pp. 325-326.

<sup>1019</sup> *Transcript of evidence*, 19 June 2012, pp. 330-333.

<sup>1020</sup> *Transcript of evidence*, 19 June 2012, p. 333.

<sup>1021</sup> *Transcript of evidence*, 19 June 2012, p. 333.

filters and proper back flowing in place, they have the capacity to take material which is in the ground into their network, and ACTEW get pretty narked about that.<sup>1022</sup>

## RECOMMENDATION 123

- 10.5 **The Committee recommends that the ACT Minister for the Environment and Sustainable Development create a new restricted plumbing licence for landscapers under the *Construction Occupations (Licensing) Act 2004* (ACT).**

## Planning delivery

- 10.6 The Committee dealt with the following issues:
- concerns raised about building work commenced on a Page house prior to ACT Planning and Land Authority (ACTPLA) approval, which resulted in a family's home being without a roof since late 2011;<sup>1023</sup>
  - lessee obligations regarding the maintenance of residential blocks;<sup>1024</sup>
  - process for seeking a waiver from paying fees for delayed building developments;<sup>1025</sup> and
  - matters arising from the recommendations of the Auditor-General's report 'Development Application and Approval System for High Density Residential and Commercial Developments', No. 4/2012.<sup>1026</sup>

## Development application processing times

- 10.7 While the 2012-13 Budget includes a funding allocation for the initiative 'Maintaining Service Delivery for Development Assessment',<sup>1027</sup> the Committee is concerned with delays in the processing of Development Applications.

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<sup>1022</sup> *Transcript of evidence*, 19 June 2012, p. 333.

<sup>1023</sup> *Transcript of evidence*, 19 June 2012, pp. 283-285.

<sup>1024</sup> *Transcript of evidence*, 19 June 2012, p. 303.

<sup>1025</sup> *Transcript of evidence*, 19 June 2012, pp. 305-307.

<sup>1026</sup> *Transcript of evidence*, 19 June 2012, pp. 310-315.

<sup>1027</sup> 2012-13 Budget Paper No. 3, p. 125.

- 10.8 The Committee discussed the time taken to approve the Rock Development Group's Belconnen Markets precinct redevelopment proposal.<sup>1028</sup>
- 10.9 The Committee was advised that the proposal had been a complicated one because of the nature of the proposals that the proponents had put forward, and that there were a number of reasons why the approval process had taken longer than usual.<sup>1029</sup>
- 10.10 In response to a question taken on notice, the Committee was advised that the relevant Development Application (DA) had been lodged on 31 May 2010 and was conditionally approved on 11 May 2012. However, during this time the DA was with the proponent for approximately 16 months, which represented the time for consultations between the proponent and relevant government entities to be completed, and revised or further information to be submitted by the proponent.<sup>1030</sup>
- 10.11 The issue of DA processing times had also been considered as part of the ACT Auditor-General's report on the 'Development Application and Approval System for High Density Residential and Commercial Developments', which concluded, among other things, that:
- The Environment and Sustainable Development Directorate did not meet the statutory processing timeframes of 30 and 45 days for high density residential and commercial developments in the majority (85%) of complex development applications reviewed by Audit.<sup>1031</sup>
- 10.12 The Committee also highlighted the report's finding that the average time taken for the DAs sampled was approximately 78 working days,<sup>1032</sup> which is

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<sup>1028</sup> *Transcript of evidence*, 19 June 2012, pp. 307–310 (QToN No. 78).

<sup>1029</sup> *Transcript of evidence*, 19 June 2012, pp. 307–308.

<sup>1030</sup> Answer to Question Taken on Notice E12-78, dated 4 July 2012.

<sup>1031</sup> ACT Auditor-General's Office (2012) *Performance Audit Report - Development Application and Approval System for High Density Residential and Commercial Developments – Environment and Sustainable Development Directorate*, Report No. 4/2012, 18 June 2012, p. 47.

<sup>1032</sup> *Transcript of evidence*, 19 June 2012, p. 314.

33 days longer than the upper statutory time limit for merit track assessed development proposals.<sup>1033</sup>

- 10.13 The Committee also notes that in relation to the processing of DAs during the 2010-11 financial year, only 50 per cent of high density residential, and 52 per cent of commercial, DAs were decided within statutory time limits.<sup>1034</sup>

## RECOMMENDATION 124

- 10.14 **The Committee recommends that the ACT Government advises the Legislative Assembly, by the last sitting day of this Assembly, how it will improve the timeliness of the ACT's Development Application processes.**

## Planning policy

- 10.15 The Committee dealt with the following issues:
- planning responsibility for the upgrade of Constitution Avenue;<sup>1035</sup>
  - whether the transfer of ACTPLA to the Environment and Sustainable Development Directorate (ESDD) has resulted in a greater environmental emphasis on planning;<sup>1036</sup>
  - the status of the referrals under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) for the designated suburbs of Throsby and Kenny in Gungahlin;<sup>1037</sup>
  - the expected timeframe for the completion of all environmental assessments for Throsby;<sup>1038</sup>
  - the mechanism for identifying potential sites for urban infill;<sup>1039</sup>

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<sup>1033</sup> ACT Auditor-General's Office. Performance Audit Report 'Development Application and Approval System for High Density Residential and Commercial Developments' Report No. 4/2012, 18 June 2012, p. 48.

<sup>1034</sup> Answer to Question Taken on Notice E12-79, dated 4 July 2012.

<sup>1035</sup> *Transcript of evidence*, 19 June 2012, pp. 302-303.

<sup>1036</sup> *Transcript of evidence*, 19 June 2012, pp. 315-317.

<sup>1037</sup> *Transcript of evidence*, 19 June 2012, pp. 317-318.

<sup>1038</sup> *Transcript of evidence*, 19 June 2012, pp. 318-319.

<sup>1039</sup> *Transcript of evidence*, 19 June 2012, pp. 319-320.

- discussions regarding the proposed East Lake development and the relocation of the Kingston Railway Station and Historical Railway Society;<sup>1040</sup>
- measuring and reporting on changes in modal shift;<sup>1041</sup>
- the criteria for determining whether additional public consultation is required or modified development applications (DAs);<sup>1042</sup>
- timing of the introduction of new notification provisions for exempt developments;<sup>1043</sup>
- the status of the master planning processes for Kambah, Erindale, Cooleman Court and Oaks Estate;<sup>1044</sup> and
- the implications for the accommodation of planning and other Directorate staff of the decision to not proceed with the proposed ACT Government Office Building.<sup>1045</sup>

### **Master planning**

- 10.16 The Committee sought an update on the status of current master planning processes.<sup>1046</sup>
- 10.17 The Committee was advised that the master plans for Kambah and Erindale Group Centres are with the ACT Government for consideration, and that the Weston Group Centre is still under development and subject to a consultation process with the community.<sup>1047</sup>
- 10.18 The Committee noted that concerns had been raised about the Kambah master plan and was advised that the Government had ensured that the views of west Kambah residents had been taken into account.<sup>1048</sup>

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<sup>1040</sup> *Transcript of evidence*, 19 June 2012, pp. 320-321.

<sup>1041</sup> *Transcript of evidence*, 19 June 2012, pp. 328-329.

<sup>1042</sup> *Transcript of evidence*, 19 June 2012, pp. 326-328.

<sup>1043</sup> *Transcript of evidence*, 19 June 2012, p. 328.

<sup>1044</sup> *Transcript of evidence*, 19 June 2012, pp. 333-335.

<sup>1045</sup> *Transcript of evidence*, 19 June 2012, pp. 335-336.

<sup>1046</sup> *Transcript of evidence*, 19 June 2012, pp. 333-335.

<sup>1047</sup> *Transcript of evidence*, 19 June 2012, p. 333.

<sup>1048</sup> *Transcript of evidence*, 19 June 2012, p. 334.



- 10.19 In relation to Oak's Estate, the Committee was advised that the public consultation on its draft master plan was expected to be finalised in late 2012.<sup>1049</sup>
- 10.20 The Committee was advised that \$1.025 million had been allocated to the master plan program for 2012-13,<sup>1050</sup> but that the list of areas to be covered had not yet been determined.<sup>1051</sup>

## RECOMMENDATION 125

- 10.21 **The Committee recommends that the ACT Government provide the Legislative Assembly by the last sitting day of this Assembly with the list of master planning processes to be undertaken during the 2012-13 financial year.**

## Heritage

- 10.22 The Committee dealt with the following heritage issues:
- the realignment of existing and forecast resources required as a result of the decrease in funding for the ESDD in 2012-13;<sup>1052</sup>
  - the Heritage Unit's involvement in the future development of Lanyon, including in relation to any potential impact of the proposed solar farm at Rose Cottage;<sup>1053</sup>
  - the protection of heritage values at Cuppacumbalong, and the Tralee Hut and Couranga Homestead at Hume;<sup>1054</sup>
  - the current situation with respect to the heritage status for Gold Creek Homestead;<sup>1055</sup>
  - the assessment of development applications in heritage precincts, including public notification processes;<sup>1056</sup>

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<sup>1049</sup> *Transcript of evidence*, 19 June 2012, pp. 334-335.

<sup>1050</sup> Answer to Question Taken on Notice E12-84, dated 4 July 2012.

<sup>1051</sup> *Transcript of evidence*, 19 June 2012, p. 334.

<sup>1052</sup> *Transcript of evidence*, 27 June 2012, pp. 1068-1069.

<sup>1053</sup> *Transcript of evidence*, 27 June 2012, p. 1070.

<sup>1054</sup> *Transcript of evidence*, 27 June 2012, pp. 1070-1072.

<sup>1055</sup> *Transcript of evidence*, 27 June 2012, pp. 1072-1073.

- the inclusion of heritage sites on ACTMAPi,<sup>1057</sup> and
- the assessment of Development Applications for heritage impact.

### **Tralee and Couranga Homesteads**

- 10.23 The Committee sought information regarding the protection of Tralee and Couranga Homesteads in Hume.<sup>1058</sup>
- 10.24 The Committee was advised that the two properties are, respectively, owned and managed by the Land Development Agency and the Territory and Municipal Services Directorate (TAMS).<sup>1059</sup>
- 10.25 The Directorate further advised the Committee that:
- The heritage unit's role and the council's role, by association, is to ensure that the heritage values represented by those properties are not compromised and they give advice to the property manager on how that can be achieved.<sup>1060</sup>
- 10.26 In response to a question taken on notice about the measures adopted to address the recent vandalism of Tralee homestead, the Committee was advised that ACT Property Group, TAMS, as custodian, had 'arranged for periodic checks of the properties to ensure that any vandalism is identified and addressed as soon as possible' and that this would need to continue until the homestead had been renovated to a standard suitable for tenancy.<sup>1061</sup>

### **RECOMMENDATION 126**

- 10.27 **The Committee recommends that the ACT Government immediately prepare specific guidelines for the conservation and management of the Tralee and Couranga Homesteads.**

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<sup>1056</sup> *Transcript of evidence*, 27 June 2012, pp. 1073-1075.

<sup>1057</sup> *Transcript of evidence*, 27 June 2012, pp. 1075-1076.

<sup>1058</sup> *Transcript of evidence*, 27 June 2012, p. 1071.

<sup>1059</sup> *Transcript of evidence*, 27 June 2012, p. 1071.

<sup>1060</sup> Mr Alan Traves, *Transcript of evidence*, 27 June 2012, p. 1071.

<sup>1061</sup> Answer to Question Taken on Notice E12-473, dated 25 July 2012.

