

SELECT COMMITTEE ON ESTIMATES 2008-2009

Appropriation Bill 2008-2009

JUNE 2008

Volume 1 - Report

Committee Membership

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Resolution of Appointment

On 10 April 2008, the Assembly resolved that:

1. a Select Committee on Estimates 2008-2009 be established to examine the expenditure proposals contained in the Appropriation Bill 2008-2009 and any revenue estimates proposed by the Government in the 2008-2009 Budget;
2. the Committee be composed of:
 - (a) three Members to be nominated by the Government; and
 - (b) two Members to be nominated by the Opposition.
3. the Committee report by 17 June 2008;
4. 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
5. 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.

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VOLUME 2

DISSENTING REPORT: VICKI DUNNE AND BRENDAN SMYTH

RECOMMENDATIONS

RECOMMENDATION 1

1.11 The Committee recommends that each year the ACT Government provides an indexed set of budget submissions received from stakeholders when the Select Committee on Estimates is established and any additional submissions received prior to the tabling of the ACT Budget.

RECOMMENDATION 2

1.13 The Committee recommends that the manager of government business, in consultation with the opposition and crossbench MLAs, determine the period for Estimates hearings as a formal part of the sitting pattern each year.

RECOMMENDATION 3

1.14 The Committee recommends that a draft programme be prepared by the Committee office by 28 February each year for circulation to Ministers and confirmation prior to the establishment of the Select Committee in order that Ministers are aware of time commitments as early as possible.

RECOMMENDATION 4

1.15 The Committee recommends that the first two government sessions of the hearing schedule be designated for the Treasury portfolio.

RECOMMENDATION 5

1.27 The Committee recommends that the Legislative Assembly amend the Standing Orders to provide specifically for the establishment each year of a select committee on estimates and which also provides for rules for the conduct of the inquiry and for the questions on notice process as do the Standing Orders in the Senate.

RECOMMENDATION 6

1.29 The Committee recommends that all questions taken on notice and all written questions on notice not answered by 17 June 2008 be forwarded to the Speaker for tabling in the Legislative Assembly by the last sitting day in August.

RECOMMENDATION 7

1.34 The Committee recommends that the contents of budget papers be indexed for ease of accessibility to readers particularly those accessing information via the internet.

RECOMMENDATION 8

1.36 The Committee recommends that the budget papers include, in a table format, details of all separately identified initiatives for specific portfolio areas against the appropriate output class.

RECOMMENDATION 9

1.39 The Committee recommends that the Budget Papers include not only details of full-time equivalent (FTE) positions held by public servants, but also details of FTEs held by contractors within agencies.

RECOMMENDATION 10

1.41 The Committee recommends that a breakdown of specific funding allocations to the environment, women's affairs, multicultural affairs, Indigenous affairs, ageing and youth affairs be provided in the budget papers and also requests the provision of separate budget statements in those portfolio areas where they are not already provided.

RECOMMENDATION 11

1.43 The Committee recommends that proper care be taken in providing details on depreciation of projects for inclusion in the budget papers.

RECOMMENDATION 12

1.44 The Committee recommends that the allowances for depreciation of project design amounts in Budget Paper 5 for 2008-09 be corrected prior to the Appropriation Bill No. 1 being passed.

RECOMMENDATION 13

1.47 The Committee recommends that the ACT Government review the accountability indicators used in budget papers for their effectiveness in providing a transparent measure of performance in key areas.

RECOMMENDATION 14

2.4 The Committee recommends that, in addition to indexing the Budget Papers, the Government provide information sessions to the community and a web-based guide about the structure of the budget papers and where specific elements of the budget are detailed.

RECOMMENDATION 15

2.38 The Committee recommends that the Government make a decision about the future of Currong Apartments and their occupants.

RECOMMENDATION 16

3.10 The Committee recommends that the ACT Government provides an update of the budget improvements that have been achieved to date following the introduction of the Shared Services Centre and consequential changes.

RECOMMENDATION 17

3.16 The Committee recommends that the Treasurer report back to the Legislative Assembly when a determination regarding the over- or under-payments to some superannuants has been made.

RECOMMENDATION 18

3.18 The Committee recommends that the Government report to the Legislative Assembly on the outcomes of the Superannuation Strategic Investment Review

RECOMMENDATION 19

4.22 The Committee recommends that strategic indicators that allow for an assessment of government effectiveness in the provision of strategic policy and services for an ageing population be developed.

RECOMMENDATION 20

4.24 The Committee recommends that the Government table the report of the Canberra Theatre feasibility study in the Legislative Assembly before the last sitting day in August 2008.

RECOMMENDATION 21

4.38 The Committee recommends that a State of the Service Report be prepared each year as part of the annual reporting processes by the ACT Government.

RECOMMENDATION 22

5.13 The Committee recommends that, once the Alexander Maconochie Centre is operational, revised indicators in relation to re-offending should be developed.

RECOMMENDATION 23

5.17 The Committee recommends that the Government provides to the Legislative Assembly a detailed strategy for achieving the relocation of the Emergency Services Authority (ESA) headquarters to Fairbairn.

RECOMMENDATION 24

5.23 The Committee recommends that the Government invest in the training and equipping of frontline emergency personnel in the event of a chemical, biological and radiological (CBR) incident.

RECOMMENDATION 25

6.9 The Committee recommends that the Government pursue with vigour the Commonwealth Government either for appropriate compensation or to gain a commitment for completion of the capital works projects previously agreed as compensation for the land swap.

RECOMMENDATION 26

6.14 The Committee recommends that consideration be given to planning for the location of appropriate facilities in Weston Creek to underpin the sense of community in this region.

RECOMMENDATION 27

6.17 The Committee recommends that the intent of the accountability indicators provided in the budget papers be clearly annotated to identify government funding levels and other outputs achieved by the Canberra Institute of Technology.

RECOMMENDATION 28

6.24 The Committee recommends that the Department of Education and Training provide details in their annual report of the progress being made towards improving the indicators of apprentice and employer satisfaction.

RECOMMENDATION 29

6.30 The Committee recommends that the Government publish clear guidelines to students and parents before the end of the 2009 school year on when Gungahlin College will take enrolments, the dates for commencement of teaching and the subjects to be offered in 2010.

RECOMMENDATION 30

6.31 The Committee recommends that the Government provide information nights in 2008 and 2009 for interested families at locations in Gungahlin and through relevant colleges in Belconnen and North Canberra.

RECOMMENDATION 31

6.35 The Committee recommends that the Government table in the Legislative Assembly before the end of August a list of contractual commitments entered into for the refurbishment of ACT schools and the corresponding timeframes for project delivery, including the scope under each contract for project slippage, to demonstrate when it will deliver its School Infrastructure Refurbishment Program.

RECOMMENDATION 32

6.38 The Committee recommends that in determining the range of possible land uses for former school sites closed as a part of the Towards 2020 process, the Government consider a range of land uses consistent with the preferences of the affected local communities.

RECOMMENDATION 33

7.7 The Committee recommends that ACT Health further investigate the causes of aggression towards staff in hospitals.

RECOMMENDATION 34

7.11 The Committee recommends that the ACT Government work with the Commonwealth Government to ensure that the ACT is not disadvantaged by changes to the Commonwealth Medicare levy threshold.

RECOMMENDATION 35

7.12 The Committee recommends that the ACT Government work with the Commonwealth Government to develop strategies that will eliminate the disincentives for people to use their private insurance in the public health system.

RECOMMENDATION 36

7.15 The Committee recommends that the ACT government continue to work with the NSW Government to ensure more streamlined reconciliation processes and payments are established.

RECOMMENDATION 37

7.29 The Committee recommends that the Government report back to the Legislative Assembly on the progress made with Commonwealth agencies towards the development of a chronic disease plan for the ACT.

RECOMMENDATION 38

7.36 The Committee recommends that expenditure and performance indicators for breast cancer programs for both early detection and treatment be provided in the budget papers to allow them to be viewed together rather than in isolation.

RECOMMENDATION 39

7.39 The Committee recommends that, notwithstanding the inherent difficulties, ACT Health explore the possibility of instituting a consolidated waiting list for places at aged care residential facilities.

RECOMMENDATION 40

7.44 The Committee recommends that that the Government develop a men's health plan.

RECOMMENDATION 41

8.18 The Committee recommends that the Government (a) undertake an audit of the occupation of Territory land where no legal arrangements are in place, (b) identify any agreements made with such persons, (c) formalise leases or other legal arrangements with such persons and (d) report to the Legislative Assembly on the steps taken on this matter at the earliest opportunity.

RECOMMENDATION 42

8.27 The Committee recommends that the Government clarifies the rules of interpretation that will be applied by ACTPLA for the purposes of distinguishing between new Development Applications and revised applications in cases where applications have been lodged prior to 31 March 2008 but amended subsequently.

RECOMMENDATION 43

8.29 The Committee recommends that ACTPLA review its policies and procedures to ensure that Development Application approvals are subject to appropriate checks and balances.

RECOMMENDATION 44

8.31 The Committee recommends that the Government simplify paperwork requirements for development applications under the new Territory planning system and that, in future proposed planning system forms be subject to testing to ascertain compliance problems prior to their introduction.

RECOMMENDATION 45

9.10 The Committee recommends that the relevant Minister provide details of car parking arrangements prior to Floriade commencing.

RECOMMENDATION 46

9.21 The Committee recommends that the Minister provide the report into the ACT Legislative Assembly library to the Speaker forthwith.

RECOMMENDATION 47

9.27 The Committee recommends that any increase in patronage of buses is matched by the addition of new buses to the fleet.

RECOMMENDATION 48

9.31 The Committee recommends that funding be made available to facilitate the removal of graffiti on private property adjacent to public property.

RECOMMENDATION 49

9.32 The Committee further recommends that graffiti adorning government owned municipal services buildings be removed immediately.

RECOMMENDATION 50

9.38 The Committee recommends that the State of the Environment report be released by the Minister for the Environment by the end of July 2008.

RECOMMENDATION 51

10.10 The Committee recommends that a review of the current equipment list form part of the current review by the Department of Disability, Housing and Community Services into equipment loans and investigate the inclusion of additional equipment options.

RECOMMENDATION 52

10.18 The Committee recommends that the Minister advise the Assembly once any funding decision regarding an Autism/Asperger's peak body is made and the basis for the decision.

RECOMMENDATION 53

10.38 The Committee recommends that ACT Housing puts in place arrangements to ensure that tenants are not required to undertake maintenance activities which are not part of their responsibilities as tenants.

RECOMMENDATION 54

11.9 The Committee recommends that the Auditor-General's request for funding to implement the requirements of the new professional auditing standard be granted.

1 INTRODUCTION

- 1.1 The Select Committee on Estimates 2008-2009 was established by resolution of the Legislative Assembly on 10 April 2008. The Committee was established to examine the expenditure proposals contained in the Appropriation Bill 2008-2009 and any revenue estimates proposed by the Government in the 2008-2009 Budget. It is required to report to the Assembly by 17 June 2008.
- 1.2 In a change from usual practice, no members of the cross-bench nominated to be included on the Committee for this year. The membership comprised three back-bench members and two opposition members. However, cross-bench MLAs attended many of the hearings and submitted questions on notice in the usual way.