## RECOMMENDATION 127

- 10.28 **The Committee recommends that the ACT Government publish criteria for use in determining when a conservation management plan should be prepared for heritage listed properties.**

### **Development application process in heritage precincts**

- 10.29 The Committee is concerned with the process for involving the ACT Heritage Council, in particular with respect to work in heritage areas that is exempt from requiring Development Approval.<sup>1062</sup>

## RECOMMENDATION 128

- 10.30 **The Committee recommends that the ACT Government (a) expedite current discussions between the Heritage Unit in the Environment and Sustainable Development Directorate and the ACT Planning and Land Authority to clarify how work in heritage areas which is exempt from development approval will be better managed and monitored, and (b) publish the outcomes of these discussions.**

## Policy

### **Costs and environmental sustainability of energy use**

- 10.31 The Committee asked the Minister what programs he thought needed to be reviewed as a consequence of the then impending introduction of the Commonwealth carbon pricing. The Minister replied that this pricing meant some 'green schemes' were now unnecessary, the most notable being the New South Wales (NSW) Greenhouse Gas Reduction Scheme, commonly referred to as GGAS.<sup>1063</sup>
- 10.32 The Minister observed that the relevant research literature indicates it is imperative to implement, at the same time as carbon pricing, a range of

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<sup>1062</sup> *Transcript of evidence*, 27 June 2012, pp. 1073–1075.

<sup>1063</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1084.

- complementary emissions abatement measures, particularly energy efficiency and renewable energy ones.<sup>1064</sup>
- 10.33 When the Committee asked whether the Minister thought the Commonwealth carbon price made redundant the ACT's legislated target of achieving by the year 2020, forty per cent less greenhouse gas emissions than the emissions of 1990,<sup>1065</sup> the Minister stated that to the contrary, the Commonwealth's equivalent target is 'too low'.<sup>1066</sup>
- 10.34 The Committee asked the Minister about which costs of 'green schemes' are currently rolled into the price of electricity paid by consumers.<sup>1067</sup>
- 10.35 The Minister responded that the only ACT green scheme costs passed onto consumers are those of the micro and medium feed-in-tariff renewable energy scheme (FIT), which is now closed to new entrants. The Minister said this amounted to a \$26 per year increase to the average household electricity bill.<sup>1068</sup>
- 10.36 The Committee put it to the Minister that the Australian Government's enhanced Renewable Energy Target, contributed to consumer electricity costs. The Minister affirmed that this is the case, but pointed out that 'Commonwealth renewable energy costs have actually decreased by around 13 per cent' in proportional and real terms and are therefore now a lower component of electricity prices.<sup>1069</sup>
- 10.37 The Minister noted that the Government had agreed to the deployment of 40 megawatts of large-scale renewable energy generation in the ACT and estimated that the cost passed through to householders for this will be in the order of \$32 per year per household in the year 2014-15.<sup>1070</sup> He observed that

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<sup>1064</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1084.

<sup>1065</sup> *Climate Change and Greenhouse Gas Reduction Act 2010* (ACT), subsection 7(1)(a) <<http://www.legislation.act.gov.au/a/2010-41/default.asp>>, accessed 2 July 2012.

<sup>1066</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1084.

<sup>1067</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1085.

<sup>1068</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1085.

<sup>1069</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1086.

<sup>1070</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1087.

- this cost would decline 'as the cost of fossil fuel generation rises'.<sup>1071</sup>
- 10.38 There was discussion of how the Independent Competition and Regulatory Commission's recent price determination report<sup>1072</sup> details how much green energy schemes, network charges, and other factors contribute to household electricity bills.<sup>1073</sup>
- 10.39 The Committee observed that the *ACT Sustainable Energy Policy: Energy for a sustainable city 2011-2020* (2011) states that the ACT's renewable energy targets would be reviewed<sup>1074</sup> as part of the finalisation of the *Weathering the Change: Draft Action Plan 2 Pathway to a sustainable and carbon neutral Canberra 2011 – 2060* (2011) (*Weathering the Change 2*)<sup>1075</sup>.<sup>1076</sup>
- 10.40 The Committee requested an update on that review.<sup>1077</sup> The Minister answered that the Plan is currently subject to 'whole-of-government consideration through the cabinet process'.<sup>1078</sup>
- 10.41 The Committee is concerned that no date has been publicly released for finalising *Weathering the Change: Draft Action Plan 2 Pathway to a sustainable and carbon neutral Canberra 2011 – 2060*.

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<sup>1071</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1087.

<sup>1072</sup> Independent Competition and Regulatory Commission (2012) *Final report Retail prices for franchise electricity customers 2012–14, Report 4 of 2012*, June  
<[http://www.icrc.act.gov.au/\\_data/assets/pdf\\_file/0005/249917/Report\\_4\\_of\\_2012\\_June\\_2012.pdf](http://www.icrc.act.gov.au/_data/assets/pdf_file/0005/249917/Report_4_of_2012_June_2012.pdf)>, accessed 2 July 2012.

<sup>1073</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1086.

<sup>1074</sup> ACT (2011) *ACT Sustainable Energy Policy: Energy for a sustainable city 2011-2020*, pp. 4 and 25  
<[http://www.environment.act.gov.au/\\_data/assets/pdf\\_file/0003/232284/EDS\\_ACT\\_Sustainable\\_Energy\\_Policy\\_FA\\_web\\_A.PDF](http://www.environment.act.gov.au/_data/assets/pdf_file/0003/232284/EDS_ACT_Sustainable_Energy_Policy_FA_web_A.PDF)>, accessed 2 July 2012.

<sup>1075</sup> ACT (2011) *Weathering the Change: Draft Action Plan 2 Pathway to a sustainable and carbon neutral Canberra 2011 – 2060*  
<<http://timetotalk.act.gov.au/storage/Climate%20Change%20Strategy%20Action%20Plan%20%20FINAL.pdf>>, accessed 2 July 2012.

<sup>1076</sup> *Transcript of evidence*, 27 June 2012, p. 1119.

<sup>1077</sup> *Transcript of evidence*, 27 June 2012, p. 1119.

<sup>1078</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1119.

## RECOMMENDATION 129

- 10.42 **The Committee recommends that the ACT Government announce a timeframe for finalising *Weathering the Change: Draft Action Plan 2 Pathway to a sustainable and carbon neutral Canberra 2011 – 2060 (2011)*.**
- 10.43 The Committee asked why the Government was not funding its forthcoming energy efficiency scheme enabled by the *Energy Efficiency (Cost of Living) Improvement Act 2012 (ACT)*<sup>1079</sup> via appropriations, rather than via electricity pricing. The Minister responded that the latter is the most cost-efficient way and that householders 'will save in the order of \$300 off their electricity bill over the first three years of the scheme'.<sup>1080</sup>
- 10.44 There was also some discussion of:
- how the HEAT services, including the associated rebate, operate.<sup>1081</sup>
  - how the outreach programs deliver energy efficiency interventions to low income households via community sector organisations.<sup>1082</sup>
  - the reasons for the cessation of the Tune Up Canberra grants for improving the water and energy efficiency of commercial office buildings.<sup>1083</sup>
- 10.45 The Committee asked why Budget Paper 4 indicates that funding in the order of 2.47 million dollars would cease to be provided for some ACTSmart programs.<sup>1084</sup>
- 10.46 The Minister explained that this was due to how the new energy efficiency cost of living scheme will make some ACTSmart programs unnecessary.<sup>1085</sup> The Minister also said that the rainwater tank and IrrigationSmart programs were being discontinued on the basis of the Independent Competition and

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<sup>1079</sup> *Energy Efficiency (Cost of Living) Improvement Act 2012* <<http://www.legislation.act.gov.au/a/2012-17/default.asp>>, accessed 2 July 2012.

<sup>1080</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1086.

<sup>1081</sup> *Transcript of evidence*, 27 June 2012, p. 1094.

<sup>1082</sup> *Transcript of evidence*, 27 June 2012, p. 1113.

<sup>1083</sup> *Transcript of evidence*, 27 June 2012, p. 1113.

<sup>1084</sup> *Transcript of evidence*, 27 June 2012, p. 1095.

<sup>1085</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1095.

- Regulatory Commission's recent assessment<sup>1086</sup> that these programs are relatively cost-ineffective.<sup>1087</sup>
- 10.47 The Minister later wrote to the Committee advising that in fact only the Rainwater Tank Rebate is ceasing, not the IrrigationSmart program.<sup>1088</sup>
- 10.48 When the Committee asked the Minister about the Government's waste reduction priorities, he replied that the highest ranking one was diverting from landfill the dry commercial wastes that would be processed by the forthcoming ACT material recovery facility (MRF). He said that the Government estimates the MRF will treat in excess of 40,000 tonnes of waste per annum.<sup>1089</sup>
- 10.49 The Minister stated that there were 'significant opportunities' in reducing commercial construction wastes and that in the residential sector 'the number one priority' was organic wastes. When asked about organic wastes produced by the commercial sector, the Minister responded that the Government needed to 'capture' it, but it is of a much lesser quantity than household food waste.<sup>1090</sup>
- 10.50 The Committee asked about the Government's response to the *Study of Recycling in High Density Dwellings* report (2012)<sup>1091</sup> which it commissioned, particularly the report's recommendations.<sup>1092</sup> The Minister stated that the Government is considering its response, it will make it public, and that there is

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<sup>1086</sup> Independent Competition and Regulatory Commission (2012) *Draft report Secondary water use in the ACT Report 3 of 2012*, May.

<[http://www.icrc.act.gov.au/\\_data/assets/pdf\\_file/0010/248347/SWU\\_D\\_RepvFinal10May12\\_WHH\\_format\\_for\\_web.pdf](http://www.icrc.act.gov.au/_data/assets/pdf_file/0010/248347/SWU_D_RepvFinal10May12_WHH_format_for_web.pdf)>, accessed 2 July 2012.

<sup>1087</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1096.

<sup>1088</sup> Mr Simon Corbell MLA, Letter of correction dated 23 July 2012. All letters of correction are on the Inquiry webpage <http://www.parliament.act.gov.au/committees/index1.asp?committee=177&inquiry=1053&category=14>, accessed 27 July 2012.

<sup>1089</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1090.

<sup>1090</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1090.

<sup>1091</sup> Hyder Consulting Ltd (2012) *Study of Recycling in High Density Dwellings – ACT Government – Assessment of Options for the Provision of Waste Infrastructure and Procurement Services – Recycling in High Density Residential Buildings*, February.  
<[http://www.environment.act.gov.au/\\_data/assets/pdf\\_file/0018/250146/ACT\\_MUD\\_Report\\_FINA\\_L\\_21\\_Feb\\_2012.pdf](http://www.environment.act.gov.au/_data/assets/pdf_file/0018/250146/ACT_MUD_Report_FINA_L_21_Feb_2012.pdf)>, accessed 1 July 2012.

<sup>1092</sup> *Transcript of evidence*, 27 June 2012, p. 1092.

- not currently a timeframe for this.<sup>1093</sup> The Committee asked about where, and how often, there would be reporting against the new accountability indicator<sup>1094</sup> of the progress of the ACT waste management strategy<sup>1095</sup>. The Minister stated that this reporting would be in ESDD annual reports.<sup>1096</sup>
- 10.51 There was some discussion of the recurring costs of the ACTSmart Office and ACTSmart Business programs<sup>1097</sup> and the accreditation standards of them.<sup>1098</sup> The Minister reported that these programs are assisting shopping centres to divert food waste from landfill.<sup>1099</sup>
- 10.52 The Minister stated that by April 2012 the number of ACTSmart office sites was 188 and the number of accredited offices was 29. The Minister noted that by May 2012, 303 businesses were signed up and 53 accredited under the ACTSmart business program. The Minister also said he expected that 104 individual retailers at the Tuggeranong Hyperdome shopping centre would be accredited in June 2012.<sup>1100</sup>
- 10.53 The Minister stated that the accredited sites' diversion of waste from landfill is 2,419 cubic metres per annum and that there is an increase in mixed recycling from the accredited sites of 844 cubic metres per annum.<sup>1101</sup>

### **Sustainability measures of ACT public sector entities**

- 10.54 The Committee noted how the Government is targeting carbon neutrality in its operations, and asked how Government agencies resource management plans,

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<sup>1093</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1092.