Conduct of the Inquiry

- 1.3 With the tabling of the ACT Budget and Appropriation Bill 2008-2009 occurring on 6 May 2008, the timeframe for the Inquiry was much shorter than for the previous two years. The Committee had six weeks to complete its hearings and report back to the Assembly.
- 1.4 The Committee scheduled eleven days of public hearings between 16 May and 30 May 2008. No spill-over days were scheduled and all ministers and portfolio areas were reviewed by the Committee during this period. A list of all witnesses who appeared before the Committee is available at Appendix A.
- 1.5 Two afternoon hearings were set aside to hear from stakeholder organisations. In total, 19 community groups and associations appeared at the public hearings held on 19 May and 23 May. Lists of community representatives appearing are included in Appendix A. Transcripts of all hearings are available on the Legislative Assembly website.¹

¹ Accessible at <<http://www.hansard.act.gov.au/hansard/2005/comms/default.htm#estimates>>

Submissions from stakeholders

- 1.6 The Select Committee on Estimates 2008-2009 requested copies of the stakeholder submissions to government prepared in the lead up to the annual budget. These were provided to the Committee after the budget and appropriation bill had been tabled on 6 May 2008.
- 1.7 The Select Committee on Estimates 2007-2008 recommended (recommendation 1) in last year's report that these submissions be provided to the Committee following its establishment to assist with preparations for the hearings.²
- 1.8 In responding to this recommendation, the Government agreed in principle but declined to provide these documents at an earlier stage stating that:
- It is not possible to provide the committee with copies upon establishment of the Committee (ie approximately one month prior to Budget presentation) as these documents are used in the development of the Budget.³
- 1.9 The Committee wrote to the Treasurer to restate the case for early provision of the documents noting that the release of the submissions to the Committee would not compromise the integrity of the budget process in any way. Furthermore, it would greatly assist the Assembly's budget scrutiny process by enhancing the planning and preparation undertaken by the Committee prior to the hearings.
- 1.10 The Committee noted that standing order 239 gives Legislative Assembly Committees the power to send for persons, papers and records and reminded the Treasurer of this standing order. However, the Committee was disappointed that the Treasurer did not comply with the Committees' request that the submissions be provided prior to the tabling of the budget.

RECOMMENDATION 1

- 1.11 **The Committee recommends that each year the ACT Government provides an indexed set of budget submissions received from**

² See Select Committee on Estimates 2007-2008, *Appropriation Bill 2007-2008*. Accessible at <http://www.parliament.act.gov.au/downloads/reports/Estimates2007_vol_1%20revised.pdf>

³ Government response to the Select Committee on Estimates 2007-2008, accessible at <<http://www.parliament.act.gov.au/downloads/reports/6th%20Estimates%2007-08.pdf>>

stakeholders when the Select Committee on Estimates is established and any additional submissions received prior to the tabling of the ACT Budget.

Schedule of hearings

- 1.12 The sitting pattern agreed by the Legislative Assembly at the conclusion of each year normally designates the period when estimates hearings will be held in the annual calendar. Despite this clear, early indication of the relevant dates, the Committee experienced difficulty in finalising the programme. Late advice regarding ministerial availability complicated the process for Members, Assembly staff and public officials who attend the hearings. In order to accommodate the availability of Ministers, this year's schedule of hearings featured irregular hearing times. This caused some problems for Ministers, Members of the Committee and other MLAs attending the hearings.

RECOMMENDATION 2

- 1.13 **The Committee recommends that the manager of government business, in consultation with the opposition and crossbench MLAs, determine the period for Estimates hearings as a formal part of the sitting pattern each year.**

RECOMMENDATION 3

- 1.14 **The Committee recommends that a draft programme be prepared by the Committee office by 28 February each year for circulation to Ministers and confirmation prior to the establishment of the Select Committee in order that Ministers are aware of time commitments as early as possible.**

RECOMMENDATION 4

- 1.15 **The Committee recommends that the first two government sessions of the hearing schedule be designated for the Treasury portfolio.**

Questions on notice

- 1.16 Each year witnesses take questions on notice and, following a public hearing, members place questions on notice for response by the Minister. Estimates

committees recognise that not all questions can be answered on the spot in their entirety; taking questions on notice means that a more considered and accurate answer can be provided to the committee.

- 1.17 Complementary to that public hearing process, both members and non-committee members are able to put questions on notice subsequent to the relevant estimates hearing. Given the volume and complexity of questions on notice currently being submitted the Committee considers that some assessment of the questions on notice process is appropriate.
- 1.18 All members of the Committee understand that the estimates process is a unique process constrained by the short timeframe available to complete the work of the inquiry.

The current Estimates question on notice process

- 1.19 Members submit questions on notice to the Committee Office within a specified time after the Minister's appearance at public hearing, usually two or three days depending on the circumstances. Currently, the Committee requests that Ministers submit answers to questions on notice within five full business days from receipt of the written question. There are very few rules placed around the content and scope of questions.

Statistical profile of questions

- 1.20 The table below (Table 1.1) sets out the number of written questions on notice asked of which minister and responses received as at Friday, 13 June 2008.⁴ Questions taken on notice during the hearing and answered by Friday, 13 June 2008 are not shown in this table but are separately identified in the Committee Office database. Such questions are not necessarily the focus of this comment but are useful to identify as they constitute a further obligation on agencies as part of the estimates process.

⁴ Table 1.1 is a manual tally and therefore is indicative only.

Table 1.1: Questions by member and portfolio

Portfolio	Total no of questions
Arts	73
Attorney General	221
Business & Economic Dev	9
Chief Minister	217
Children and Young People	49
Disability & community services	64
Education & Training	242
Environment, water and climate change	119
Health	119
Housing	18
Indigenous affairs	13
Land Development Agency	201
Legislative Assembly	5
Multicultural affairs	3
Planning	208
Police & emergency Services	33
TAMS	310
Tourism, sport and recreation	30
Treasurer	190
Women	10
Total questions asked	2 134

- 1.21 While the database shows there were 342 questions submitted to the Committee Office for forwarding to Ministers, these questions comprised over 2000 separate questions, some with component parts.

The notice paper process – Legislative Assembly

- 1.22 In comparison to the Estimates process, the following general rules apply to questions placed on notice through the notice paper:

- ≡ questions are required to be brief and relate to a single issue;
- ≡ questions may not contain (i) statements of fact or names of persons unless they are strictly necessary to render the question intelligible and the facts can be authenticated, (ii) arguments, (iii) inferences, (iv) imputations, (v) epithets, (vi) ironical expressions; or (vii) hypothetical matters;
- ≡ questions cannot require ministers to provide expressions of opinion, announcements of Executive policy, although explanations of policy are allowed, or legal opinions;
- ≡ questions reflecting on conduct or which are critical of the character or conduct which may only be challenged by a substantive motion are not permitted;
- ≡ questions cannot refer to proceedings in committee or anticipate the outcome of a committee inquiry.⁵

- 1.23 Ministers have 30 days in which to provide a response to questions placed on notice.

Questions on notice in Senate Estimates

- 1.24 The Committee noted that in the Australian Senate, estimates proceedings are set out in Standing Order 26. In relation to questions on notice the Standing Orders allow for written questions relating to the estimates may be supplied to the secretaries of the committees, who distribute them to the relevant departments and to members of the committees. Answers shall be supplied to, and circulated by, the secretaries. While the timeframes for Senate estimates are

⁵ Standing Order 117

very different, generally speaking committees allow members one week to submit and approximately 6-7 weeks for responses, depending on the committee. Typically reports are tabled in August, following the May hearings.

Issues arising

- 1.25 The scope and number of questions is a concern to the Committee given the timeframe for response. Individual questions are often complex, comprising more than 20 separate questions and also often contain statements of fact or opinion and require opinions in return. While the Committee is conscious of the purpose of estimates - that is, to provide an open forum in which the government can be called to account for items of proposed expenditure - the Committee appreciates that the submission of more than 2000 questions is a burden on the Executive.
- 1.26 The Committee considers that it is time the Estimates scrutiny process, including the issue of submission of questions on notice, now requires a greater degree of formalisation, to provide greater certainty around the general process itself and the questions on notice process in particular.

RECOMMENDATION 5

- 1.27 **The Committee recommends that the Legislative Assembly amend the Standing Orders to provide specifically for the establishment each year of a select committee on estimates and which also provides for rules for the conduct of the inquiry and for the questions on notice process as do the Standing Orders in the Senate.**
- 1.28 The Committee was unable to comment fully on a number of issues as there were a number of questions on notice outstanding at the time of finalising the report.

RECOMMENDATION 6

- 1.29 **The Committee recommends that all questions taken on notice and all written questions on notice not answered by 17 June 2008 be forwarded to the Speaker for tabling in the Legislative Assembly by the last sitting day in August.**

Committee powers to call for documents

- 1.30 Throughout the hearings, a number of questions were asked and documents requested relating to matters which were the subject of separate freedom of information (FOI) requests by Members of the Legislative Assembly.
- 1.31 The Committee notes that it is well established that the Estimates process is a wide ranging inquiry. The fact that a matter is the subject of an FOI requests is neither relevant in terms of questioning at estimates nor does a separate FOI request preclude questioning on a matter or the seeking of documents relating to a matter.

Accessibility of budget papers

- 1.32 The Committee appreciates the complex nature of the information contained in the budget papers and recognises the difficulty general readers have accessing the information contained. For instance, during the community hearing, one group expressed uncertainty about whether a secure mental health facility had been funded and the Committee was able to inform them that this allocation had been made. The representative explained to the Committee that, 'we have only got part of the budget papers, which I downloaded, so that is why.'⁶
- 1.33 While the budget papers package provides several overview documents, including, for the first time, an infrastructure statement, the Committee observes that many individuals and groups will only access these documents via the internet, where it is not immediately apparent which budget paper will provide the details required. The Committee considers that an index would assist members of the public to navigate these documents.

RECOMMENDATION 7

- 1.34 **The Committee recommends that the contents of budget papers be indexed for ease of accessibility to readers particularly those accessing information via the internet.**

⁶ Ms Findlater-Smith, *Transcript of evidence*, 19 May 2008, p. P188.

Presentation of budget papers

- 1.35 Prior to the commencement of hearings, the Committee wrote to all Ministers requesting a list of initiatives which have been announced in the Budget against output classes. All Ministers provided this information in various formats. The Committee found that information provided in table format was most accessible and provided assistance to members identifying the appropriate portfolio area during hearings.

RECOMMENDATION 8

- 1.36 **The Committee recommends that the budget papers include, in a table format, details of all separately identified initiatives for specific portfolio areas against the appropriate output class.**
- 1.37 The Committee also noted that some statements of intent provided by agencies as a part of the budget documentation were not paginated and this caused some difficulties during questioning.⁷
- 1.38 Some confusion was also noted about a table presented in Budget Paper 4 regarding staffing and listed FTEs. The table describes these as full-time *employees*, but the Committee was assured at one hearing that this was an error and the table refers to full-time *equivalents* as is normal practice. The Committee notes that this table only includes public servants employed under the *Public Service Act* and not contractors who are employed within agencies outside this legislation.⁸

RECOMMENDATION 9

- 1.39 **The Committee recommends that the Budget Papers include not only details of full-time equivalent (FTE) positions held by public servants, but also details of FTEs held by contractors within agencies.**
- 1.40 The Committee was also concerned that some Budget output areas cut across a number of separate portfolios. This can complicate the interpretation of budget allocations and ministerial responsibilities. Given that there are a number of

⁷ *Transcript of evidence*, 26 May 2008, p. P678.

⁸ *Transcript of evidence*, 26 May 2008, pp. P689 –P691. See also series of Questions on Notice regarding staff numbers in all departments and agencies.

cross-ministerial responsibilities within some output areas, the Committee considers that the information provided in the budget papers could be enhanced. The Committee notes that separate budget statements in the areas of multicultural affairs, Indigenous affairs, ageing and youth affairs could assist interpretation of the budget allocations.

RECOMMENDATION 10

- 1.41 **The Committee recommends that a breakdown of specific funding allocations to the environment, women's affairs, multicultural affairs, Indigenous affairs, ageing and youth affairs be provided in the budget papers and also requests the provision of separate budget statements in those portfolio areas where they are not already provided.**

Application of depreciation

- 1.42 In Budget Paper 5 there are a number of capital initiatives to which depreciation has been applied, seemingly inappropriately, in that depreciation has been applied to design costs. The projects include:
- Watson Arts Centre;
 - Kingston Foreshore Arts Precinct – Tower;
 - Mental Health Young persons Unit;
 - ACT Health Skills Development Centre;
 - Upgrade of Wakefield Avenue and Dooring Street Intersection;
 - Bus Lanes and Bus Priority Measures project;
 - Upgrade of Callam Offices; and
 - Rehabilitation of Majura Road Pavement project.⁹

RECOMMENDATION 11

- 1.43 **The Committee recommends that proper care be taken in providing details on depreciation of projects for inclusion in the budget papers.**

⁹ *Budget paper 5*, pp. 46 - 68.

RECOMMENDATION 12

- 1.44 **The Committee recommends that the allowances for depreciation of project design amounts in Budget Paper 5 for 2008-09 be corrected prior to the Appropriation Bill No. 1 being passed.**

Accountability indicators

- 1.45 The Committee sought clarification on the nature of the indicators being included and noted that the reasons for particular statistical targets were not obvious in the budget papers. Assuming that a 100 per cent (or comparable) target is ideal the Committee often sought details about the purpose of, for instance, 80 per cent targets. Detailed and credible explanations were generally provided, but this raised an obvious question about the effectiveness of the targets being published. The Committee considers that these targets could be refined so that the qualifications to ideal performance are more apparent.
- 1.46 The interpretation of accountability indicators can also be made more difficult by changes in the indicators from one year to the next. While the Committee recognises that there may be reasons to refine indicators, changes can make an analysis of relative performance across a number of years more complicated. The Committee would suggest that continuity in indicators should be sought and that clear reasons for a change to accountability measures be provided

RECOMMENDATION 13

- 1.47 **The Committee recommends that the ACT Government review the accountability indicators used in budget papers for their effectiveness in providing a transparent measure of performance in key areas.**

Portfolio responsibilities

- 1.48 The Committee is concerned about the density of some output classes set against ministerial portfolio responsibilities. Large departments such as Department of Territory and Municipal Services (TAMS) and Department of Disability, Housing and Community Service undertake a variety of policy development and service functions. In some cases, the output classes of these departments encapsulate the portfolio responsibilities of multiple ministers. For instance, the Minister for Women, the Minister for Indigenous Affairs and

the Minister for Multicultural Affairs are all accountable for the expenditures detailed in the Department of Disability, Housing and Community Services output 3.2.

- 1.49 The Committee considers that scrutiny of these outputs is unnecessarily complicated by these disparate combinations. Of particular note is the general *output 1.3: sustainability* in the Department of Territory and Municipal Services output class 1: municipal services. Since April 2007, this output class has incorporated portfolio responsibilities for both the Minister for the Environment, Water and Climate Change (use of water, energy and natural resources and climate change) and the Minister for Territory and Municipal Services (waste management programmes, including household garbage and recycling).
- 1.50 Similarly, significant social portfolio areas such as ageing do not have a specific budget allocation but matters arising may relate to a range of policy and service delivery areas such as whole of government strategies, aged care and health services.

Administrative arrangements

- 1.51 The Committee notes that the current administrative arrangements add a degree of complexity to the budget scrutiny process. Because of the way that portfolios are organised, multiple ministers are responsible for different aspects of portfolios, (for example, sustainability as discussed above). This leads to a lack of clarity and inability of the Committee to be able to question effectively.

Ministerial appearances

- 1.52 On occasion during the hearings the Committee found some Ministers' responses to be unhelpful to the work of the Committee. In particular, being referred to the budget papers or other documents, or being informed that an answer had been provided in another forum, such as the Assembly, was not appropriate. The Committee notes that a question having been asked or answered in another forum does not preclude the same question or a similar question being asked during an Estimates hearing.
- 1.53 The Committee reminds Ministers that, in keeping with the *Code of Conduct for Ministers*, they are required;

...to account to the Assembly fully and effectively for all money they have authorised to be spent, foregone, invested or borrowed on behalf of the Territory. Ministers are individually accountable to the Assembly for the administration of their Departments and Agencies.¹⁰

Appreciation

- 1.54 The Committee is grateful to all those who participated or who assisted in the conduct of the Inquiry including Ministers, their staff, officials from ACT Government, secretariat staff and the representatives of many community-based associations and groups.

¹⁰ ACT Government, *Code of Conduct for Ministers*, February 2004, p. 2.

2 COMMUNITY VIEWS

- 2.1 The Committee actively sought the views of community-based groups and associations on the ACT Budget. Many of these groups have a pre-existing interest in the outcomes of the budget having submitted to the ACT Government their views and expectations early in the budget development stage. Once copies of these budget submissions were received by the Committee (as discussed in Chapter 1), the Committee invited a range of groups representing a broad cross-section of community interests to appear at one of two community hearings.
- 2.2 The purpose of this chapter is to highlight some of the themes arising from discussions with community groups and is not intended as a full record of the views or recommendations provided by the presenters.¹¹ The Committee found the meetings with community representatives very useful and raised a number of the issues identified with relevant Ministers during the hearings.
- 2.3 The Committee observed that a number of community groups had difficulty in negotiating the structure of the budget papers and subsequently made mistaken assumptions about the content of the budget. Guidelines for navigating the budget papers could also be provided on the Treasury website.

RECOMMENDATION 14

- 2.4 **The Committee recommends that, in addition to indexing the Budget Papers, the Government provide information sessions to the community and a web-based guide about the structure of the budget papers and where specific elements of the budget are detailed.**¹²
- 2.5 In total, the Committee heard from 19 community organisations or groups during the hearings held on 19 and 23 May. Issues canvassed during these hearings ranged from the Government's reliance on revenue from land tax and

¹¹ Copies of the budget submissions prepared by community organisations can be accessed via the following link:
<<http://www.parliament.act.gov.au/committees/index1.asp?committee=110&inquiry=742&category=14>>

¹² See Recommendation 7.

property sales; to the need for a further increase in the funds available to students with special needs in the government and non-government schools; to the provision of a green waste service for older Canberrans.

- 2.6 Community groups also raised concerns about:
- Revenue base;
 - Infrastructure investment;
 - Environmental issues;
 - Planning to maximise health care infrastructure;
 - Skills shortages;
 - Housing affordability;
 - Community consultation; and
 - Planning processes.

Revenue

- 2.7 The reliance of the ACT Government on property based revenue measures was raised by several organisations, particularly those with membership directly impacted by the revenue mix. For both the Property Council of Australia and the Canberra Business Council, this is a long-standing concern.
- 2.8 The ACT Chamber of Commerce and Industry raised concerns about the payroll tax as a dampening impact on small business and is seen as a 'tax on jobs' by the business community.¹³ While the threshold was increased in the budget, the Chamber continues to be concerned that the rates are not in line with other jurisdictions in Australia.

Infrastructure investment

- 2.9 The Infrastructure Investment Program was broadly welcomed by the community.
- 2.10 The Canberra Business Council proposed a more innovative approach to funding for infrastructure by taking advantage of the ACT's AAA credit rating

¹³ Mr Peters, *Transcript of evidence*, 23 May 2008, p. P645.

and borrowing funds. Ms Faulks pointed out that large infrastructure projects are unlikely to be funded by the private sector and cited the high-speed rail project as an example of where federal and state/territory governments might 'amortise the cost over successive generations of populations rather than asking the current generation to fund a large project.'¹⁴

- 2.11 The ACT Chamber of Business and Commerce also believed that innovative approaches to funding infrastructure development such as private-public partnerships are warranted.¹⁵
- 2.12 The Youth Coalition of the ACT welcomed proposed investment in a number of areas that would benefit the young people of the ACT, such as the construction of a young person's mental health unit and investment in public transport.¹⁶

Social infrastructure

- 2.13 In the context of disadvantaged sectors of the ACT community, the Committee heard from Kippax Uniting Care of the limits to social interaction that can be experienced in the west Belconnen area because of a lack of basic community infrastructure. Access to medical services, youth support services, playgroups and other basic types of social interaction can be difficult for residents in this area because initial planning did not recognise these needs. While a number of initiatives in the budget were welcomed, the Committee was advised that:

...the situation in west Belconnen is not just facilities but it is actually the ability to run the services that go along with them. I would say that, in some ways, the even more pressing need at the moment is the funding for the services to operate. For example, we have at Uniting Care, Kippax, some space that can be used for youth services. We do not have the funding to be able to staff drop in-centres, to fund self-esteem classes. We have been linking with a number of organisations but there is no new money for expanded services for young people. Actually the most pressing thing is immediate funding for the services themselves.¹⁷

¹⁴ Ms Faulks, *Transcript of evidence*, 19 May 2008, p. P171.

¹⁵ Mr Peters, *Transcript of evidence*, 23 May 2008, p. P648.

¹⁶ Ms Hunter, *Transcript of evidence*, 23 May 2008, p. P650.

¹⁷ Mr Ramsay, *Transcript of evidence*, 23 May 2008, p. P635.

- 2.14 During the hearing with the Minister for Disability and Community Services on 28 May 2008, this issue was raised and is discussed in chapter 10 of this report.

Health care infrastructure

- 2.15 At the hearing, the Health Care Consumers' Association welcomed planned expenditure on health infrastructure but reiterated their previously expressed view that this investment must be met with planning and investment into information management technologies to 'network current health facilities to better share diagnostic images and medication records electronically and integrate these services better across the range of health facilities.'¹⁸
- 2.16 Mr McGowan, speaking on behalf of the Association, indicated that this level of planning and the development of data sharing protocols would improve services delivery capacity within the health system. He also suggested the need for greater investment in preventative health strategies.¹⁹
- 2.17 The Committee notes that Lifeline Canberra expressed concern at the rejection of a program developed by them for suicide intervention had been dismissed by prison officials:

Lifeline Canberra made significant investments of resources in responding to a request to provide a program of services to AMC prisoners and staff. The program was to provide suicide intervention skills training to staff, communication and suicide intervention skills training to prisoners and access to the 24-hour crisis line to prisoners. Our proposal was rejected out of hand by prison development management.²⁰

Environmental issues

- 2.18 The Conservation Council of the ACT and Region advised the Committee that the allocation for the environment in the budget was approximately 3.7 per cent and there was 'an incredibly large job to be done with the money,' including the management of:

...weeds, invasive animals, an extended drought, scarcity of water, growing consumption, climate change. All of those impacts need to be managed, and

¹⁸ Mr McGowan, *Transcript of evidence*, 19 May 2008, p. P156.

¹⁹ *Ibid.*, p. P156.

²⁰ Ms Bennett, *Transcript of Evidence*, 23 May 2008, p. P627

resources need to be provided to manage them. Also, the Canberra community are increasing in their awareness of and concern about the environment and have a growing expectation about services that will be provided. Again, they need to be resourced to provide and meet community expectations.²¹

2.19 The Council have advocated an environmental levy to help meet some of these challenges.

2.20 The Committee also sees merit in the Council's budget proposal that the Department of Territory and Municipal Services be resourced 'to identify and map wildlife corridors' and their 'importance in contributing to an ecologically sustainable ACT.'²²

Skills shortages

2.21 The skills shortages currently being experienced in the ACT workforce were of concern to a number of community associations and groups. These groups offered a range of perspectives on the implications of constraints being experienced in the ACT workforce. For instance, the Property Council of Australia (ACT) noted the potential impact for the Government's infrastructure proposals, observing that without the required project management skills, 'there is potentially the possibility for an underspending of large amounts of money, the reason being the inability to actually get projects out.'²³

2.22 The Canberra Business Council echoed the concern about the impact of the skills shortage on the capacity for economic growth in the Territory, suggesting that the first step should be 'to attract people to come to Canberra to work, because we are confident that the institutions here can train them when they come.'²⁴

2.23 The impact of skills shortages can further exacerbate existing bottle-necks in

²¹ Ms Harrup, *Transcript of evidence*, 23 May 2008, p. P638.

²² Conservation Council of the South East Region and Canberra, (October 2007) *Proposed budget measures to the ACT Government for the 2008-2009 Budget*, p. 2.

²³ Mr Wheeler, *Transcript of evidence*, 19 May 2008, p. P147.

²⁴ Ms Faulks, *Transcript of evidence*, 19 May 2008, p. P169.

the ACT economy. For instance, the Business Council also cited the taxi shortage noting that the cost and the requirements for training and security clearances for new taxi drivers can be a disincentive for potential drivers. Ms Faulks informed the Committee that:

A young person can go down the local pub and get a shift without any training; they are trained on the job and it does not cost them any money.²⁵

2.24 The Council on the Ageing noted a significant shortage in aged care workers and expressed concern that the allocation to tackle skills shortages was, 'very modest given the magnitude of the problem, and it is difficult to tell to what extent these programs will assist in overcoming the skills shortages in the health, dental and aged care sectors.'²⁶

2.25 Unions ACT were keen to see the ACT Government take the lead in this area by taking up apprentices and trainees and noted the difficulties that a 'contracting out' culture may present for this objective. Ms Sattler noted that there are:

...areas where we know there are a desperate lack of apprentices and anybody to take over from an ageing workforce is in all the blue-collar trades areas that we currently cover within the ACT government. If we do not start taking on some trainees and apprentices in those areas, the guys doing those jobs will be the last ones in them. We should be maximising the opportunity for some of those people to supervise an apprentice or a trainee. We are very concerned about the level of contracting out that has taken place within the ACT government over the last 10 years. That is why we have shortages within the ACT public sector.²⁷

Volunteer shortages

2.26 Volunteering ACT informed the Committee of a different manifestation of shortages in volunteering. With the changing nature of society, not only will an increase in the average age of the population change the nature of services for which volunteers are required, but generational change has influenced the type of volunteering work that is sought. The Committee was advised that

²⁵ Ms Faulks, *Transcript of evidence*, 19 May 2008, p. P172.