<sup>1094</sup> 2012–13 Budget Paper No. 4, p. 6 Output 1.5: Policy, Accountability Indicator c., p. 316.

<sup>1095</sup> ACT (2011) *ACT Waste Management Strategy – Towards a sustainable Canberra – Reducing waste and recovering resources to achieve a sustainable, carbon neutral Canberra – 2011-2025* <[http://www.environment.act.gov.au/\\_data/assets/pdf\\_file/0008/238994/EDS\\_ACT\\_Waste\\_Strategy\\_Policy\\_FA\\_1.pdf](http://www.environment.act.gov.au/_data/assets/pdf_file/0008/238994/EDS_ACT_Waste_Strategy_Policy_FA_1.pdf)>, accessed 1 July 2012.

<sup>1096</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1089.

<sup>1097</sup> *Transcript of evidence*, 27 June 2012, p. 1096.

<sup>1098</sup> *Transcript of evidence*, 27 June 2012, pp. 1099-1100.

<sup>1099</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1099.

<sup>1100</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1096.

<sup>1101</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1096.



required by the *Weathering the Change Action Plan 1 2007-2011* (Weathering the Change 1)<sup>1102</sup> are being promoted and monitored.<sup>1103</sup>

- 10.55 The Minister stated ESDD supports agencies to develop clear resource management plans and that the Treasury Directorate and the Chief Minister and Cabinet Directorate have completed their plans. He said all other ACT government agencies were revising plans that were now out-dated since last year's restructure of the ACT Public Service.<sup>1104</sup>
- 10.56 The Minister also pointed out that the Justice and Community Safety Directorate and the Health Directorate had 'dedicated environmental sustainability officers' and that other ACT public sector entities, such as the Canberra Institute of Technology (CIT) and the Legislative Assembly, have other 'mechanisms' by which they improve their environmental sustainability.<sup>1105</sup>
- 10.57 The Minister was asked how many ACT Government agencies had completed a climate vulnerability assessment as required under Weathering the Change 1.<sup>1106</sup> The Minister took this question on notice.<sup>1107</sup>
- 10.58 The Minister stated that a total of nearly \$7 million is now available in a revolving loan facility to government agencies to implement energy efficiency practices and reduce the carbon footprint of their operations.<sup>1108</sup> This consists of \$5 million in this Budget and \$1.9 million for the resource management fund.
- 10.59 The Committee notes that funding for the resource management fund in this year's Budget has been reduced from the total of \$3 million constituted by \$2 million provided by the 2011-12 Budget<sup>1109</sup> plus the \$1 million for the energy

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<sup>1102</sup>ACT (2007) *Weathering the Change - Action Plan 1 2007-2011*, Action 8, p.13  
<[http://www.environment.act.gov.au/\\_data/assets/pdf\\_file/0014/240332/Action\\_Plan3.pdf](http://www.environment.act.gov.au/_data/assets/pdf_file/0014/240332/Action_Plan3.pdf)>, accessed 1 July 2012.

<sup>1103</sup> *Transcript of evidence*, 27 June 2012, p. 1117.

<sup>1104</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1117.

<sup>1105</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1118.

<sup>1106</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1118.

<sup>1107</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1118.

<sup>1108</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1116.

<sup>1109</sup> 2012-13 Budget Paper No. 4, p. 304.

efficiency fund (the previous name for the resource management fund) provided by the 2007-08 Budget<sup>1110</sup>.

- 10.60 The Committee is concerned that only two Directorates have finalised their respective Resource Management Plans, despite this being a requirement of Weathering the Change 1 and a critical means of achieving carbon neutrality in Government operations.
- 10.61 Given that this year's Budget increases the funding available for the implementation of Resource Management Plans, the Committee considers that these Plans should all be finalised before the end of this financial year.

### RECOMMENDATION 130

- 10.62 **The Committee recommends that all ACT Government Directorates be required to finalise their respective Resource Management Plans by no later than 30 June 2013.**

#### Nature conservation

- 10.63 The Committee asked for clarification of the Accountability Indicator 'Review the draft Nature Conservation Strategy for public consultation' for delivery in January 2013.<sup>11111112</sup>
- 10.64 The Executive Director of Policy stated that the Strategy will be the implementation plan for the *Nature Conservation Act 1980*, once that Act is reviewed and amended. He explained that this review was contingent on Council Of Australian Government (COAG) decisions on 'a nationally consistent approach to cross-border areas of nature conservation and protection'.<sup>1113</sup>
- 10.65 The Executive Director of Policy noted that, nonetheless, the government already has a draft Strategy 'flagging the issues that a strategy will cover

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<sup>1110</sup> 2007-08 Budget Paper No. 3, p. 62.

<sup>1111</sup> 2012-13 Budget Paper No. 4, Output 1.5: Policy, Accountability Indicator k., p. 316.

<sup>1112</sup> *Transcript of evidence*, 27 June 2012, p. 1116.

<sup>1113</sup> Mr Alan Traves, *Transcript of evidence*, 27 June 2012, p. 1078.

rather than detailing the strategy'.<sup>1114</sup>

10.66 The Committee questioned how long the *Nature Conservation Act 1980* (ACT)<sup>1115</sup> had been under review. The Executive Director of Policy said he believed it had been for 'a number of years before the formation of this directorate [ESDD]'.<sup>1116</sup> The Minister elaborated that ESDD had extensively engaged with stakeholders to update the Act so that it can 'deal with more complex issues—for example, offset management...for protection of areas of biodiversity'.<sup>1117</sup>

10.67 The Minister said:

Whilst I appreciate that some members would be concerned that this process seems to have taken quite a long time, and whilst I share those concerns to a degree, I am also very conscious of the fact that this is a very complex area of policy and there are strong views amongst stakeholders as to how the new legislation should operate.<sup>1118</sup>

10.68 The Committee queried how long it would be before the amendments were introduced to the Legislative Assembly. The Minister stated that they would not be tabled during this Assembly, but that it is 'feasible that there will be an exposure draft released before the October election'.<sup>1119</sup>

10.69 The Committee is concerned with the lengthy delay incurred in finalising the review of the *Nature Conservation Act 1980*. There is still no commitment as to when the legislation will be finalised apart from the Minister's statement that an exposure draft can be expected before the ACT election in October 2012.

## RECOMMENDATION 131

10.70 **The Committee recommends that finalisation of the review of the *Nature Conservation Act 1980* (ACT) should be assigned high priority**

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<sup>1114</sup> Mr Alan Traves, *Transcript of evidence*, 27 June 2012, p. 1078.

<sup>1115</sup> *Nature Conservation Act 1980* (ACT) <<http://www.legislation.act.gov.au/a/1980-20/default.asp>>, accessed 27 June 2012.

<sup>1116</sup> Mr Alan Traves, *Transcript of evidence*, 27 June 2012, p. 1078.

<sup>1117</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1078.

<sup>1118</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1078.

<sup>1119</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1079.

**status and additional resources allocated to it to avoid further delay.**

- 10.71 The Committee requested information on ESDD work on biodiversity offsets and how it relates to COAG decision-making. The Executive Director of Policy responded that ESDD had built a biodiversity offsets calculator; that it had been tested by ACT Public Service agencies, such as the Land Development Agency; and that ESDD had refined it on the basis of their feedback.<sup>1120</sup>
- 10.72 The Executive Director of Policy noted that the Commonwealth has conferred with ESDD to inform the Commonwealth's development of a national approach to biodiversity offsets. He also commented that the ACT would be one of the largest beneficiaries of a national approach because the ACT 'is surrounded entirely by New South Wales'. He also observed that there may be a COAG outcome on this national approach by May 2013.<sup>1121</sup>
- 10.73 The Committee understands that the development of the biodiversity offsets policy depends to some extent on COAG decisions. Nonetheless, the Committee is concerned about the lack of Government consultation with the community in the policy development process so far. To date, the public has been largely uninformed about it.

#### **RECOMMENDATION 132**

- 10.74 **The Committee recommends that the biodiversity offsets policy be subject to community consultation before it is finalised and that greater transparency be adopted in the policy development process.**

#### **RECOMMENDATION 133**

- 10.75 **The Committee recommends that until the biodiversity offsets policy is agreed to by the Council of Australian Governments, interim ACT biodiversity offsets guidelines be developed and adopted on the basis of the results of Government's consultations with the community.**

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<sup>1120</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1079.

<sup>1121</sup> *Transcript of evidence*, 27 June 2012, p. 1079.

## RECOMMENDATION 134

- 10.76 **The Committee recommends that there be a specific budget allocation for biodiversity monitoring and reporting, and strategic and accountability indicators for biodiversity outcomes, in appropriate ACT government documents, including forthcoming ACT Budget Papers.**
- 10.77 The Committee asked whether the Minister would release the report it commissioned on the roles and functions of the Conservator of Flora and Fauna. The Minister stated that he would consider it.<sup>1122</sup> The Director-General stated the report had been 'considered by the group reviewing the Nature Conservation Act' because the Conservator is one of the 'fundamental elements' of the Act.<sup>1123</sup>
- 10.78 Given that the Conservator is fundamental to the operation of the *Nature Conservation Act 1980*, the Committee is concerned that the report on the review of the Conservator's role and functions has not been publicly released.

## RECOMMENDATION 135

- 10.79 **The Committee recommends that the ACT Government make public the Environment and Sustainable Development Directorate report on the roles and functions of the Conservator of Flora and Fauna.**

### State of the Environment Report 2011 and Government policies

- 10.80 The Committee asked the Minister for his evaluation of relevant Government policies in light of the Commissioner for Sustainability and the Environment's *ACT State of the Environment Report 2011*,<sup>1124</sup> including its findings on the growth of the ACT ecological footprint.<sup>1125</sup>
- 10.81 The Minister stated that the Report confirmed that:

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<sup>1122</sup> *Transcript of evidence*, 27 June 2012, pp. 1120-1121.

<sup>1123</sup> Mr David Papps, *Transcript of evidence*, 27 June 2012, p. 1120.

<sup>1124</sup> Office of the ACT Commissioner for Sustainability and the Environment (2012) *ACT State of the Environment Report 2011* (released April 2012) <<http://www.envcomm.act.gov.au/actsoe2011/land-water-theme.html>>, accessed 2 July 2012.

<sup>1125</sup> *Transcript of evidence*, 27 June 2012, p. 1080.

...the policy settings the government is putting in place are the ones he [the Commissioner] is looking for as we tackle...patterns of consumption in the territory and what that means for the impact on the local environment.<sup>1126</sup>

- 10.82 By way of example, the Minister cited that the ACT has the 'best resource recovery rate in the country'<sup>1127</sup> and the Government is introducing measures to increase this rate as stated in the ACT Government's waste strategy<sup>1128, 1129</sup>. The measures the Minister pointed to included, but were not limited to, the ACTSmart recycling program, as well as the ACT's implementation of the national e-waste program.<sup>1130</sup>

## Environment Protection and Water Regulation

### The Environment Protection Authority

- 10.83 The Committee stated it understood that the EPA function was being reviewed and sought information on the basis of the review and its finalisation date. The Minister responded that the ESDD Director-General had commissioned the review and that it was of the EPA's 'operations and opportunities for enhancement...'<sup>1131</sup>
- 10.84 The Director-General added that the EPA review was complementary to the review of the *Environment Protection Act 1997* and that it would be finalised 'within the next two or three months' and not made public.<sup>1132</sup>

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<sup>1126</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1080.