²⁶ Mr Templar, *Transcript of evidence*, 23 May 2008, p. P599.

²⁷ Ms Sattler, *Transcript of evidence*, 19 May 2008, pp. P193 – P194.

younger people are more interested in project work and are inclined to make themselves available for defined periods of time.²⁸ There is need to match the type of the volunteering work required to the type of volunteering activities people will be interested in undertaking.

Community sector viability

- 2.27 Many of the organisations noted positively the commitment to a portable long-service leave fund for the sector. Unions ACT advised the Committee that much of the preliminary work for this proposal had been undertaken and hoped that the fund could be operational without too much delay.²⁹
- 2.28 The ACT Council of Social Service advised the Committee that, as the peak body for the ACT community sector, they are increasingly concerned about the viability of the sector. In particular, ACTCOSS raised concerns about the facilities, wages and conditions, and training available for people delivering services in this modestly resourced area. While government, as the funder of many ACT community services, is encouraging services to improve their efficiency in the delivery of their services, these services are struggling to sustain their service, their staff and their morale.³⁰ Quoting the experience of one service, Ms Cresswell quoted from a description provided by one executive officer running a community sector service:

Following yesterday's community sector viability workshop, I found myself sitting in my office today reflecting on the reality of our position as an organisation operating in the ACT community sector. The following occurred to me: as a partner to the ACT government under the social compact, charged with the delivery of services to over 400 children a week, we find ourselves operating in a building whose roof leaks every time it rains, with two working toilets to service approximately 50 adults a day, an office with no air conditioning, so that in summer the mercury frequently climbs beyond 30 degrees, with three telephones and seven workstations to be shared amongst 23 staff, with only one computer to access email facilities and a photocopier that on average jams every five copies...As the executive officer of this

²⁸ Mr Turner, *Transcript of evidence*, 19 May 2008, p. P164.

²⁹ Ms Sattler, *Transcript of evidence*, 19 May 2008, p. P197.

³⁰ Ms Cresswell, *Transcript of evidence*, 23 May 2008, p. P609.

organisation, I oversee an annual turnover in excess of half a million dollars. I am responsible for ensuring my 23 staff deliver a range of quality services in line with communities' needs and our government's expectations. I am required to implement appropriate OH&S, quality assurance, risk management and human resource management policies, provide increasingly complex reports on a quarterly and bi-annual basis to our funding bodies and ensure that the wellbeing of my staff and service members is protected at all times. I am paid less than an ASO5 in the government department that manages our funding. Our government partners in the provision of our services fund us approximately \$3 per child per week for our service delivery, less than an ASO6 will receive in an annual salary. It was both comforting and concerning to share our experience with other members of the community sector, a relief to know that we are not the only ones operating under such circumstances, alarming to realise the full extent of the conditions under which our sector is struggling to survive.³¹

- 2.29 ACTCOSS advised that a part of their sector viability project work included assessments of shared services, including that model successfully run as SHOUT at the Pearce Community Centre. However, ACTCOSS felt that any model along these lines needs to ensure that organisations can remain congruent with their philosophy, ensure the integrity of the members and do not lose out on sharing of costs. ACTCOSS is working through these issues with a view to presenting a cost saving model to government.³²
- 2.30 Lifeline Canberra also raised concerns about the viability of the community service sector with organisations such as their own being outpriced in the labour market. Skills are also a factor in this equation with the community sector often providing a training ground for workers who move on to the public service. According to Lifeline, 'the community sector is a great training ground for people who, once skilled up, move on to public or private employment, leaving the community organisation to start the training process all over again.'³³

³¹ Ms Cresswell, *Transcript of evidence*, 23 May 2008, p. P609.

³² Ms Cresswell, *Transcript of evidence*, 23 May 2008, p. P613.

³³ Ms Bennett, *Transcript of evidence*, 23 May 2008, p. P625.

Housing affordability

- 2.31 Housing affordability continues to be a major concern in the community. The Property Council of Australia also noted the impact that high cost housing can have on attracting skilled workers to the ACT.³⁴
- 2.32 For organisations working with disadvantaged members of the community, the need for affordable housing is considered to be acute and homelessness continues to be an issue of major concern.
- 2.33 Lifeline Canberra advised the Committee that:
- In terms of homelessness, it is the opinion of Lifeline Canberra that homelessness, or, more accurately, affordable housing, is currently the most significant emergent crisis that the ACT is facing. Our crisis line and our Canberra emergency accommodation service are beginning to see evidence of the emergence of a section of the community being referred to as the working poor.³⁵
- 2.34 The Mental Health Community Coalition identified the precarious situation of many people who experience mental illness who do not receive adequate community based support to sustain their independence within the community. Ms Craze advised that:
- Adequately funded mental health, housing support and community rehabilitation programs, which I will discuss shortly, prevent crises, avert homelessness and, importantly, reduce the demand for high-cost acute in-patient services. They also assist to promote wellbeing and recovery.³⁶
- 2.35 Organisations such as Havelock Housing Association commended the government on the affordable housing scheme but raised concerns about the planning in place to manage community housing in this strategy. According to the Association, the community housing sector is experiencing growing demand for low cost housing options but is facing reduced housing stock options and pressure to increase rents from 25 per cent of income to 50 per cent of market rate. For the Association, the level of support required to

³⁴ Ms Careter, *Transcript of evidence*, 19 May 2008, p. P149.

³⁵ Ms Bennett, *Transcript of evidence*, 23 May 2008, p. P626.

³⁶ Ms Craze, *Transcript of evidence*, 19 May 2008, p. P152.

support tenants, who are often disadvantaged and have complex support needs, limits their future options.³⁷

2.36 This concern was also raised by other groups such as Lifeline Canberra who called 'for sufficient resourcing for these organisations to provide this valuable support service to those for whom public housing offers the only opportunity of safety, security and a measure of stability.'³⁸

2.37 Havelock Housing Association also advised the Committee of the precarious tenancy they manage for 140 tenants at the Currong Apartments, a site anticipated for future sale. The Association is concerned about how these tenants could be accommodated in an already tight accommodation market.³⁹

RECOMMENDATION 15

2.38 **The Committee recommends that the Government make a decision about the future of Currong Apartments and their occupants.**

2.39 Similarly the Council on the Ageing (COTA) noted the particular impact of housing shortages on older Canberrans observing that what was needed was 'a real and meaningful increase in the funding of available public housing. COTA believes that public housing will remain the principal option for aged pensioners.'⁴⁰

2.40 Further, COTA raised concerns that there had been no additional provision for homelessness services in the ACT despite significant funding cuts in 2006-2007. At the hearing on the 28 May, the Minister for Disability and Community Services advised that reduced funding for that budget reflected an efficiency requirement across all government services.⁴¹

2.41 ACTCOSS also expressed concern about the lack of provision for low income earners in the affordable housing strategy and had hoped for increased investment in community housing services.⁴²

³⁷ *Transcript of evidence*, 23 May 2008, pp. P603-P606.

³⁸ Ms Bennett, *Transcript of evidence*, 23 May 2008, p. P627.

³⁹ Mr McBow, *Transcript of evidence*, 23 May 2008, p. P605.

⁴⁰ Mr Flint, *Transcript of evidence*, 23 May 2008, p. P600.

⁴¹ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P917.

⁴² Ms Cresswell, *Transcript of evidence*, 23 May 2008, p. P610.

- 2.42 At the final hearing, the Minister for Housing advised the Committee that the 2008-09 capital program is expected to be more than \$82 million or nearly \$30 million more than the previous year.⁴³

Community consultation

- 2.43 Community organisations are often concerned about the level of consultation achieved by governments prior to decision-making. A number of groups raised this concern during the hearings.
- 2.44 The ACT Council of Parents and Citizens Associations, while welcoming the additional funding provided by the government for the establishment of achievement centres at three high schools for years 7 and 8, noted that some school communities considered that more consultation about the best models to be used was warranted.⁴⁴
- 2.45 The Canberrans for Power Station Relocation Inc also expressed this concern about consultation, observing that they had not been aware of this large scale proposal until two weeks before the deadline for comments.⁴⁵

Data centre proposal (Block 1671 Tuggeranong District)

- 2.46 The proposed development of a natural gas power station, associated electricity switchyard/substation and computer data centre in the Tuggeranong (Block 1671 Tuggeranong District) became a topic of discussion during the Estimates Inquiry. This proposal was addressed by a number of the Ministers throughout the hearings.
- 2.47 The Committee understands that a mandatory preliminary assessment of the project was required under the section 114 of the *Land (Planning and Environment) Act 1991* as the proposed development is a Major Utility Installation.⁴⁶, The Preliminary Assessment and Development Application

⁴³ Mr Hargreaves, *Transcript of evidence*, 30 May 2008, pp. P1111 – P1112.

⁴⁴ Ms Gorrie, *Transcript of evidence*, 19 May 2008, p. P182.

⁴⁵ Mr Gibbon, *Transcript of evidence*, 23 May 2008, p. P620.

⁴⁶ A new planning system began on 31 March 2008. The *Land (Planning and Environment) Act 1991* was repealed by the *Planning and Development Act 2007* and transitional arrangements are in place for matters preceding this date, such as development applications lodged prior to 31 March 2008. Part

from the consortium led by ActewAGL were lodged with the ACT Planning and Land Authority (ACTPLA) in mid March.⁴⁷ These documents were released by ACTPLA for comment on 10 April 2008, sparking public debate. The closing date for comments was extended to Monday 27 May 2008.

- 2.48 During the ACTPLA consultation period many concerns were raised in the public domain, particularly by nearby residents, of the suitability of the proposed location for a development of this nature and scale. The Canberrans for Power Station Relocation Inc, a group of residents rallying for relocation the proposed power station away from residential areas, made representations to the Committee on 23 May 2008. At the hearing they raised concerns about an environmental impact statement, the broadacre zoning of the proposal and the development approval process.⁴⁸
- 2.49 On 27 May 2008 ActewAGL advised ACTPLA that it proposed to significantly downscale the development in light of community concerns on the potential impacts of the original proposal.⁴⁹

15.4 of the new *Planning and Development Act 2007* clarifies the transitional arrangements for matters including development applications and appeals.

⁴⁷ At a later hearing, ACTPLA advised that this proposal had been one of 400 received prior to new arrangements coming into effect.

⁴⁸ Mr Gibbon, *Transcript of evidence*, 23 May 2008, p. P616.

⁴⁹ The proposed data centre was discussed extensively with a number of Ministers during the Estimates inquiry. Further discussion can be found at paragraphs 3.4, 4.14, 8.2, 8.6 and 9.36.

3 TREASURY

3.1 The Committee heard from the Treasurer on 16 May and 19 May to discuss the following output classes and agency functions:

- economic management;
- financial management;
- revenue management;
- ACTEW Corporation;
- home loan portfolio;
- Shared Services Centre;
- Superannuation Provision Account; and
- The Territory Banking Account; and
- the following independent authorities:
 - ACT Gambling and Racing Commission,
 - ACT Insurance Authority,
 - ACTTAB,
 - Independent Competition and Regulatory Commission,
 - Exhibition Park Corporation; and
 - Rhodium Asset Solutions.

Treasury

3.2 The Treasury portfolio oversees the strategic financial and economic management of the Territory with a key objective being accountability and transparency in Government expenditure. During the hearings, the Committee discussed a broad range of issues related to this portfolio's outputs with a particular emphasis on:

- Land rents scheme and the precise details of how this scheme will work;
- Capital expenditure and the feasibility of major projects being delivered in timeframe;
- Housing affordability issues in the context of land costs and interest rates

- Superannuation and financial reporting and the variations between jurisdictions; and
- Staffing numbers and the growth in the public service compared to previous cuts to achieve budgetary savings.

3.3 The Committee was particularly interested in the insurance scheme for the non-government sector, including volunteering and sporting organisations and was informed that the scheme involved;

...public liability insurance, accident insurance for volunteers and what we would know as director and officer insurance for officers of volunteer organisations. It is a single policy. It has a single, heavily discounted premium irrespective of the risk of public liability activity that the organisation presents to the insurance equation. This flows from work that was started in the insurance crisis. We have been able to do this because of the uptake of risk management principles and those comprehensions by non-profit organisations in the ACT.⁵⁰

ACTEW

3.4 In discussions relating to ACTEW, the Committee was also particularly interested in the following issues:

- Appointment process for the Chair of ACTEW;
- Proposed data centre (Block 1671 Tuggeranong District)⁵¹;
- Strategies in place to ensure water security for the Territory; and
- Lower Cotter remediation process following the 2003 fires.

3.5 A key concern for the ACTEW is the rising costs of construction. At the hearing, Mr Costello advised the Committee that:

We, like the whole construction business in Australia, are subject to tremendous skills pressures and price pressures. I understand that the cost of reinforced steel, in the course of this year alone, has gone up by 30 per cent. The price of iron ore has gone up substantially in the last year. Those costs are only just starting to flow through now. The best business in Australia to be in

⁵⁰ Mr McDonald, *Transcript of evidence*, 16 May 2008, p. P21.

⁵¹ The proposed data centre was discussed extensively with a number of Ministers during the Estimates inquiry. Further discussion can be found at paragraphs 2.46, 4.14, 8.2, 8.6 and 9.36.

at the moment would be BlueScope Steel.

The price of iron ore to China has just gone up by 85 per cent. That will flow through into our prices. We got the best estimates we could from the best quantity surveyors and the best external experts we could, but we have yet to see what they will be in the final turnout. I just want to stress that, so that there is no suggestion that somehow we have been careless or unaware of the problem. The whole construction business has really taken off, and it is putting great pressure not only on us but on South Australia, Victoria, Queensland and everybody else.⁵²

- 3.6 The Committee heard from the Independent Competition and Regulatory Commission the following day (20 May) that the cost levels determining the price of water had been established for the next five years. Mr Baxter advised the Committee that:

At the beginning of the next five-year period we would take on board the efficient costs they have actually incurred, build that into the price path and to the extent that those efficient costs have increased they can be locked into the price path going forward. But we are not going to reopen on the basis of that.⁵³

Shared Services Centre

- 3.7 The Shared Services Centre has been operating for two years on the principle that consolidation offers economies of scale and streamlines processes, leading to a reduction in overall costs. The Centre includes InTACT, procurement support services, human resource services and finance services.
- 3.8 During the hearing, the Committee heard that the Centre had been established within budget, meaning that the anticipated savings of \$20 million dollars had been met by removing these expenditures from all departmental budgets and providing them through a budget to Shared Services which is \$20 million less.⁵⁴

⁵² Mr Costello, *Transcript of evidence*, 19 May 2008, pp. P95 – P96.

⁵³ Mr Baxter, *Transcript of evidence*, 20 May 2008, p. P248.

⁵⁴ Mr Burton, *Transcript of evidence*, 19 May 2008, p. P111.

Savings from reforms and shared services

- 3.9 The Committee notes that in the 2006-2007 ACT Budget, the ACT Government implemented a number of saving and revenue measure to improve the budget by \$128 million in 2006-07, \$187 million in 2007-08, \$203 million in 2008-09 and \$215 million in 2009-2010.⁵⁵ The Estimates Committee would like an analysis of the actual savings outcomes in comparison to these targets.

RECOMMENDATION 16

- 3.10 **The Committee recommends that the ACT Government provides an update of the budget improvements that have been achieved to date following the introduction of the Shared Services Centre and consequential changes.**
- 3.11 The Committee was also advised of some difficulties experienced in meeting staffing requirements particularly in the area of information and communications technology (ICT) where a nation-wide skills shortage had been a significant factor.

Chris21

- 3.12 The on-going problems with the human resource software, Chris21 were raised, including the report by the Auditor-General. The Committee was advised that long-service leave calculations cannot be provided by this system, but that improvements are being pursued. Included in these developments is an on-line leave request system called HR21.
- 3.13 Regarding the problems identified by the Auditor-General with Chris21, the Treasurer advised the Committee that;

...in any consideration of Chris[21] and its implementation, that it was a task that was short-tracked. It was an implementation that was done perhaps in half the time that would optimally have been required for the implementation of a new system. There was urgency because of its utility and use in terms of payroll and meeting the needs of our staff, so it was fast-tracked...

Certainly, it is a report which we take seriously. We will respond to it fully. It raises some issues around the software and its implementation, but I am

⁵⁵ 2007-2008 *Budget Paper 3*, p. 27.

proud of the enormous effort and commitment of those members of the ACT public service that were involved in its implementation.⁵⁶

- 3.14 Notwithstanding the efforts of the public service to implement the system, the Committee queried the additional \$1.9 million identified by the Auditor-General required to address deficiencies in the system. The Shared Services Centre advised;

...that \$1.9 million was associated with agency costs not funded out of the project...Some of those costs were incurred because we had difficulty processing leave after the project went live. There was always an expectation that agencies would bear implementation costs that were not going to be funded out of the project budget.⁵⁷

Superannuation payments

- 3.15 Discussion of over- and under-payments of superannuation entitlements to one class of retired employees was raised as an ongoing concern in the human resource area. The Committee was advised that, on average, over-payment of \$420 and under-payments of \$150 were a significant, but minor problem overall. The Shared Services Centre advised that there were in negotiations with the Commonwealth, who also had this experience, and were seeking legal advice as to the best resolution for the 26,000 people affected. A decision as to whether to write-off overpayments had not been taken as yet.⁵⁸

RECOMMENDATION 17

- 3.16 **The Committee recommends that the Treasurer report back to the Legislative Assembly when a determination regarding the over- or under-payments to some superannuants has been made.**

Superannuation Provision Account

- 3.17 An update on the strategic investment review was provided, and the Committee was informed that the review had not yet been completed but was being undertaken with a targeted return of five per cent (in real terms). The

⁵⁶ Mr Stanhope, *Transcript of evidence*, 19 May 2008, p. P115.

⁵⁷ Mr Vanderheide, *Transcript of evidence*, 19 May 2008, p. P116.

⁵⁸ Mr Vanderheide, *Transcript of evidence*, 19 May 2008, pp. P117 - P119.

Committee was advised that the strategic asset allocation component of the review has been completed and the next stage, the development of a strategic allocation strategy, was nearly complete.⁵⁹

RECOMMENDATION 18

3.18 The Committee recommends that the Government report to the Legislative Assembly on the outcomes of the Superannuation Strategic Investment Review

3.19 In undertaking this review, the United Nations' principles of responsible investment had been considered and potentially the Territory will sign onto these principles. This will influence the engagement strategies adopted and further research into environmental, social and governance rankings of potential investment companies will be conducted.⁶⁰

Other agencies

3.20 On 19 May, during the hearing with the Treasurer, the Committee heard from a number of smaller agencies, including:

- ACT Gambling and Racing Commission regarding strategies to deal with problem gambling, licensing process and the potential cost for a system of on-line monitoring of gaming machines.
- ACT Insurance Authority regarding the responsibility of each agency to manage risk and the case by case nature of insurance coverage relating to contractors.
- ACTTAB regarding difficulties with recruitment of IT staff and the new offices at Gungahlin.
- Rhodium Asset Solutions and the delays in arrangements for the sale of the organisation.

Exhibition Park in Canberra

3.21 The Committee also heard from the Exhibition Park Corporation and was

⁵⁹ Mr McAuliffe, *Transcript of evidence*, 19 May 2008, p. P123.

⁶⁰ Mr McAuliffe, *Transcript of evidence*, 19 May 2008, pp. P123 – P124.

advised that the extra block of land that had been requested by the Board in previous years had not been agreed by Government. The Treasurer explained that:

The master plan and representations, which the government has been considering for some time, have been about securing an income stream to allow Exhibition Park to continue to meet the needs of the Canberra community. There are two ways of doing that: one would be to allow the corporation to operate in a commercial environment to drive, as it saw, its growth, or, alternatively, for the government to budget funds for that growth. The government has taken a decision, expressed particularly through this budget, to express its support in Exhibition Park through significant increased budget funding. In this budget there is an additional \$3.4 million to allow for the expansion and growth of Exhibition Park.⁶¹

3.22 The Committee was also informed that the master plan included two key development proposals:

- Additional car parking space; and
- Various accommodation options within the vicinity of the park.

⁶¹ Mr Stanhope, *Transcript of evidence*, 19 May 2008, p. P137.

4 CHIEF MINISTER'S DEPARTMENT

- 4.1 The Chief Minister's Department provides advice and other assistance to the Chief Minister and Cabinet, the administration of key projects for the Territory and guidance to the ACT Public Service.
- 4.2 The Committee heard from the Chief Minister and the Minister for Arts on 26 May 2008 in regard to the following outputs:
- Government policy and strategy;
 - Public sector management;
 - Coordinated communications and events;
 - Arts policy, advice and programs; and
 - Project facilitation.
- 4.3 On 27 May 2008, the Chief Minister returned to discuss outputs in the following areas:
- Land Development Agency (LDA);
 - ACT Executive; and
 - Business and Industry Development
- 4.4 The Minister for Industrial Relations also met with the Committee on 27 May 2008 in regard to industrial relations policy.

Chief Minister's Department

- 4.5 Discussing the coordinating role undertaken to support ministerial participation in Council of Australian Governments (COAG) and Council for the Australian Federation (CAF) meetings, the Chief Minister advised of the increased number of meetings of these groups since the election of the current Commonwealth Government. Identification of this additional coordinating work has been included in the accountability indicators for this budget.⁶²
- 4.6 The Committee was also advised of some of the preparations in place for the
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⁶² See Budget Paper 4, p. 37.

election and the transition to caretaker period. The Department advised that it is ensuring that the ACT public service is aware of the requirements for this period.

Coordinated communications and events

- 4.7 Set against the context of the October election, the Committee was interested to hear about any planned government advertising for the coming period.⁶³ At the hearing, the Department advised that a letterbox drop to all ACT households will be undertaken following the confirmation of the budget, at a cost of about \$35,000, and there were additional campaigns in process regarding Public Education Week, an update on housing affordability and a refresh of the *Canberra Plan*.⁶⁴
- 4.8 More detail about the review and updating of the *Canberra Plan* was sought and the Department advised that:
- ...it is looking at the changes in the social economic demographic as well as some of the sustainability issues that have come up since the original plan was made. It is looking at those trends; it is projecting into those futures; it is looking at how to tackle some of the continued issues and opportunities that face Canberra. As such, it is a refresh rather than a complete remake.⁶⁵
- 4.9 The Committee was assured that all sectors of the community had been consulted during the review. The renewed *Plan* is anticipated in the coming months.
- 4.10 The *Live in Canberra* campaign was discussed and the Committee was advised that current marketing focus was in New South Wales, South Africa and the United Kingdom. The campaign would soon be extended to the Netherlands and Germany. The campaign is considered to have been very successful by the Chief Minister who advised that 'international migration to Canberra has just about doubled in the last three years. In 2003-04, international migration was

⁶³ See also *Questions on Notice E08-179* and *E08-176*.

⁶⁴ Mr Lasek, *Transcript of evidence*, 26 May 2008, pp. P683 – P684.

⁶⁵ Mr Cappie-Wood, *Transcript of evidence*, 26 May 2008, p. P688.