<sup>1127</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1081.

<sup>1128</sup> ACT (2011) *ACT Waste Management Strategy – Towards a sustainable Canberra – Reducing waste and recovering resources to achieve a sustainable, carbon neutral Canberra – 2011-2025* <[http://www.environment.act.gov.au/\\_data/assets/pdf\\_file/0008/238994/EDS\\_ACT\\_Waste\\_Strategy\\_Policy\\_FA\\_1.pdf](http://www.environment.act.gov.au/_data/assets/pdf_file/0008/238994/EDS_ACT_Waste_Strategy_Policy_FA_1.pdf)>, accessed 1 July 2012.

<sup>1129</sup> *Transcript of evidence*, 27 June 2012, p. 1082.

<sup>1130</sup> *Transcript of evidence*, 27 June 2012, p. 1082.

<sup>1131</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1101.

<sup>1132</sup> Mr David Papps, *Transcript of evidence*, 27 June 2012, p. 1102.

10.85 Given that the Government's review of the EPA is seeking opportunities for enhancement of the EPA, the Committee considers that the report should be publicly released.

### RECOMMENDATION 136

10.86 **The Committee recommends that the ACT Government make public the report on the review of the operations of the Environment Protection Authority.**

10.87 The Committee asked what agreements are in place with the Queanbeyan City Council in relation to its sewerage works located in the ACT. The EPA responded that the Council holds an environmental authorisation with the EPA under the *Environment Protection Act 1997*. He explained that this authorisation prescribes the standards that apply to discharges from the Queanbeyan sewerage treatment plant.<sup>1133</sup>

10.88 When asked whether monies related to the plant's operations were exchanged between the ACT and the Council, the EPA stated that the Council pay the ACT a fee for the discharges that they emit. The Minister stated that it is the Council that would be able to answer any questions about any network fees.<sup>1134</sup>

10.89 The Committee asked the Minister and EPA about the upgrade of the plant to 'flood-proof' it.<sup>1135</sup> The Minister reported that he did not know the timetable for that upgrade and that he was not aware of any ACT monies being invested in it.<sup>1136</sup> The EPA stated that any involvement would be him conferring with the plant about how the upgrade increased the plant's capacity to not adversely impact on the environment.<sup>1137</sup>

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<sup>1133</sup> Mr Daniel Walters, *Transcript of evidence*, 27 June 2012, pp. 1102-1103.

<sup>1134</sup> Mr Daniel Walters, *Transcript of evidence*, 27 June 2012, p. 1100.

<sup>1135</sup> *Transcript of evidence*, 27 June 2012, pp. 1102-1103.

<sup>1136</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1102.

<sup>1137</sup> Mr Daniel Walters, *Transcript of evidence*, 27 June 2012, p. 1102.

10.90 There was discussion about:

- any breaches of the environmental authorisation for the Queanbeyan sewerage works, and, if there has been breaches, any remedial action, compensation, or fines that resulted.<sup>1138</sup>
- the education of, and agreements with, property developers, for soil erosion control and the associated compliance inspections, warnings and infringement notices.<sup>1139</sup>
- how industry, like fuel storage facilities are required by their licences from the EPA to monitor their discharges and the enforcement of anti-dumping and other legislation for the prevention of water pollution.<sup>1140</sup>
- the monitoring program that collects data reported in the annual ACT water report and the frequency of monitoring of the quality of storm-water flowing into Canberra's lakes.<sup>1141</sup>
- the specific locations of Lake Burley Griffin foreshores for which the ACT Government, rather than the Commonwealth Government, is responsible.<sup>1142</sup>

### **Staffing matters**

10.91 The Committee asked how ESDD would continue to deliver services given the decreases in funding for Output Sub-Classes 1.5 Policy and 1.6 Environment Protection and Water Regulation.<sup>1143</sup> The Director-General explained that achieving ESDD's savings would involve reducing staff numbers and making changes in ESDD's procurement of supplies and services.<sup>1144</sup> He also noted the 'resources realignment process' would be completed within two to three months.<sup>1145</sup>

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<sup>1138</sup> *Transcript of evidence*, 27 June 2012, pp. 1100-1101.

<sup>1139</sup> *Transcript of evidence*, 27 June 2012, p. 1105.

<sup>1140</sup> *Transcript of evidence*, 27 June 2012, p. 1108.

<sup>1141</sup> *Transcript of evidence*, 27 June 2012, p. 1107.

<sup>1142</sup> *Transcript of evidence*, 27 June 2012, p. 1104.

<sup>1143</sup> *Transcript of evidence*, 27 June 2012, p. 1068.

<sup>1144</sup> Mr David Papps, *Transcript of evidence*, 27 June 2012, pp. 1068-1069.

<sup>1145</sup> *Transcript of evidence*, 27 June 2012, p. 1069.



- 10.92 The Committee asked what impacts this would have on Full Time Equivalents in staffing (FTE). The Director-General responded that while it was known that ESDD has a target of 445 FTE for the financial year 2012-13, 'We do not yet have figures for the years beyond 2012-13'.<sup>1146</sup> The Minister took a question on notice asking for the current breakdown of FTE in each part of ESDD.<sup>1147</sup>
- 10.93 The Committee is concerned that ESDD is responsible for a range of legislative and policy reforms that are now overdue including, among others, the review of the *Nature Conservation Act 1980* and finalisation of *Weathering the Change 2*. The Committee considers that if this is due to a lack of staffing, appropriate staffing should be assigned to complete these reforms.

### RECOMMENDATION 137

- 10.94 **The Committee recommends that appropriate staffing resources should be allocated to develop and report on the review of the *Nature Conservation Act 1980* (ACT) and finalise the ACT *Weathering the Change: Draft Action Plan 2 Pathway to a sustainable and carbon neutral Canberra 2011 – 2060* (2011).**
- 10.95 The Committee asked about the arrangements being made for appointment of a Commissioner for Sustainability and the Environment.<sup>1148</sup>
- 10.96 The Minister stated he had recently extended the appointment of the Acting Commissioner until the end of the calendar year and that the Government would then undertake an advertised, merit-based selection process.<sup>1149</sup> After the hearing, the Minister wrote to the Committee stating that he had been mistaken and that the Acting Commissioner was actually appointed until 6 September 2012.<sup>1150</sup>

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<sup>1146</sup> *Transcript of evidence*, 27 June 2012, p. 1068.

<sup>1147</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1068.

<sup>1148</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1115.

<sup>1149</sup> Mr Simon Corbell MLA, *Transcript of evidence*, 27 June 2012, p. 1115.

<sup>1150</sup> Letter from Mr Simon Corbell MLA, Minister for the Environment and Sustainable Development dated 28 June 2012  
<<http://www.legassembly.act.gov.au/committees/index1.asp?committee=177&inquiry=1053&category=14>>, accessed 2 July 2012.

10.97 The Committee is concerned that there does not appear to be a clear process or timeframe for appointing an on-going Commissioner.

### RECOMMENDATION 138

10.98 **The Committee recommends that the Minister for the Environment and Sustainable Development promptly progress plans for the appointment of an ongoing Commissioner for Sustainability and establish a deadline for the appointment.**

#### Capital initiatives/works

10.99 There was some discussion of the capital works that ESDD collectively refer to as the Canberra Integrated Urban Waterways project.<sup>1151</sup> This canvassed:

- the recommendation of the Independent Competition and Regulatory Commission that the Government conduct cost-benefit analysis of the north Canberra water reticulation network to inform decisions about rolling out similar networks.<sup>1152</sup>
- how due to this Independent Competition and Regulatory Commission recommendation, the north Weston-Molonglo storm-water harvesting scheme has been delayed due to delays in the construction of the north Weston ponds and has been down-scaled.<sup>1153</sup>
- how owing to protracted wet weather the inner north storm water reticulation network will be completed in June 2013, and the Gungahlin valley ponds and storm-water harvesting scheme in December 2012, rather than in June 2014 and May 2012, respectively, as stated in last year's Budget Papers.<sup>1154</sup>

10.100 There was also discussion of the:

- cost of the inner north Canberra storm water reticulation network project.<sup>1155</sup>

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<sup>1151</sup> ACT (2011) *Environment and Sustainable Development Directorate Annual Report 2010–11*, p.10 <[http://www.environment.act.gov.au/\\_data/assets/pdf\\_file/0006/233286/1027-ESDD\\_AnnualReport2011\\_web.pdf](http://www.environment.act.gov.au/_data/assets/pdf_file/0006/233286/1027-ESDD_AnnualReport2011_web.pdf)>, accessed 2 July 2012.

<sup>1152</sup> *Transcript of evidence*, 27 June 2012, p. 1109.

<sup>1153</sup> *Transcript of evidence*, 27 June 2012, p. 1098.

<sup>1154</sup> *Transcript of evidence*, 27 June 2012, p. 1098.

<sup>1155</sup> *Transcript of evidence*, 27 June 2012, p. 1097.

- reasons for delays in the replacement of storm-water drains with wetlands.<sup>1156</sup>

## Office of the Commissioner for Sustainability and the Environment

10.101 The Output Class for the Office of the Commissioner for Sustainability and the Environment (the Commissioner) is 'Publication of the State of the Environment Report, investigation of complaints by Ministerial direction, or where a Territory agency's actions may have a substantial impact on the environment.'<sup>1157</sup> This is essentially a summary of the duties of the Commissioner prescribed by the *Commissioner for Sustainability and the Environment Act 1993*.<sup>1158</sup>

10.102 The Acting Commissioner was unable to appear before the Committee, due to being on leave. Instead, on 28 June 2012, the Committee heard from one of the Senior Managers of the Office of the Commissioner for Sustainability and the Environment (the Office).<sup>1159</sup>

10.103 In this hearing, the Committee heard evidence from the Senior Manager on, among other things:

- the Office's funding;
- issues highlighted in the Commissioner's *ACT State of the Environment Report 2011 (2012) (SOER 2011)* and *Report on the state of the watercourses and catchments for Lake Burley Griffin (2012) (Lake Report)*;
- the Office's expected work program for the forthcoming year;
- the Office's handling of complaints and enquiries; and

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<sup>1156</sup> *Transcript of evidence*, 27 June 2012, p. 1098.

<sup>1157</sup> ACT (2012) *ACT Budget 2012-2013, Budget Paper 4*, EBT Office of the Commissioner for Sustainability and the Environment, p. 313.

<sup>1158</sup> *Commissioner for Sustainability and the Environment Act 1993*, Parts 3 and 4 <<http://www.legislation.act.gov.au/a/1993-37/default.asp>>, accessed 1 July 2012.

<sup>1159</sup> *Transcript of evidence*, 28 June 2012, <<http://www.parliament.act.gov.au/committees/index1.asp?committee=177&inquiry=1053>>, accessed 2 July 2012

- delegations providing for the Office's work to continue in the absence of the Acting Commissioner.

### **The Office's funding**

- 10.104 The Committee asked about what appeared to be a 25 per cent decrease in the Budget's funding of the Office.<sup>1160</sup>
- 10.105 The Senior Manager said the reason the funding figure was lesser than that in last year's Budget papers is because the Office had 'rolled-over' savings each year to fund the four-yearly ACT state of the environment report and those savings had now been spent to undertake SOER 2011, released in April 2012. The Senior Manager stated this meant that the financial year 2012-2013 was the beginning of another cycle of roll-overs of yearly savings up until the next state of the environment report.<sup>1161</sup>
- 10.106 When asked whether the Office had sufficient funding to discharge its functions, the Senior Manager stated that she believed it did for 'the role we have at the moment'.<sup>1162</sup>

### **The Lake Report**

- 10.107 The Committee questioned which of the recommendations of the Lake Report could be 'implemented quickly at no or low cost, with the least bureaucratic process and with good outcomes for the health of the lake'.<sup>1163</sup>
- 10.108 The Senior Manager stated that the Lake Report did not cost the recommendations or give them an order of priority.<sup>1164</sup> She said that the Report instead put a 'holistic approach' and that the recommendations 'need to be combined together rather than one aspect looked at above and beyond necessarily any other...'<sup>1165</sup>

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<sup>1160</sup> *Transcript of evidence*, 28 June 2012, p. 1144.

<sup>1161</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1144.

<sup>1162</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1144.

<sup>1163</sup> *Transcript of evidence*, 28 June 2012, p. 1147.

<sup>1164</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1147.

<sup>1165</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, pp. 1147-1148.

- 10.109 The Committee asked which body should take the lead in implementing the recommendation that the ACT, New South Wales Government, and NSW local governments surrounding the ACT establish a Burley Griffin-Molonglo-Queanbeyan catchment management agreement. The Senior Manager responded that 'I do not think there is a particular group that should be the one...We would like to see everyone take the initiative...' <sup>1166</sup>
- 10.110 The Committee queried whether the Lake Report investigation ascertained whether community groups, such as Waterwatch, are being adequately supported to undertake the monitoring or cleaning of lakes and catchments. <sup>1167</sup>
- 10.111 The Senior Manager stated that the Lake Report and the SOER 2011 highlight that 'the ornithological group, as well as other park care, land care groups' play a 'significant role' and 'should be supported where possible' but that the Office did not look at the costs of supporting them or related matters. <sup>1168</sup>
- 10.112 The Committee asked about what timeframe the Office envisaged for implementation of the Lake Report's recommendations and how the Office would monitor implementation. The Senior Manager answered that the Office would like to see implementation 'as soon as is possible and practicable' and that the Office's annual reports would report on the progress of implementation. <sup>1169</sup>

### **ACT State of the Environment Report 2011**

- 10.113 The Committee asked about the timeframe in which it was reasonable to expect improvements on the increases in waste generation, and other adverse developments in the ACT environment described in the SOER 2011. In response, the Senior Manager underscored that the SOER 2011 contained findings on multiple issues. She also said each one involved a different 'geographic as well as temporal and spatial frame' and a 'complex interaction between ecological systems, social systems and economic systems'. <sup>1170</sup>

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<sup>1166</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1148.

<sup>1167</sup> *Transcript of evidence*, 28 June 2012, p. 1149.

<sup>1168</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1149.

<sup>1169</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1148.

<sup>1170</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1152.

- 10.114 The Senior Manager's answer was in the same vein, when the Committee asked if she could elaborate on the Report's comment that investment in infrastructure that provides sustainable transport options needs to be reconsidered.<sup>1171</sup> She said that the Office did not advocate any one solution and that a 'holistic' approach is necessary.<sup>1172</sup>
- 10.115 The Senior Manager elaborated that in the case of new urban developments, consideration of environmentally sustainable transport options should occur 'as early as possible'. She also noted that there needs to be assessment of what transport modes are most appropriate for each area of the ACT.<sup>1173</sup>
- 10.116 When asked if any of the findings of the SOER 2011 were surprising, the Senior Manager stated that she thought they were similar to those in similar surveys of the environment across Australia.<sup>1174</sup> The Committee queried whether, nonetheless, any of the findings were more concerning than others.<sup>1175</sup>
- 10.117 The Senior Manager responded that the most important findings were the subject of Report recommendations and that 'vigilance' is necessary because 'there are a lot of pressures coming towards us in terms of population, urban growth and climate change'.<sup>1176</sup>
- 10.118 The Committee asked whether the Commissioner had come to a view about the optimal way to manage population growth.<sup>1177</sup> The Senior Manager answered that the Office had not undertaken work on population matters and has no 'project focused on population coming up in the next financial year'. She further explained: 'It is important in our office that we do as much research and background on that before we come to any particular view...'<sup>1178</sup>

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<sup>1171</sup> *Transcript of evidence*, 28 June 2012, p. 1152.

<sup>1172</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1153.

<sup>1173</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1144.

<sup>1174</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1144.

<sup>1175</sup> *Transcript of evidence*, 28 June 2012, p. 1144.

<sup>1176</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1145.

<sup>1177</sup> *Transcript of evidence*, 28 June 2012, p. 1146.

<sup>1178</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1146.

## The Office's work program

10.119 When asked about the Office's work program for the financial year 2012-2013, the Senior Manager outlined that the Office would be:

- examining the implications in terms of 'practical decision-making' of the legislation passed in May 2012, which expanded the Commissioner's functions to investigating complaints about 'issues relating to ecologically sustainable development in the ACT'.<sup>1179</sup>
- analysing the SOER 2011, and NSW local government state of the environment reports due in July 2012, to ascertain the 'drivers' of environmental issues across the Australian Capital Region<sup>1180, 1181</sup>
- continuing to conduct those investigations and handle those complaints that the Act makes the remit of the Commissioner.<sup>1182</sup>

## Complaints handling

10.120 When posed the questions 'How substantial does a complaint need to be before it gets investigation' and is 'a one-line email' enough, the Senior Manager answered that complaints arrive as emails, letters and telephone calls and that the Office consulted with the complainants to 'talk them through what we do, what the process is and what it is that they are after'.<sup>1183</sup>

10.121 The Senior Manager also noted that the subject of complaints could range from the environmental implications of the felling of one tree or the building of a whole housing estate and each required an individual response.<sup>1184</sup>

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<sup>1179</sup> The *Commissioner for the Environment Amendment Act 2012* (now repealed because its provisions have now been incorporated into the *Commissioner for Sustainability and the Environment Act 1993*) made several amendments to the then *Commissioner for the Environment Act 1993*. One of these created subsection 12(1)(a)(ii) of the *Commissioner for Sustainability and the Environment Act 1993*. That subsection provides that the Commissioner has as one of several functions, investigating complaints about 'issues relating to ecologically sustainable development in the ACT'.

<sup>1180</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1147.

<sup>1181</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1146.

<sup>1182</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1146.

<sup>1183</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1150.

<sup>1184</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1150.

10.122 When asked how the Office applied the provision of the Act that permits the Commissioner to deem that a complaint is 'frivolous or vexatious', the Senior Manager stated that that subsection had not been applied to date.<sup>1185</sup>

### **Staffing matters**

10.123 The Committee asked what delegations were in place while the Acting Commissioner is away. The Senior Manager stated that delegations 'to continue the current operations of the office' had been made by the Commissioner. The Committee asked if an officer had been made an acting commissioner during the Acting Commissioner's period of leave.<sup>1186</sup>

10.124 The Senior Manager stated this was not the case. When asked what this meant for certain matters that might arrive at the Office, the Senior Manager answered: '...you would have to ask the department in terms of the statutory role, or the minister. That is something that they have control over.'<sup>1187</sup>

10.125 The Committee is concerned that relevant legislation does not allow for circumstances where there is no Commissioner for Sustainability and the Environment and no Acting Commissioner has been appointed.

### **RECOMMENDATION 139**

10.126 **The Committee recommends that the Government review how the *Commissioner for Sustainability and the Environment Act 1993 (ACT)* can provide for circumstances where there is no Commissioner for Sustainability and the Environment and no Acting Commissioner has been appointed.**

### **Questions taken on notice**

10.127 Many of the Committee's questions asked for the Acting Commissioner's position on various matters. Because the Acting Commissioner was not at the hearing, these questions were taken on notice.

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<sup>1185</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1150.

<sup>1186</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1150.

<sup>1187</sup> Ms Sarah Burrows, *Transcript of evidence*, 28 June 2012, p. 1151.



10.128 These questions regarded the Commissioner's views on:

- whether the Government has implemented the correct policies to address the issues evidenced in the SOER 2011;<sup>1188</sup>
- whether there has been reasonable progress since the previous SOER;<sup>1189</sup>
- how the Government will be implementing the recommendation of the SOER 2011 regarding community education about consumption and waste;<sup>1190</sup>
- how urban development should be managed, especially given how it is discussed in SOER 2011;<sup>1191</sup>
- the benefits of urban wetlands in terms of water quality;<sup>1192</sup> and
- the timeframe for seeing improvements in the health of the Lake as a result of implementation of the Lake Report's recommendations.<sup>1193</sup>

10.129 The questions taken on notice also regarded whether the Commissioner:

- had been consulted on the quality control standards for, or aspects of the operations of, the upgrade of the Queanbeyan sewerage treatment plant, and if so, what feedback the Commissioner provided and what the ACT government's response has been to that feedback.<sup>1194</sup>
- was aware of any progress the Government has made in implementing the recommendation that the government develop operational plans for all nature reserves made in the *Report on Canberra Nature Park (nature reserves), Molonglo River Corridor (nature reserves) and Googong Foreshores Investigation (2011)*.<sup>1195</sup>

10.130 The Committee is concerned that the Commissioner was on leave at the time of the Estimates hearings and that arrangements were inadequate for the

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<sup>1188</sup> *Transcript of evidence*, 28 June 2012, p. 1145.

<sup>1189</sup> *Transcript of evidence*, 28 June 2012, p. 1152.

<sup>1190</sup> *Transcript of evidence*, 28 June 2012, p. 1146.

<sup>1191</sup> *Transcript of evidence*, 28 June 2012, p. 1146.

<sup>1192</sup> *Transcript of evidence*, 28 June 2012, pp. 1148-1149.

<sup>1193</sup> *Transcript of evidence*, 28 June 2012, p. 1147.

<sup>1194</sup> *Transcript of evidence*, 28 June 2012, p. 1147.

<sup>1195</sup> *Transcript of evidence*, 28 June 2012, p. 1151.

Commissioner to authorise responses to questions taken on notice and questions on notice.<sup>1196</sup>

10.131 The Committee appreciates that the Senior Manager who provided evidence at the hearing did her utmost to inform the Committee.

#### **RECOMMENDATION 140**

10.132 **The Committee recommends that the Minister appoint an acting commissioner for sustainability and the environment when the commissioner or acting commissioner is on leave or legislate for which position in the Office of the Commissioner for Sustainability and the Environment becomes the acting commissioner, when the commissioner or acting Commissioner is unavailable.**

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<sup>1196</sup> All questions on notice and questions taken on notice were answered on time and authorised from overseas by the ACT Commissioner for Sustainability and the Environment, in an email authorised for publication by the Committee.

# 11 OFFICE OF THE LEGISLATIVE ASSEMBLY AND ACT AUDITOR- GENERAL

## Office of the Legislative Assembly

### Use of the Discretionary Office Allocation for publications

- 11.1 The Committee was particularly interested in the approval process for the distribution of parliamentary or electorate information, which is on the approved list subject to the following qualification:
- These items are allowed only on the basis that the service or goods being used relate to the members parliamentary and/or electorate responsibilities and do not amount to party political or campaign use. Members may be asked to sign a declaration to that effect when making claims.<sup>1197</sup>
- 11.2 The Speaker explained that most publications distributed under the Discretionary Office Allocation (DOA) are dealt with by the Legislative Assembly's Corporate Services unit (Corporate Services) and do not come to him for approval. However, in cases where a member disagrees with the advice they have been given by Corporate Services as to whether or not a publication constitutes campaign or political material, the matter may be escalated.<sup>1198</sup> The Speaker estimated that he had been involved in approving publications on only half a dozen occasions in the Seventh Assembly.<sup>1199</sup>
- 11.3 The Committee pursued the issue of what matters can be covered by publications without being considered campaign or political material. The Speaker responded by noting that it was difficult to provide definitive rulings

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<sup>1197</sup> ACT Legislative Assembly (2012) *Members' Guide*, April, pp. 124–125.