450. In 2006-07, according to the ABS, it was 800.⁶⁶
- 4.11 The Committee sought clarification about the arrangements for the Balloon Spectacular and was advised by the Chief Minister that the event was a cross-agency event with Tourism, which formed a part of the Department for Territory and Municipal Services. The Chief Minister advised that over 25,000 people attended, many of them tourists.⁶⁷
- 4.12 Asked about the decision to change providers for the event from the previous organisations who had staged the event in past years, the Department explained that because they did not have a commitment from the provider, so two months prior to the event, a new provider was sought.⁶⁸
- 4.13 Preparations for the Centenary of the ACT are progressing and the Department advised that a commitment from the Commonwealth Government so that this might be 'an event not just for the city but for the nation.'⁶⁹ A major scoping exercise is underway.
- 4.14 The Committee also sought clarification on the involvement of the Chief Minister's Department in decisions relating to the proposed data centre at Block 1671 Tuggeranong, but was advised that CMD had no involvement in the selection of the site.⁷⁰
- 4.15 Further to this advice, the Acting Chief Minister wrote to the Committee advising that CMD had in fact been involved in supplying comment on possible sites⁷¹. This advice required the recall of the Chief Minister and other officials to clarify the situation on Monday 16 June 2008.

⁶⁶ Mr Stanhope, *Transcript of evidence*, 26 May 2008, pp. P695 – P696. The proposed data centre was discussed extensively with a number of Ministers during the Estimates inquiry. Further discussion can be found at paragraphs 2.46, 3.4, 8.2, 8.6 and 9.36

⁶⁷ At a later date, the Chief Minister wrote to the Committee to advise that the figures quoted at hearing were not correct. The letter is attached as Appendix B.

⁶⁸ Mr Lasek, *Transcript of evidence*, 26 May 2008, p. P699. See questions on notice and questions taken on notice related to this event.

⁶⁹ Mr Lasek, *Transcript of evidence*, 26 May 2008, p. P702.

⁷⁰ *Transcript of evidence*, 26 May 2008, pp. P703 – P705.

⁷¹ See Appendix B.

Ageing

- 4.16 The Chief Minister discussed his responsibility for Ageing which, while not having a specific output class within the budget papers, is identified as a strategic whole-of-government priority. Officials from the Department of Disability, Housing and Community Service support the Chief Minister in achieving a coordinated government response to the ageing of the Territory's population with services delivered across all Departments. This situation highlights concerns raised earlier about the difficulty that arises from separate ministerial responsibility for policy and service delivery.
- 4.17 At the hearing on 26 May, the Committee discussed the following matters in particular:
- provision of housing for an ageing population;
 - reciprocal transport regime; and
 - skills shortages.
- 4.18 In relation to the provision of housing for an ageing population, the Committee was informed by the Chief Minister that the abolition of stamp duty for pensioners seeking relocation was a major housing initiative which recognised the changing demographic of the population
- 4.19 Regarding a reciprocal transport regime and ongoing negotiations, the Chief Minister advised that:
- ...in the negotiations that have been ongoing now for years, it is the larger states with an eye to the potential implications for them that have been less inclined to negotiate an outcome, particularly without commonwealth support, for a national seniors transport concession regime.⁷²
- 4.20 The Commissioner for Public Administration advised about initiatives to address the worsening skills shortages problem, in order that older people would be attracted to remain in the workforce for a longer period of time. Such initiatives included increasing the amount of purchased leave available, grandparental leave, and voluntary transfers to positions at a lower level to

⁷² Mr Stanhope, *Transcript of Evidence*, 26 May 2008, p. P664.

allow for part time work.⁷³

- 4.21 The Committee queried the seeming the lack of strategic indicators in this area noting that there are a number of indicators relating to youth, multicultural issues and so forth. The Chief Minister agreed that 'identifiable strategic indicators in relation to ageing is something that might be looked at a little more thoroughly.'⁷⁴

RECOMMENDATION 19

- 4.22 **The Committee recommends that strategic indicators that allow for an assessment of government effectiveness in the provision of strategic policy and services for an ageing population be developed.**

Minister for Arts

- 4.23 To respond to questions relating to Budget *output 1.5: Arts policy, advice and programs* as a part of the Chief Minister's Department allocation, the Minister for Arts met with the Committee on 26 May 2008. The following matters were raised:
- Expressions of interest were being sought for the proposed work on the Glassworks' chimney stack, an idea originally suggested by Mr Rick Scott-Murphy
 - The tender process for the development of an art facility at Belconnen is progressing.
 - Release of the public art plan was anticipated with the aim being to expand the program to other town centres.
 - the Canberra Theatre feasibility study (\$115,000) – government table

⁷³ Ms Hudson, *Transcript of Evidence*, 26 May 2008, pp P665 - P666

⁷⁴ Mr Stanhope, *Transcript of evidence*, 26 May 2008, p. P662.

RECOMMENDATION 20

- 4.24 **The Committee recommends that the Government table the report of the Canberra Theatre feasibility study in the Legislative Assembly before the last sitting day in August 2008.**
- 4.25 The location of the Nolan collection at the Lanyon Gallery was discussed. The appropriateness of the atmospheric conditions at Lanyon House and low visitor numbers had led the Government to house the collection temporarily in the Canberra Museum and Gallery.⁷⁵

ACT Executive

- 4.26 On 27 May, the Committee raised questions with the Chief Minister relating to the ACT Executive, including;
- details in the payment of ministerial staff back pay;
 - executive funding decisions to support the cultural education activities of Bell Shakespeare Company and Kulture Break in ACT government schools at a cost of approximately \$20,000 and \$25, 000 respectively.
- 4.27 The Chief Minister advised that there were some significant considerations to support funding to these two groups and indicated that a genuine assessment of results will be undertaken.⁷⁶
- 4.28 The Committee was concerned that there had been such a lengthy delay in finalising backpay for ministerial staffers.

Business and Industry Development

- 4.29 On 27 May, the Committee heard from the Minister for Business and Industry on a number of issues including:
- The outcomes of trade missions to China, India, Canada and the United States;
 - Joint venture involving \$500,000 Government commitment over two years; and

⁷⁵ Ms Elvin, *Transcript of evidence*, 27 May 2008, p P668

⁷⁶ Mr Stanhope, *Transcript of evidence*, 27 May 2008, p. P750 – P752.

- Broader ACT region and employment, with the Committee being advised that around 20,000 people in the region come to work in ACT each day.
- 4.30 The Committee was also advised that the skilled and business migration programme had been particularly successful with around 1,200 – skilled workers, business investors and their families – being sponsored by the ACT Government. The four principal countries of origin were India, the United Kingdom, Korea and China. A total of \$41.5 million had been transferred to the ACT as a result of these new arrivals most of whom found work in their area of expertise.⁷⁷
- 4.31 The allocation of \$3 million towards grants for technology based business was queried and it was explained that the allocation would satisfy two purposes,
- ‘a small grants-based program which will target very-early-stage, small, start-up type companies’, and
 - a program that provides ‘hands-on, commercialisation support, heavy lifting support for young firms.’⁷⁸

Industrial relations

- 4.32 With portfolio estimates appearing as an output 1.3 for the Chief Minister’s Department, the Committee heard from the Minister for Industrial Relations on 27 May. The Minister provided details of some of the policy areas currently being pursued by the Office of Industrial Relations in CMD.
- 4.33 Fireworks sales and use continue to be issue of concern to the community and the Minister and Committee discussed the actions that have been taken to minimise the impact of fireworks sales and use on the ACT population. The regulation of sales was been changed for this coming Queen’s Birthday weekend but the Minister did not anticipate a dramatic decrease in the sales of fireworks for the period.
- 4.34 A review of the workers compensation scheme has been underway since 2006-2007 and the first phase report, with 51 recommendations, was referred to the

⁷⁷ Ms Hunt, *Transcript of evidence*, 27 May 2008, p. P752.

⁷⁸ Mr Cox, *Transcript of evidence*, 27 May 2008, p. P754.

Occupational Health and Safety Council. The Council has identified priority areas and this advice has been considered by Government, including legislative options.

4.35 The Minister was questioned about his intentions for the Family and Community Day public holiday in November and indicated that this will continue to be held on Melbourne Cup Day which is seen as a low productivity day and a way of not disadvantaging workers with the loss of previous entitlements.

4.36 The Committee was also updated on the following issues:

- the community sector taskforce report and the funding of a portable long service leave scheme in the budget, with the Government considering its response to other recommendations in this report;
- in the context of skills shortage issue and the commitment of the ACT Government to support apprenticeships, the Department advised that approximately 150 would be supported across government including approximately 28 InTACT trainees and 15 Indigenous trainees; and
- Discussions being held with retailers and other stakeholders regarding late-night shopping and Boxing Day arrangements.⁷⁹

State of the Service report

4.37 The Committee notes that a *State of the Service Report* has not been prepared since 2004-2005. The Committee considers that these reports provided valuable information on a wide range of issues that are relevant to the management of the ACT public service and allowed appropriate scrutiny of the management of government personnel.

RECOMMENDATION 21

4.38 **The Committee recommends that a State of the Service Report be prepared each year as part of the annual reporting processes by the ACT Government.**

⁷⁹ Mr Barr and Ms Hudson, *Transcript of evidence*, 27 May 2008, pp. P829 – P830.

5 JUSTICE AND COMMUNITY SAFETY

5.1 The Attorney-General and the Minister for Police and Emergency Services met with the Committee on 20 May 2008 to discuss the following output classes:

- Justice services;
- Corrective services;
- Courts and tribunals;
- Legal aid commission;
- Independent competition and regulatory commission;
- Public trustee for the ACT.

5.2 The following were some of the issues canvassed with the Minister:

- The installation of CCTV cameras in various parts of the ACT;
- Sexual assault reform program and its elements;
- Compliance activity by the Office of Regulatory Services, specifically in relation to liquor licensing and regulation;
- Capital works rollover funds;
- Public prosecution statistics;
- Public Advocate matters, especially priority areas
- Electoral matters, including recent changes to the electoral act,
- Office of Regulatory Services, and liquor licensing matters
- Funding of the AMC; capital works, victim awareness programs, health programs, vocational education, payment of prisoners, recruitment action and staffing levels,

Installation of CCTV cameras in areas around the ACT

5.3 In response to questioning, the Minister advised that stage 3 of the CCTV program was underway and that cameras would be installed in and around the city area, Manuka and Kingston and EPIC over the next 12 months. The prioritisation of Manuka Oval, EPIC and Canberra Stadium over the night hotspots was queried, with the Minister responding:

The government has had to prioritise its expenditure. It is important to

remember that there are two key drivers for the expansion of the CCTV network. The first is safety in places of mass gathering and the potential of those places of mass gathering as sites for possible terrorist activity. That is an important consideration.

The second is more broader community safety and more effective deployment of police resources in nightspots. So the government has taken the decision...that the places of mass gathering were the first priorities.⁸⁰

Corrections ACT and the Alexander Maconochie Centre

- 5.4 The focus of questioning in the ACT Corrections Services output area was on capital and operating costs of the Alexander Maconochie Centre (AMC) and costs per prisoner per day. Questioning also revolved around costs of victim awareness campaigns and Vocational Education and suicide prevention
- 5.5 The recruitment campaign, recruiting profiles and training were also considered during the course of the hearing. The Minister advised that officers had been recruited from other parts of Australia, particularly NSW and from New Zealand.
- 5.6 The Minister noted:
- There is a very detailed vetting process that Mr Ryan and his staff undertake, and that covers all aspects. There is also psychological testing as part of this role. This is a challenging role; there is no doubt about it. It is important to stress that, regardless of a person's background, they are all run through the same training program. We do not differentiate; we do not take any knowledge for granted, and we do not assume anything in terms of the skills of the person. They are all provided with the same level of training.⁸¹
- 5.7 Some members of the committee expressed concern that some recently recruited corrections staff had been employed from other prisons. The Minister responded that:
- My advice is that people with previous corrections experience certainly do not comprise the majority, but if people have been deemed to be suitable then they have obviously been offered a position. Having spoken to a number of people who have come from other corrections facilities, they are coming to the

⁸⁰ Mr Corbell, *Transcript of Evidence*, 20 May 2008, p. P205.

⁸¹ Mr Corbell, *Transcript of Evidence*, 20 May 2008, p. P234.

ACT because they do not want to work in an environment that exists in some prisons interstate. They want to work in a new model and they want to contribute to a new model. So they bring that attitude as well as the experience of what is good and bad about other correctional facilities. We give them full training in human rights principles and in the operating philosophy of the prison, which is the healthy prison model. Whilst I am happy to provide the detail of the backgrounds, I think I can confidently say that the majority of people recruited have not had previous experience in corrections.⁸²

- 5.8 The Committee was further advised that one of the concerns about the recruiting campaign was the inability to employ sufficient female officers.