<sup>1198</sup> Mr Shane Rattenbury MLA, *Transcript of evidence*, 29 June 2012, pp. 1327–1328.

<sup>1199</sup> Mr Shane Rattenbury MLA, *Transcript of evidence*, 29 June 2012, p. 1327.

on whether certain terms can or cannot be used in publications as the context in which they are used must also be assessed. It is for this reason that members are encouraged to seek the advice of Corporate Services prior to incurring expenditure on publications that may subsequently be deemed not to meet this criterion.<sup>1200</sup>

### **Introduction of electronic petitions**

- 11.4 The Committee was interested in an update on the introduction of electronic petitions (e-petitions). The Speaker told the Committee that he had hoped progress would have been quicker on this project. In the main, more time has been required to ensure compatibility with Shared Services ICT's processes and systems. Notwithstanding this, the Speaker was hopeful that the e-petition functionality would be available mid-August 2012. The Speaker commented:

It is, unfortunately, rather late for this Assembly, but we will have it in place and it will be there ready; people can start petitioning for the next Assembly. I guess that is the way it will turn out with the Assembly finishing up two-thirds of the way through August. It is not ideal, but it will be there for the future.<sup>1201</sup>

### **RECOMMENDATION 141**

- 11.5 **The Committee recommends that the Office of the Legislative Assembly institute, as soon as possible, an electronic system by which the general public can lodge petitions with the ACT Legislative Assembly.**

#### **Other issues**

- 11.6 Other issues raised at the estimates hearing of 29 June 2012 in relation to the Office of the Legislative Assembly included:

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<sup>1200</sup> Mr Shane Rattenbury MLA, *Transcript of evidence*, 29 June 2012, p. 1333.

<sup>1201</sup> Mr Shane Rattenbury MLA, *Transcript of evidence*, 29 June 2012, pp. 1330.

- occasions when the Speaker had stood aside, where a decision was pending, on the grounds of a conflict of interest (real or perceived).<sup>1202</sup>
- employee savings arising from the Office of the Legislative Assembly moving its financial processing in house.<sup>1203</sup>
- progress on the development of a new Assembly website in 2012–13 to enhance community access and to improve accessibility.

11.7 The Committee was also interested in the website's functionality and whether it would have a better and more intuitive search function.<sup>1204</sup>

### Questions on notice

11.8 At the hearings no questions were taken on notice in relation to the Office of the Legislative Assembly. The Committee forwarded no questions on notice to the Speaker.

## ACT Auditor-General's Office

11.9 Major issues discussed with the Auditor-General included the following.

### Funding to support growth in the performance audit function

11.10 The Committee discussed with the Auditor-General that a funding model to support growth in the performance audit function had been factored into the Office's 2012–13 Budget and its outyears. The Auditor-General told the Committee that:

I am very pleased to present the 2012-13 budget papers for my office. We are particularly pleased to receive additional funding for our performance audits. In practical terms, the additional funding of \$250,000 per annum roughly equates to a rather large performance audit in one year or over two years, two medium and one small.<sup>1205</sup>

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<sup>1202</sup> *Transcript of evidence*, 29 June 2012, pp. 1332–1333.

<sup>1203</sup> *Transcript of evidence*, 29 June 2012, p. 1330.

<sup>1204</sup> *Transcript of evidence*, 29 June 2012, pp. 1323–1324.

<sup>1205</sup> *Transcript of evidence*, 29 June 2012, p. 1339.

- 11.11 The Committee is pleased that a funding model supporting growth in the performance audit program will be initiated as part of the 2012–13 Budget. The Committee is firmly of the view that the Assembly and the ACT community would be served well by the cost-effectiveness of such an investment in terms of its contribution towards: (i) strengthening accountability for government performance; and (ii) identifying improvements in public administration and delivery of services.
- 11.12 The Committee notes, however, that additional audit reports will further contribute to the already significant workload of the Standing Committee on Public Accounts, which is required by its resolution of appointment to examine all reports of the Auditor-General that are presented to the Legislative Assembly. The Committee emphasises that review of additional performance audit reports will add to the significant workload of the Public Accounts Committee and its Secretariat. The resource implications of this additional workload, in particular for the Secretariat, need to be appropriately considered and addressed.

### **Other issues**

- 11.13 Other issues raised at the estimates hearing of 29 June 2012 in relation to the ACT Auditor-General's Office included:
- challenges for staff recruitment, success of recent recruitment rounds in the current market and whether the Office had a full complement of staff.<sup>1206</sup>
  - explanation for why the Audit Office does not report its accountability indicators against each of the Audit Office's objectives and strategies in the Budget Papers. Under the *Financial Management Act 1996* (ACT), there is no requirement for the Audit Office to report against accountability indicators.<sup>1207</sup>

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<sup>1206</sup> *Transcript of evidence*, 29 June 2012, p. 1341; 1345.

<sup>1207</sup> *Transcript of evidence*, 29 June 2012, pp. 1340–1341.

- detail/information on the numbers, nature and response to representations and public interest disclosures received by the Office during 2011–12.<sup>1208</sup>
- the 2012–13 performance audit program and compliance with the accountability indicator targeting completion of performance audits within seven months.<sup>1209</sup>
- views of the Auditor-General as to whether directorates' internal audit reports should be published.<sup>1210</sup>
- strategies to encourage and support opportunities for staff to develop skills, in particular, how the Office ensures that staff are informed and up to date with regard to changes to Australian accounting standards and auditing standards.<sup>1211</sup>
- whether the Office accesses professional training and other opportunities run by the Australian National Audit Office.<sup>1212</sup>

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<sup>1208</sup> *Transcript of evidence*, 29 June 2012, pp. 1343–1344.

<sup>1209</sup> *Transcript of evidence*, 29 June 2012, p. 1347.

<sup>1210</sup> *Transcript of evidence*, 29 June 2012, p. 1348.

<sup>1211</sup> *Transcript of evidence*, 29 June 2012, pp. 1346–1347.

<sup>1212</sup> *Transcript of evidence*, 29 June 2012, pp. 1346–1347.





## 12 COMMUNITY AND INDUSTRY REPRESENTATIVE GROUPS

- 12.1 The Committee sought feedback from a number of representative groups in the ACT community on the ACT 2012-2013 Budget in response to a Committee survey on the Budget. In early June 2012, approximately 166 groups were invited to respond to this survey. A copy of the Committee Survey is at Appendix B, Volume 3, in this Report.
- 12.2 The survey was also distributed via the Community Development Network ACT (CDNet). At the time of this Report, CDNet had a mailing list of over 1400 people in the ACT region.
- 12.3 The Committee received 13 responses to the Survey. A public hearing of representatives of some community groups who responded to the Survey was held on Friday 15 June 2012. Appendix A of Volume 3, in this Report provides a full list of the names and positions of these representatives.
- 12.4 The Committee recognises that the analysis provided in the community groups' Survey responses and witness testimony was a valuable basis for questions put to Ministers and Directorates during the hearings.

### **People with Disabilities ACT**

- 12.5 People with Disabilities ACT (PWDACT) is a systemic advocacy group for people with disabilities to represent their views and interests. PWDACT works for improved access to information and community activities and to inform the community about disability issues.<sup>1213</sup> PWDACT's emphasis is on representing to government appropriate and best forms of support in areas

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<sup>1213</sup> People With Disabilities ACT < <http://www.pwdact.org.au/>>, accessed 2 July 2012.

such as access to public transport and venues, as well as community services.<sup>1214</sup>

- 12.6 The PWDACT response to the Committee Survey highlighted the insufficient provision for new spending on disability programs, the lack of any provision for transition to the National Disability Insurance Scheme (NDIS), and the lack of funding for advocacy services for the disabled, including such ACT bodies as ACT Disability, Aged and Carer Advocacy Service (ADACAS) and Advocacy for Inclusion.<sup>1215</sup>
- 12.7 The Committee also notes the evidence from PWDACT that the Budget Papers are not available online in a format accessible for people who are blind or vision impaired.<sup>1216</sup>
- 12.8 PWDACT emphasised to the Committee that advocacy, access and support for what is a large group in the ACT – some 18 per cent in Canberra – is inadequate. PWDACT particularly highlighted the importance that advocacy can play in the relations people with disability have with government, social welfare and support agencies, commerce, health services and others.<sup>1217</sup>

#### **RECOMMENDATION 142**

- 12.9 **The Committee recommends that all ACT Government documents, including the Budget papers each year, be available online in a format that is accessible for people who are blind or vision impaired.**

#### **RECOMMENDATION 143**

- 12.10 **The Committee recommends that the ACT Government promote its services in written formats that are accessible to people who are blind or vision impaired.**

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<sup>1214</sup> *Transcript of evidence*, 15 June 2012, p. 1.

<sup>1215</sup> Mr Robert Altamore OAM CM, *Transcript of evidence*, 15 June 2012, pp. 2-3.

<sup>1216</sup> Mr Robert Altamore OAM CM, *Transcript of evidence*, 15 June 2012, p. 4.

<sup>1217</sup> *Transcript of evidence*, 15 June 2012, pp. 6-7.

## ACT Shelter

12.11 The role of ACT Shelter is to provide advocacy and advice on policy issues that impact on housing justice for people on low to moderate incomes, and provided the Committee with views and feedback on housing and homelessness issues.<sup>1218</sup>

12.12 ACT Shelter stressed in its Survey response that its principal concern in relation to the Budget was how the Budget deals with what ACT Shelter sees as a housing crisis in the ACT.

12.13 In its presentation to the Committee, ACT Shelter noted that:

The combined factors of extremely high private rental and not enough social housing mean that a very large proportion of Canberrans—around 40 per cent—are battling to pay mortgages or rent. Housing stress and even homelessness are now very real experiences for many people in our territory.<sup>1219</sup>

12.14 ACT Shelter explained:

While we applaud the efforts of the government over the past 10 years through a series of affordable housing action plans, we feel this has done very little to alleviate the situation. Housing is now more unaffordable than ever.<sup>1220</sup>

12.15 ACT Shelter told the Committee its primary concerns were the inadequate provision for the expansion of ACT social housing, homelessness support receiving only minimal further funding and no significant allocation for improvement of housing affordability.<sup>1221</sup>

12.16 In discussions with the Committee, ACT Shelter noted what other groups also underline, including the appearance of a new group of people who basically have never approached a charity or welfare organisation, but now find mortgage or rent stress so great they need significant support. ACT Shelter

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<sup>1218</sup> ACT Shelter <<http://www.actshelter.net.au/>>, accessed 2 July 2012.

<sup>1219</sup> Ms Leigh Watson, *Transcript of evidence*, 15 June 2012, p. 9.

<sup>1220</sup> Ms Leigh Watson, *Transcript of evidence*, 15 June 2012, p. 9.

<sup>1221</sup> *Transcript of evidence*, 15 June 2012, pp. 9-10.

stated that often for people in paid, but low paying employment, the cost of housing has become a major and insupportable pressure.<sup>1222</sup> In addition, the pressure on the available housing stock is increasing, rather than being managed down, and the history of such programs over the last 10 years has not been effective.<sup>1223</sup>

- 12.17 ACT Shelter noted the initiatives in community housing offer innovative ideas, but have, in the case of the ACT Land Rent Scheme been utilised by the 'financially savvy' to exploit a scheme which is not capped according to income. ACT Shelter also noted that the knowledge of the ACT Land Rent Scheme and how it worked had not been well publicised to the intended recipients.<sup>1224</sup>
- 12.18 The Committee's discussion with ACT Shelter canvassed the Government's frameworks for affordable housing programs, particularly the Affordable Housing Action Plan Phases I and II packages and initiatives. In its testimony, ACT Shelter noted that Affordable Housing Action Plan Phase III was being launched on the day of the Committee's hearing, 15 June 2012.<sup>1225</sup>
- 12.19 ACT Shelter agreed that an independent review of stages I and II of the Affordable Housing Action Plan would be useful.<sup>1226</sup>

#### RECOMMENDATION 144

- 12.20 **The Committee recommends that the ACT Government commission an independent review of stages I and II of the ACT Affordable Housing Action Plan.**
- 12.21 Recommendations 118, 119 and 120, in Chapter 9 of this Report, address matters arising from the Committee's examination of the Community Services Directorate housing programs.

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<sup>1222</sup> *Transcript of evidence*, 15 June 2012, p. 11.

<sup>1223</sup> *Transcript of evidence*, 15 June 2012, pp. 13-14.

<sup>1224</sup> Ms Leigh Watson, *Transcript of evidence*, 15 June 2012, pp. 14-15.

<sup>1225</sup> Ms Leigh Watson, *Transcript of evidence*, pp. 9-11.

<sup>1226</sup> *Transcript of evidence*, 15 June 2012, pp. 17-18.

12.22 The Committee sought ACT Shelter's views on measures which may alleviate current housing stress in Canberra. ACT Shelter told the Committee that measures introduced to encourage purchase of housing, such as stamp duty concessions, could be improved:

From what I understand, for instance, the stamp duty concessions are only available if you purchase new dwellings. A lot of the cheaper properties are not new dwellings. So there is going to be no advantage in that.<sup>1227</sup>

12.23 The Committee notes that ACT Revenue Office information currently advises that the Home Buyer Concession Scheme provides assistance to persons in purchasing a residential home or residential vacant land by charging duty at a concessional rate. The eligibility criteria for this concession are :

- for existing properties, transactions entered into between 6 June and 31 August 2012, with the total gross income threshold being \$120,000; and
- for new or substantially renovated properties, transactions entered into between 6 June and 31 August 2012, with the total gross income threshold being \$150,000.<sup>1228</sup>

## RECOMMENDATION 145

12.24 **The Committee recommends that (a) all first home buyers, with incomes below a reasonable limit, receive the same stamp duty concessions for the purchase of their first homes whether they are existing, new, or substantially renovated properties; and (b) that the Government consider extending this concession beyond 31 August 2012.**

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<sup>1227</sup> Ms Angela Seymour, *Transcript of evidence*, 15 June 2012, p. 17.

<sup>1228</sup> ACT Revenue Office, 'Home Buyer Concession, 6 June 2012 to 31 December 2012' webpage <[http://www.revenue.act.gov.au/home\\_buyer\\_assistance/home\\_buyer\\_duty\\_concession/6\\_June\\_2012\\_-\\_31\\_December\\_2012](http://www.revenue.act.gov.au/home_buyer_assistance/home_buyer_duty_concession/6_June_2012_-_31_December_2012)>, accessed 29 July 2012.

## Youth Coalition of the ACT

- 12.25 The Youth Coalition of the ACT is the peak ACT body for youth affairs and people aged 12 to 25 years old. The Youth Coalition represents and advocates on behalf of young people and also works closely with a range of services that support young people in the ACT.<sup>1229</sup>
- 12.26 The Youth Coalition drew attention to a number of welcome Budget measures relating to youth affairs. These included the identification of Blueprint for Youth Justice actions. They also included continued funding for the Street Law outreach legal service for the homeless; the \$3.2 million over the next four years for the Canberra Institute of Technology (CIT) Year 12 program and disability support; and \$150,000 over three years for services provided by A Gender Agenda.<sup>1230</sup>
- 12.27 Of particular concern to the Youth Coalition was the decision not to act on the lack of forward commitment to early intervention and prevention services for vulnerable children and young people and other families and the systemic funding for the Child, Youth and Family Services Program (CYFSP). The Youth Coalition stated there is a strong need for strategic investment to address workforce capacity, recruitment and retention across community service delivery, including youth and family services.<sup>1231</sup>
- 12.28 The Youth Coalition emphasised a number of the elements of the support services it saw as essential to programs for youth support, particularly early intervention efforts and workforce development.<sup>1232</sup>
- 12.29 The Youth Coalition also told the Committee that they and others had made a bid to the Government, in May 2012, for further funding of CYFSP in the order of \$1.3 million.<sup>1233</sup>
- 12.30 The Youth Coalition specifically noted that:

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<sup>1229</sup> Youth Coalition of the ACT <<http://www.youthcoalition.net/>>, accessed 2 July 2012.

<sup>1230</sup> Ms Erin Barry, *Transcript of evidence*, 15 June 2012, p. 19.

<sup>1231</sup> *Transcript of evidence*, 15 June 2012, p. 20.

<sup>1232</sup> *Transcript of evidence*, 15 June 2012, pp. 21-24.

<sup>1233</sup> Ms Erin Barry, *Transcript of evidence*, 15 June 2012, p. 20.

In our letter, we advocated for additional funding of \$1.3 million to be allocated to the CYFSP in recognition of the shortfall that we are now experiencing in service delivery in the CYFSP. An example of that, as you would be aware, is that the CYFSP has a focus on assertive outreach. The Youth Coalition advocates that there needs to be a balance of service delivery, including assertive outreach but also anchored delivery, and that this is not being achieved in the CYFSP, particularly through the reduction in and sometimes closure of youth drop-in services that we have seen.<sup>1234</sup>

- 12.31 The Youth Coalition also informed the Committee of the experiences of other services similar to CYFSP and that a sound and useful evaluation framework for CYFSP going forward from 2012-13 is important.<sup>1235</sup>
- 12.32 Chapter 9 of this Report also discusses issues related to CYFSP and its projected funding. This discussion is at paragraphs 9.131 to 9.133, inclusive.

#### RECOMMENDATION 146

- 12.33 **The Committee recommends that the ACT Government report to the Assembly on ongoing funding for the Child, Youth and Family Services Program and why the Youth Coalition of the ACT Budget proposal was not supported.**
- 12.34 The Committee sought the Youth Coalition's experience and views on the problem presented by the proportion of young people who move from juvenile detention to the mainstream prison population.
- 12.35 The Youth Coalition told the Committee that transitional support for young people moving out of juvenile detention is a key factor, and that intensive transitional services are a goal, but a very costly goal. The Youth Coalition stressed that transitional services have the potential benefit of providing support to prevent a person needing accommodation support, or being in detention at a later time.

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<sup>1234</sup> Ms Erin Barry, *Transcript of evidence*, 15 June 2012, p.20.

<sup>1235</sup> *Transcript of evidence*, 15 June 2012, pp. 25-26.

12.36 The Youth Coalition queried whether such a program would be expensive or is a relatively cheap investment in that it could make a difference to that person, and reduce the chances of very high long-term support costs of adults in detention.<sup>1236</sup>

### RECOMMENDATION 147

12.37 **The Committee recommends that the ACT Government monitor and report regularly on (a) the rate of ACT juvenile detainees who are later imprisoned as adults in the Alexander Maconochie Centre; and (b) the rate of ACT juvenile detainees who are later imprisoned as adults in other Australian jurisdictions, if it is possible to obtain the relevant data.**

## ACT Council of Social Service

12.38 The ACT Council of Social Service (ACTCOSS) is the peak representative body for not-for-profit community organisations, and disadvantaged and low-income citizens of the ACT.<sup>1237</sup>

12.39 ACTCOSS' evidence to the Committee concentrated on community sector viability, housing and homelessness, and early intervention services, including justice reinvestment, transport and services for Aboriginal and Torres Strait Islander people.<sup>1238</sup> The general low-growth or no-growth of funding for all programs related to these areas were of ongoing concern, ACTCOSS noted.

12.40 ACTCOSS emphasised its view on a number of gaps in the Budget noted by other community support groups. These included limited further funding, through taxation measures, for housing affordability issues in the ACT and social housing; early intervention services for ACT youth and the lack of funding for CYFSP in the Budget. The latter funding was actively sought by a number of groups in a submission to the Government in May 2012.<sup>1239</sup>

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<sup>1236</sup> *Transcript of evidence*, 15 June 2012, pp. 25-6.

<sup>1237</sup> ACTCOSS <<http://www.actcoss.org.au/>>, accessed 2 July 2012

<sup>1238</sup> Ms Kiki Korpinen, *Transcript of evidence*, 15 June 2012, pp. 28-29.

<sup>1239</sup> Ms Kiki Korpinen, *Transcript of evidence*, 15 June 2012, pp. 29-30.



- 12.41 ACTCOSS raised the lack of ongoing 'block funding' for the community sector, but noted that the joint government-community group established to improve sector viability and reduce red tape is welcome.<sup>1240</sup> The general low-growth or no-growth of funding for all programs related to these areas were of ongoing concern, ACTCOSS noted.
- 12.42 ACTCOSS noted that its proposed 15 per cent increase of funding to the community sector was ambitious, but that it reflects the needs analysis and costings ACTCOSS has conducted.<sup>1241</sup> ACTCOSS explained that areas such as the skill base of the sector's workforce, attracting staff and retaining staff, are important bearing in mind the sector was working at or over its capacity.<sup>1242</sup>
- 12.43 ACTCOSS stressed its main concerns in relation to affordable housing issues are inadequate provision of the expansion of social housing, homelessness support only receiving minimal new funding, and no significant allocations for improving housing affordability.
- 12.44 ACTCOSS commented on the affordable housing strategy, including the announcement of Phase III of the Affordable Housing Action Plan on 15 June 2012. It saw the initiative as positive, but drew the Committee's attention to ACTCOSS' experience in the increasing level of mortgage and rent stress and the resulting requests for emergency relief.<sup>1243</sup>
- 12.45 ACTCOSS observed that housing affordability is not exclusively about the cost of a dwelling alone and that liveability, transport and utilities increases may require concessions to prevent more families in housing stress with resulting social isolation and preventable health problems.<sup>1244</sup>
- 12.46 ACTCOSS also noted that initiatives such as land tax reforms may result in cheaper rent, but only if landlords choose to reduce rents, and that a desirable

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<sup>1240</sup> *Transcript of evidence*, 15 June 2012, pp. 29-30.

<sup>1241</sup> Ms Jenny Kitchin, *Transcript of evidence*, 15 June 2012, p. 29.

<sup>1242</sup> Ms Jenny Kitchin, *Transcript of evidence*, 15 June 2012, pp. 31-32.

<sup>1243</sup> *Transcript of evidence*, 15 June 2012, pp. 33-34.

<sup>1244</sup> Ms Kiki Korpinen, *Transcript of evidence*, 15 June 2012, pp. 28-9.

target for the funding that has been allocated for implementation of affordable housing measures would be rental affordability.<sup>1245</sup>

## RSPCA ACT

- 12.47 The Royal Society for the Prevention of Cruelty to Animals ACT (RSPCA ACT)<sup>1246</sup> presented its views on the Budget to the Committee and highlighted the role it plays in the proper control and care of unwanted and stray animals, as well as fulfilling its wider role of affording support to owners of companion animals, caring for injured wild animals, and performing its inspectorate services.<sup>1247</sup>
- 12.48 RSPCA ACT told the Committee that it had a 'fairly protracted negotiation process' with the ACT Government on its funding agreement for 2011-12 and that it resulted in 'significant underpayments or under-value'.<sup>1248</sup> RSPCA ACT noted it had put specific propositions to the Government during the Budget formulation process, including a bid for specific funding for cat control of \$186,000, for which no funding was forthcoming.<sup>1249</sup>

### RECOMMENDATION 148

- 12.49 **The Committee recommends that the ACT Government adequately fund the RSPCA ACT for the services that they deliver.**

### RECOMMENDATION 149

- 12.50 **The Committee recommends that the ACT Government detail the funding it has provided RSPCA ACT for RSPCA ACT's delivery of town cat control services.**
- 12.51 The Committee notes that these matters raised by RSPCA ACT were also discussed at the Committee's hearing of the Chief Minister and officers of the

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<sup>1245</sup> Ms Kiki Korpinen, *Transcript of evidence*, 15 June 2012, pp. 28-9.