Educational and rehabilitation programs

- 5.9 Advice was also provided on educational and rehabilitation programs, noting that the health program was the responsibility of the Minister for Health. The amount to be expended on vocational education was \$693,000 in 2008-2009, \$710,000 in 2009-2010, \$728,000 in 2010-2011 and \$746,000 in 2011-2012⁸³ and the services were to be provided by Auswide.
- 5.10 Rehabilitation programs, including victim awareness programs, will also be offered at the prison.⁸⁴

Re-offending statistics

- 5.11 The Minister was questioned about the maintenance of the target figure relating to the reduced risk of offenders re-offending [65%], given that the focus of the operation of the new prison was to include an emphasis on 'vocational and educational training and addressing offending behaviour'. The Department advised:

That target is based on the results that we have seen in the past. We think it is a realistic target. I sometimes think it is a bit too optimistic. It is based on the application of an instrument which measures the likelihood of re-offending and that instrument itself is not perfect. I would be inclined not to try to push that

⁸² Mr Corbell, *Transcript of Evidence*, 20 May 2008, p. P234.

⁸³ Question taken on notice E08-424.

⁸⁴ The Committee is unable to comment further on these programs as the answer to the question taken on notice has not yet been supplied.

up any further at this point. That does not mean that we will not be endeavouring, wherever possible, to reduce the risk of re-offending.⁸⁵

- 5.12 The Minister noted that the figures did not include sentenced prisoners, but only those who were existing clients of the Corrections Service, stating:

I think it is important to stress that, when we have that sentenced prisoner population back in the territory and we have a better understanding, as our experience will slowly build over time, of their needs and patterns of behaviour following release, we should be able to build an improvement in that figure. But that figure at the moment relates only to community corrections; it does not relate to the sentenced prisoner population, who are quite a different kettle of fish.⁸⁶

RECOMMENDATION 22

- 5.13 **The Committee recommends that, once the Alexander Maconochie Centre is operational, revised indicators in relation to re-offending should be developed.**

Civil and Administrative Tribunal Bill

- 5.14 When questioned about possible savings from this initiative, the Minister responded that there would not be savings *per se* but that he was anticipating a better use of existing resources than at the moment, including a more equal level of support across the board and the reduction of duplicated services, such as registry support.⁸⁷

Emergency Services Agency

Relocation of ESA

- 5.15 The Committee noted that \$13 million allocated to the relocation of the ESA to Fairbairn had been rolled over when the initial projection for the completion of the relocation was early to mid 2007. The Minister advised that while the initial timeframe was 2007, the relocation was deferred as a result of revised

⁸⁵ Mr Ryan, *Transcript of Evidence*, 20 May 2008, p. P235.

⁸⁶ Mr Corbell, *Transcript of Evidence*, 20 May 2008, p. P235.

⁸⁷ Mr Corbell, *Transcript of Evidence*, 20 May 2008, p. P238.

structural arrangements within the ESA, which necessitated a review of the occupancy requirements. Mr Corbell stated:

Now that the government has worked through those issues around the structural arrangements within the ESA and the staffing levels within the ESA, we are—right now—in the process of finalising the relocation project so that it can proceed. During this morning's session, I was asked what the time frames were on that. I can give some indication of that now if that would help the committee.

There are three key projects to be concluded as part of the Fairbairn relocation. The first is the construction of a new headquarters building. Functional design briefs for that have been completed. We are currently in the process of finalising the details of the new lease arrangement with Canberra International Airport; completion of that building is due in October 2009. Building 183 is the other key building at the ESA new headquarters site. This is an existing building on the old RAAF base which is to be refurbished. Functional design briefs have been completed for this building. The lease finalisation is currently occurring with the airport group and we expect detailed fit-out and construction activity to occur from August this year, with occupancy to be complete by the end of this year.⁸⁸

- 5.16 One issue of concern to the Committee was the date from which rental contracts were signed and the amount of rent which had been expended on unoccupied buildings, prior to refurbishment, which amounted to some \$2 million to date.⁸⁹

RECOMMENDATION 23

- 5.17 **The Committee recommends that the Government provides to the Legislative Assembly a detailed strategy for achieving the relocation of the Emergency Services Authority (ESA) headquarters to Fairbairn.**

- 5.18 The Minister advised:

I am pleased to say that government has agreed on a way forward in that regard and that is why we are now renegotiating the heads of agreement. The scale of the proposed headquarters is smaller than that originally proposed

⁸⁸ Mr Corbell, *Transcript of Evidence*, 20 May 2008, p. P253.

⁸⁹ Mr Corbell, *Transcript of evidence*, 20 May 2008, p. P268.

and that, I am confident, will lead to a saving down the track for taxpayers and the territory.⁹⁰

ESA station upgrades

5.19 The Committee noted that an amount of \$2.184 million⁹¹ had been appropriated to do the design planning specifications and tender readiness for station upgrades and requested information on how the figure had been determined. The Committee was advised:

We do have a fairly good picture of what the overall capital costs for refurbishment will be, subject to the government appropriating the funds. This is worked on a percentage basis for the overall capital program that we may envisage in the future and the sort of current costing provided to us by our architectural group on what would be required to do design for the sort of work envisaged, which is 28 volunteer sheds or parts of sheds or shared sheds and some 20-odd major stations which require significant upgrade to last us the next 30 years.⁹²

5.20 The Committee was further advised that, normally, the figure would be around 'around 10 per cent' of the project cost but that in this case, because of the need to do some master planning and cost-benefit analysis above the architectural cost, the figure was slightly higher.⁹³

Volunteers and capability levels

5.21 The Minister advised that volunteer levels stood at approximately 400 Rural Fire Service personnel, around 200 State Emergency Service and around 850 to 900 community fire unit volunteers.⁹⁴ The Committee questioned the adequacy of the recruitment targets for volunteers (that is, 10 per cent) however the Department advised that a less ambiguous and more informative indicator which referred to the overall numbers of volunteers on the ground was preferred rather than a straight percentage figure which took no account of separations from the SES. The Minister advised that the target is to maintain

⁹⁰ Mr Corbell, *Transcript of evidence*, 20 May 2008, p. P267.

⁹¹ *Budget Paper 5*, p. 61.

⁹² Mr Mason, *Transcript of evidence*, 20 May 2008, p. P261.

⁹³ Mr Mason, *Transcript of evidence*, 20 May 2008, p. P262.

⁹⁴ Mr Corbell, *Transcript of evidence*, 20 May 2008, p. P269.

the existing level of volunteers, allowing numbers to grow consistently and as volunteers made themselves available, but that there was no set figure.⁹⁵

Chemical, biological and radiological capabilities

- 5.22 The Committee noted that funding had been allocated for chemical, biological and radiological (CBR) capabilities in this year's Budget, but that none of this funding has been directed towards broader training and equipping of other frontline emergency personnel who may be required to perform secondary roles in the event of a disaster with potential CBR conditions.

RECOMMENDATION 24

- 5.23 **The Committee recommends that the Government invest in the training and equipping of frontline emergency personnel in the event of a chemical, biological and radiological (CBR) incident.**

⁹⁵ Mr Corbell, *Transcript of Evidence*, 20 May 2008, p. P271.

6 EDUCATION AND TRAINING

- 6.1 On 16 and 22 May, the Committee met with the Minister for Education and Training who has responsibility for the following agencies:
- Canberra Institute of Technology (CIT) and CIT Solutions
 - Building and Construction Fund Training Authority; and
 - Department of Education and Training, including the following outputs:
 - Public school education
 - Non government education;
 - Vocational education and training; and
 - Early learning and development.

CIT and CIT Solutions

- 6.2 The Minister informed the Committee of the high standards of service delivery being achieved by the CIT and that in order to address the training requirements of business and industry in the current skills shortage, additional funding of \$17 million had been provided to the Institute in the budget for a range of capital and recurrent initiatives.⁹⁶
- 6.3 In order to better meet the needs of stakeholders, the Committee heard that the CIT has undergone a restructure recently to facilitate a better focus on industry needs. Replacing the faculties and divisions, the CIT now comprised 16 centres with each centre have an industry advisory committee, chaired by an industry representative. Each centre has an executive director to access development and engagement options.

Reid master plan

- 6.4 An allocation of \$400,000 had been provided in the budget for assessment and development of the Reid campus master plan. The plan had been developed in the previous year following consultations. The funding would allow the CIT to

⁹⁶ Mr Barr, *Transcript of evidence*, 16 May 2008, p. P49.

identify priorities and explore funding options for the implementation of the plan over the next 10-15 years.⁹⁷ The buildings are now mostly 20-30 years old and redevelopment could include a number of options such as student accommodation and commercial partnerships. The plan has found inspiration in the developments undertaken by the Swinburne University of Technology in Victoria and South Bank Institute redevelopment in Brisbane.

- 6.5 For instance, the corner site of the campus offers a number of possibilities with the possible erection of a new multi-story building and potential for commercial lease of some floors or areas of this building. Concerns were raised during the hearing about the potential risks involved when entering into business options that are not a core activity and caution is needed with the public/private partnership model. The CIT assured the Committee that these factors would be closely considered.⁹⁸
- 6.6 The Committee also notes the implications of alterations made by the current Commonwealth Government to the previous agreement for a land swap along Constitution Avenue and is concerned about this matter.

Griffin Legacy

- 6.7 The Committee is concerned about the processes relating to certain components of the Griffin Legacy. The Committee notes that the former Commonwealth Government and the ACT Government agreed to swap certain ACT assets to the control of the Commonwealth Government in return for agreed capital works.
- 6.8 The decision by the current Commonwealth Government to withdraw funding for these capital works is regrettable. Further, the Committee is concerned that the ACT is now in the position of having completed its part of the transaction without being compensated by the Commonwealth Government or securing an agreement that it will complete the agreed projects.

⁹⁷ Dr Adrian, *Transcript of evidence*, 16 May 2008, pp. P53 – P54.

⁹⁸ Mr Barr and Dr Adrian, *Transcript of evidence*, 16 May 2008, pp. P56 – P57.

RECOMMENDATION 25

- 6.9 **The Committee recommends that the Government pursue with vigour the Commonwealth Government either for appropriate compensation or to gain a commitment for completion of the capital works projects previously agreed as compensation for the land swap.**

Horticulture relocation

- 6.10 The Committee was interested to hear details about the proposed move of the horticulture facilities to the Bruce Campus following a feasibility assessment the previous year. Following this assessment, the relocation was seen as the best option and plans were progressing for the full operation from the Bruce campus from 2010. Sustainable technologies are to be incorporated in the redevelopment of the Bruce campus where possible.
- 6.11 Overall, the CIT considered that a larger site, existing dryland planting which can be enhanced by student activity, water storage options which can be easily developed and the existing amenities of the Bruce campus offered advantages for students at the new location.⁹⁹
- 6.12 The Minister advised that subsequent use of the Weston campus had not been determined.¹⁰⁰ However, the Minister did indicate that;
- ...there are some other facilities there that I believe could be retained and made available for community use... That precinct is going to change; there is no doubt about that. I think it is important to retain the arboreta that are there, but we need to ensure that we are meeting our future housing needs, and that we do so in a sensitive way.¹⁰¹
- 6.13 The Committee notes the removal of facilities (ie, two primary schools, one pre-school and the proposed relocation of CIT) in the Weston Creek area in the last few years and further notes that there is a proposal to refurbish the former Weston Creek Primary School as a community hub. The Committee is concerned about the potential impact of these changes on the Weston Creek community in relation to the sense of community in the region.

⁹⁹ Mr Barr and Dr Adrian, *Transcript of evidence*, 16 May 2008, pp. P59 – P63.

¹⁰⁰ Mr Barr, *Transcript of evidence*, 16 May 2008, p. P60.

¹⁰¹ Mr Barr, *Transcript of evidence*, 16 May 2008, p. P60.