<sup>1246</sup> Royal Society for the Prevention of Cruelty to Animals ACT (RSPCA ACT) <<http://rspca-act.org.au/>>, accessed 2 July 2012.

<sup>1247</sup> *Transcript of evidence*, 15 June 2012, p. 37.

<sup>1248</sup> Mr Michael Linke, *Transcript of evidence*, 15 June 2012, p. 37.

<sup>1249</sup> *Transcript of evidence*, 15 June 2012, pp. 37-38

Domestic Animals Services section of the Territory and Municipal Services Directorate, on 22 June 2012.<sup>1250</sup>

- 12.52 The Committee notes that matters related to long-term accommodation for the RSPCA have not yet been resolved. In its testimony, RSPCA ACT impressed on the Committee that planning for a new animal shelter needs to be for the next '25, 30, 45, 50 years in Canberra' and account for how Canberra is a growing city.<sup>1251</sup>

## RECOMMENDATION 150

- 12.53 **The Committee recommends that the ACT Government provide a timeline to the Legislative Assembly for the relocation of the RSPCA.**

## ACT Aboriginal and Torres Strait Islander Elected Body

- 12.54 The ACT Aboriginal and Torres Strait Islander Elected Body (the Elected Body) is established under the *ACT Aboriginal and Torres Strait Islander Elected Body Act 2008* (ACT). It consists of seven people representing the interests of the local Aboriginal and Torres Strait Islander community and provides direct advice to the ACT Government.<sup>1252</sup>
- 12.55 The Elected Body provided the Committee with a summary of the Elected Body's experiences, comments and concerns regarding the 2012-13 Budget. These were concerns over information which would assist the progress of implementation of the Aboriginal and Torres Strait Islander justice agreement with the ACT Government; education issues, including the workforce employed in Koori preschools in the ACT; and health issues, including expenditure and programs to address Closing the Gap initiatives.<sup>1253</sup>
- 12.56 The Elected Body underlined that:

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<sup>1250</sup> *Transcript of evidence*, 22 June 2012, pp. 650-653.

<sup>1251</sup> Mr Michael Linke, *Transcript of evidence*, 15 June 2012, pp. 40-41.

<sup>1252</sup> ACT Aboriginal and Torres Strait Islander Elected Body <<http://www.atsieb.com.au/>>, accessed 2 July 2012.

<sup>1253</sup> Mr Rod Little, *Transcript of evidence*, 15 June 2012, pp. 46-47.

In our [the Elected Body's specific] estimates-style process, we use the justice agreement to guide us to ask those questions, to look for the reflections in the annual reports of departments. We use the overcoming disadvantage report to see if there is any impact. We also use the Indigenous expenditure report to see how much money is being spent in Indigenous affairs and then try to measure the impact or seek evidence of the impact on what the departments and service providers are doing.

We cannot really see that. We understand that we have a fairly small jurisdiction, and we expect that we should not have this level of disadvantage in this jurisdiction. We feel that quite often we are not being consulted or we are not participating in the process and in the development of programs and advice. We expect that in accordance with our functions under the legislation. We feel that in some of the budget items that came up for this year, that process has not been satisfactory. We have not participated in that process satisfactorily enough.<sup>1254</sup>

- 12.57 The Committee was given more detail on the level of consultation between the Elected Body and the ACT Government, including the lack of a remunerated part-time or full-time Elected Body chair, because the funding of a chair position would allow a greater level of contact with the Aboriginal and Torres Strait Islander community and better feedback to the ACT Government.<sup>1255</sup>
- 12.58 The essential message from the Elected Body was that consultation with the Community Services Directorate was not at a level which would allow the Elected Body to confidently develop its role. This gap was partly due to the limited time available to Elected Body members to carry out their respective roles, and partly due to the limited resources, particularly secretariat support provided by the Directorate to the Elected Body.<sup>1256</sup>
- 12.59 The Committee also discussed the Community Helping Aboriginal Australians to Negotiate Choices leading to Employment and Success (CHANCES) program stating that its funding for only one year has made it difficult for the

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<sup>1254</sup>Mr Rod Little, *Transcript of evidence*, 15 June 2012, p. 46.

<sup>1255</sup>*Transcript of evidence*, 15 June 2012, pp. 48-50.

<sup>1256</sup>*Transcript of evidence*, 15 June 2012, pp. 50-51.

Elected Body to assist with the program's development. The Elected Body stated it is critical for this program to be evaluated so that it may be considered for future funding.<sup>1257</sup>

- 12.60 Recommendation 109 of this Report, at paragraph 9.87, also addresses CHANCES. Further, Recommendation 107 at paragraph 9.84, and Recommendation 108 at paragraph 9.85, respectively address the ACT Government's secretariat services to, and its engagement with, the Elected Body.

## Association of Independent Schools of the ACT

- 12.61 The Association of Independent Schools of the ACT represents 17 independent schools in Canberra.<sup>1258</sup>
- 12.62 The Association told the Committee the basis for its 2012-13 Budget submission to the Government emphasis three main focus areas: recurrent funding, support for capital investment and support for students with a disability. The Association also pointed out its comment in its response to the Committee Survey that 'little to no attempt appears to have been made to respond to the areas of main focus as outlined in our submission'.<sup>1259</sup>
- 12.63 The Association made a specific request for ACT Government funding for non-government school students to be progressively increased to 25 per cent of the funding of students in Government schools in continuing real dollar terms from the current level of around 17.5 per cent of Government student funding. The Association expressed disappointment with how the Budget only provided an indexation increase and did not increase support for capital investment.<sup>1260</sup>

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<sup>1257</sup> Mr Rod Little, *Transcript of evidence*, 15 June 2012, p. 51.

<sup>1258</sup> Association of Independent Schools of the ACT <<http://www.ais.act.edu.au/>>, accessed 2 July 2012.

<sup>1259</sup> Mr Andrew Wrigley, *Transcript of evidence*, 15 June 2012, p. 54.

<sup>1260</sup> *Transcript of evidence*, 15 June 2012, p. 54.

12.64 The Association supported the increase in funding for the ACT Teacher Quality Institute.<sup>1261</sup> The Association also supported the Budget's commitment on supporting students with disability, but noted with concern that it is one-off and one-year funding.<sup>1262</sup>

## **Alcohol, Tobacco and Other Drug Association ACT**

12.65 The Alcohol, Tobacco and Other Drug Association (ATODA) of the ACT<sup>1263</sup> is the peak body for non-government and government programs relating to alcohol, tobacco and other drugs in the ACT. ATODA's stated goal is to seek to prevent harm associated with alcohol, tobacco and other drug use in the ACT.<sup>1264</sup>

12.66 ATODA's Submission to the Budget development process identified several areas of concern. These included the need for alcohol and tobacco management support for vulnerable groups, including staff and detainees at the Alexander Maconochie Centre (AMC); blood-borne virus management in the AMC; and a tertiary outreach clinic, a primary needle and syringe program, and a program of expanding opiate management therapy on the north side of Canberra.<sup>1265</sup>

12.67 In its evidence to the Committee, ATODA emphasised that, whilst not a 'glamorous' area for Government to invest, it is an extremely important one, and governments receive good returns on investment in harm minimisation programs.<sup>1266</sup>

12.68 ATODA emphasised that tobacco usage rate at AMC, and other drug use, remained at an unacceptable level. When asked about indicators of drug use by inmates at AMC, ATODA advised:

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<sup>1261</sup> *Transcript of evidence*, 15 June 2012, p. 55.

<sup>1262</sup> *Transcript of evidence*, 15 June 2012, pp. 58-60.

<sup>1263</sup> Alcohol, Tobacco and Other Drug Association < <http://www.atoda.org.au/>>, accessed 29 July 2012.

<sup>1264</sup> Ms Carrie Fowlie, *Transcript of evidence*, 15 June 2012, p. 63.

<sup>1265</sup> *Transcript of evidence*, 15 June 2012, pp. 63-64.

<sup>1266</sup> Ms Carrie Fowlie, *Transcript of evidence*, 15 June 2012, pp. 64-65.

There was an inmate health survey done and there was a summary report that was done, and a lot of those questions such as those you have raised cannot really be answered. So we have asked for a secondary analysis to be done of the data, to produce a paper that specifically looks at drugs, as is committed to in the summary report—that there will be a series of summary reports on mental health, drug and alcohol, dental health, disability and other issues.<sup>1267</sup>

- 12.69 ATODA noted that alcohol, tobacco and other drug use is stabilising, but that harm minimisation requires diligence, intervention, and ultimately, funding of effective programs, including tobacco management ones for vulnerable groups.<sup>1268</sup>

#### RECOMMENDATION 151

- 12.70 **The Committee recommends that the ACT Government (a) report to the Legislative Assembly on its proposed expenditure during the 2012-2013 financial year for alcohol and other drug services; and (b) clearly state its proposed expenditure for alcohol and other drug services in the budget papers for all future ACT Budgets.**

### **South East Tuggeranong Residents' Association and the Chisholm Community Park Committee**

- 12.71 The three groups combined and put concerns to the Committee regarding several issues of importance to their particular area of Tuggeranong.
- 12.72 Issues raised by Mr Morison of the South East Tuggeranong Residents' Association (SETRA) included a number related to public transport and mobile library services.<sup>1269</sup> Mr Morison of SETRA stated to the Committee that an earlier Government assessment of needs in the area indicated a need for a mobile library stop in Theodore and Calwell. He also noted that, with land

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<sup>1267</sup> Ms Carrie Fowlie, *Transcript of evidence*, 15 June, 2012, pp. 67-8.

<sup>1268</sup> *Transcript of evidence*, 15 June 2012, pp. 68-70.

<sup>1269</sup> *Transcript of evidence*, 15 June 2012, p. 71.

being sold in Isabella Plains and Calwell for aged care accommodation, a need for mobile library services for elderly residents has become apparent.<sup>1270</sup>

- 12.73 Mr Tsoulis, also of SETRA, spoke about park and ride facilities for the Calwell shopping precinct, and noted the delays in progressing park and ride proposals in Calwell, as well as elsewhere in Canberra, such as Kippax.<sup>1271</sup> The Committee noted that the site for the proposed Calwell park and ride facility, while not the same size as major Tuggeranong shopping precincts, would boost access to services for people in that part of Tuggeranong.<sup>1272</sup>
- 12.74 Mr Tsoulis told the Committee the wider benefits to the area of park and ride include expansion of facilities in Calwell to include proposal for other services, and linking with a new bus service to Canberra from Cooma.<sup>1273</sup>
- 12.75 Mr King of the Chisholm Community Park Committee spoke about the Chisholm community's opposition to the development of the Chisholm Community Park into housing. The Committee notes the ACT Government announced on 13 July 2012 that the land will be retained for the Park.<sup>1274</sup>

Ms Amanda Bresnan MLA

Chair

8 August 2012

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<sup>1270</sup> *Transcript of evidence*, 15 June 2012, p. 75.

<sup>1271</sup> *Transcript of evidence*, 15 June 2012, pp. 72, 76.

<sup>1272</sup> *Transcript of evidence*, 15 June 2012, pp. 73-74.

<sup>1273</sup> *Transcript of evidence*, 15 June 2012, pp. 77-78.

<sup>1274</sup> Mr Andrew Barr MLA and Ms Joy Burch MLA (2102) Media Release: 'Chisholm block to be retained as park', 13 July <<http://www.chisholmpark.org/resources/Block-2-Section-590-Chisholm---media-release.pdf>>, accessed 14 July 2012.