RECOMMENDATION 26

- 6.14 **The Committee recommends that consideration be given to planning for the location of appropriate facilities in Weston Creek to underpin the sense of community in this region.**

Student contact targets

- 6.15 In the context of the current skills shortages the Committee sought information on why the target for student contact hours is lower than is actually being achieved. The CIT advised that the target only reflected the agreed numbers for government funding purposes – in 2006-2007 the target was 3,735,000 hours and has been increasing to 3,770,000 hours in 2008-2009.¹⁰² The CIT assured the Committee that they meet demand where possible and that additional funding from other sources would increase this base capacity.
- 6.16 There was considerable discussion about the value of this accountability indicator under these circumstances and it was agreed that some clarification in the budget papers was warranted, ie, that the indicator reflect agreed outputs in the government funding contract, not general demand or broader capacity.¹⁰³

RECOMMENDATION 27

- 6.17 **The Committee recommends that the intent of the accountability indicators provided in the budget papers be clearly annotated to identify government funding levels and other outputs achieved by the Canberra Institute of Technology.**

Recognised prior learning

- 6.18 In relation to developments in the area of recognised prior learning (RPL), the Committee heard from the CIT that there were two components to this process – recognition of trades across jurisdictions and recognition of individual skills from work experience. At issue are questions of standards, health and safety, or improvements in occupational practice. Additional funding seeks to meet

¹⁰² *Budget paper no. 4*, p. 463.

¹⁰³ *Transcript of evidence*, 16 May 2008, p. P73 – P75.

growing demand for this process and over the next two years CIT focus on this issue and current practice.

- 6.19 RPL hours have increased significantly over recent years, but remains a relatively small proportion of total delivery hours. Of the total delivery of training the previous year (3.8 million hours), 122,000 hours were counted as RPL. The costs are comparable and the CIT advised:

There seems to be a common understanding now that the average costs associated with delivering RPL are almost the equivalent of actually delivering the course. So if you cost up what it requires from the moment somebody walks in and asks for your RPL—the self-assessment processes, the time of staff involved in preparation of documentation, putting people through assessment processes—it is almost the exact equivalent of what it costs to deliver the course.

Institutions and jurisdictions are actually providing funding on that basis. That means the institute will distribute funding. An area of the institute would get paid the same to deliver RPL as it would if it were delivering the course.¹⁰⁴

Department of Education and Training

Vocational education and training

- 6.20 As one of the output for the Department of Education and Training, vocational education and training initiatives were of great interest to the Committee. Strategies to respond to the skills shortage are a key feature of the discussion about this output.

Facilitators – response to skills shortages

- 6.21 The provision of \$790,000 over the next three years will fund facilitators for a skills outreach service¹⁰⁵ which will:

...work closely with industry and look at particular avenues and areas of shortfall. They can give them support in terms of sharing apprentices. It may

¹⁰⁴ Dr Adrian, *Transcript of evidence*, 16 May 2008, p. P70.

¹⁰⁵ *Budget paper no. 3*, p. 101.

be that we do not place one apprentice with one industry but broker a partnership between two similar types, so that they share the role of the apprentice rather than taking on the full load...the facilitators will be a welcome resource, so that we are able to support both industry and students in that matching process.¹⁰⁶

Career guidance

- 6.22 The Committee noted that the recently released Skills Commission final report identified career education in schools as an area needing improvement. The Minister reminded the Committee that the second appropriation for 2007-2008 had provided additional staff in the area of pastoral care. The Committee was concerned about the capacity to provide career advice, however. The Department advised that:

...we are going to ask that each of those career advisers will hold a certificate IV in career development and employment by 2012, so that they are keeping track of the AQF and professional standards in career developments. That is incredibly important, so that they are getting qualifications in their field. Indeed, a great deal of work has been done around professional standards for careers advisers that will also come into place in 2012. So getting our people and our workforce ready to get further qualifications in subject specialty areas is of critical importance to career development. That will be a qualification that is recognised Australia wide. It will put our people at the forefront of seeking that certificate IV in career development.¹⁰⁷

Accountability indicators

- 6.23 Accountability indicators in this output were questioned with the target of 80 per cent for both apprenticeships and employer satisfaction¹⁰⁸ having remained static over past years. The Department advised that this recognised the difficulty with the measure with a changing cohort of people. In comparative terms, 80 per cent is a relatively high target. It was acknowledged that the measures do not reveal very much about dissatisfaction within these

¹⁰⁶ Dr Bruniges, *Transcript of evidence*, 16 May 2008, p. P80.

¹⁰⁷ Dr Bruniges, *Transcript of evidence*, 16 May 2008, p. P82. Dr Bruniges advised the Committee at hearing that the CIT provided this course, but later wrote to correct the record and advise that the CIT do not offer the course. It is available on-line and DET will negotiate with CIT.

¹⁰⁸ *Budget paper no. 4*, p. 68

groups and what improvements might be made to improve on this. A survey instrument is required for such an analysis and it was anticipated that facilitators would be able to provide this level of detail.¹⁰⁹

RECOMMENDATION 28

- 6.24 **The Committee recommends that the Department of Education and Training provide details in their annual report of the progress being made towards improving the indicators of apprentice and employer satisfaction.**

Public school education

- 6.25 The Minister advised the Committee that a priority issue for the budget was quality teaching with \$2.4 million being provided over the next three years to establish additional coordination capacity within the Department and in-school staff particularly focusing on 2009. School leaders are also being targeted by this initiative. The Department explained:

...we know that within the classroom the quality teacher accounts for at least 30 per cent of the variants within schools, in terms of making a difference in student outcomes. Our new curriculum, and the timing of that, means it is a great time for us to introduce that new curriculum framework, support it with the pedagogical practice that we need to have, and have those two things aligned in order to lift student outcomes.¹¹⁰

- 6.26 There was considerable discussion on the issue of student attainment in literacy and numeracy and measures to address socioeconomic disadvantage.¹¹¹ The Minister advised of a number of general initiatives that will benefit students in the area of literacy and numeracy. Furthermore, testing across the system allows teachers to identify individual students with specific difficulties and tailor individual learning plans accordingly. The quality teaching initiative is seen as an important adjunct to the capacity of the system to achieve quality learning outcomes.

¹⁰⁹ Dr Bruniges, *Transcript of evidence*, 16 May 2008, p. P84.

¹¹⁰ Dr Briniges, *Transcript of evidence*, 22 May 2008, p. P491.

¹¹¹ *Transcript of evidence*, 22 May 2008, pp. P497 – P499.

- 6.27 On the issue of student attainment, the Committee expressed concern regarding the indicators for Indigenous student achievement. The Minister explained that the relative numbers of students in these groups make the percentages relatively elastic as one or two students can make a significant difference to the overall percentage. The Department also noted that the move to national testing would allow individual students to be tracked through the system and individual variations in attainment, or specific needs, to be more readily identified by schools.¹¹²
- 6.28 The Committee heard from the Minister for Education and Training that the Gungahlin College will open partway through 2010, on a date yet to be determined. The Minister stated that:
- The question then about whether you would accept a second semester intake is one that you would have to judge on student interest at the time...It will certainly be in full operation for the 2011 school year, but it will open in 2010. It may well, in fact, open in the middle of 2010, and we may be able to take enrolments, say, in the second semester. That would entirely depend on student interest as to whether people would want to move.¹¹³
- 6.29 According to the Minister there would be impacts on enrolments and resourcing at a range of colleges including Lake Ginninderra, Copland and Dickson.

RECOMMENDATION 29

- 6.30 **The Committee recommends that the Government publish clear guidelines to students and parents before the end of the 2009 school year on when Gungahlin College will take enrolments, the dates for commencement of teaching and the subjects to be offered in 2010.**

RECOMMENDATION 30

- 6.31 **The Committee recommends that the Government provide information nights in 2008 and 2009 for interested families at locations in Gungahlin and through relevant colleges in Belconnen and North Canberra.**

¹¹² Mr Barr and Dr Bruniges, *Transcript of evidence*, 22 May 2008, pp. P514 – P515.

¹¹³ Mr Barr, *Transcript of evidence*, 22 May 2008, pp. P544 - P545.

Funding

- 6.32 Queried about the calculation of a 6 per cent absolute increase in funding, and an eight per cent per capita increase, the Minister advised:

Assessing the 2008-09 figures, noting the second appropriation initiatives that added more than \$3 million into the total budget amount, and noting, of course, that there are a number of efficiency savings that accrue from decisions in the 2006-07 budget, most particularly in relation to superannuation, which we have discussed in the committee before. That lends itself to a total figure on a per capita basis—recognising, of course, that the number of students in the system is smaller this year than it was the previous year—to an increase of over eight per cent on a per capita basis, and more than six per cent in absolute terms.¹¹⁴

School infrastructure issues

- 6.33 Delays in capital works programmes was raised as an issue of concern by the members of the Committee and some detailed justification was sought. For instance, allocations for the Tuggeranong P-10 school have been rolled over with the explanation that the ‘unanticipated delay was due to the time taken to engage a suitable project officer.’¹¹⁵ The Committee queried how realistic the Department’s timeframes are regarding capital works if relatively minor factors cause significant delays.¹¹⁶
- 6.34 The Government anticipated that it will rollover \$12.6 million in funding from 2007-2008 relating to the School Infrastructure Refurbishment Program and advised that the delays were caused by scoping of the work and problems with site access.

RECOMMENDATION 31

- 6.35 **The Committee recommends that the Government table in the Legislative Assembly before the end of August a list of contractual commitments entered into for the refurbishment of ACT schools and the corresponding timeframes for project delivery, including the**

¹¹⁴ Mr Barr, *Transcript of evidence*, 22 May 2008, pp. P491 – P492.

¹¹⁵ *Budget paper 5*, p. 123.

¹¹⁶ *Transcript of evidence*, 22 May 2008, pp. P501 – P502.

scope under each contract for project slippage, to demonstrate when it will deliver its School Infrastructure Refurbishment Program.

- 6.36 The Committee questioned the Minister closely about the timeframes for the new school and was advised that the proposed opening date of 2011 had not changed. Community consultation about the design of the school was underway as were discussions about the proposed trades training centre.¹¹⁷
- 6.37 The use of former school sites was raised by the Committee and the change in government policy on the question of land sales was discussed.¹¹⁸

RECOMMENDATION 32

- 6.38 **The Committee recommends that in determining the range of possible land uses for former school sites closed as a part of the Towards 2020 process, the Government consider a range of land uses consistent with the preferences of the affected local communities.**
- 6.39 The renovation of the Lyons Primary School was discussed and the Minister advised that he had consulted with the school community and was waiting for advice on their preferred option about the location of students during the period of renovation.¹¹⁹

Special education

- 6.40 With the relocation of some student following the closure of some schools, the Committee was concerned to hear about the impact on special education programmes being delivered. The Department advised that the students and families had been supported in the relocation and their needs accommodated.¹²⁰
- 6.41 The Committee also discussed:
- The arrangements for SCAN funding, noting that although the procedure had not changed, this was always an area of concern. The Committee was advised that negotiations with the Commonwealth may result in increased

¹¹⁷ *Transcript of evidence*, 22 May 2008, pp. P508 – P509.

¹¹⁸ *Transcript of evidence*, 22 May 2008, pp. P505 – P507.

¹¹⁹ Mr Barr, *Transcript of evidence*, 22 May 2008, p. P510.

¹²⁰ Ms Melsom, *Transcript of evidence*, 22 May 2008, pp. P547 - P548.

funding to address unmet need;

- The management of individual learning plans (ILPs) within the system;
- The lower response rate to the parent satisfaction survey;
- Sustainability initiatives within ACT government and non-government schools;
- Whether there has been a decline in kindergarten enrolments and was advised that the enrolment period had only begun on 1 May; and
- The promotional campaign to be launched by the Government during public education week.

7 ACT HEALTH

7.1 ACT Health provides a full range of health services to the residents of the ACT in the following output areas;

- Acute services
- Mental health services
- Community health services
- Public health services
- Cancer services
- Aged care and rehabilitation services
- Early intervention and prevention.

7.2 The 2008-2009 Budget includes a significant commitment to public health infrastructure with the provision of \$300 million over the next four years. Major projects include a women's and children's hospital; several mental health facilities; a community health centre at Gungahlin, additional intensive care beds for Calvary hospital, a neurosurgery suite and the provision of improved breast screening technology. The Committee welcomed these initiatives.

7.3 On the 21 and 22 May , the Minister for Health met with the Committee and discussed the following issues

- The potential health impacts of the proposed data centre;
- The capacity of the health system to deal with chronic illness and ageing;
- The provision and cost of health services at the Alexander Maconochie Centre (AMC) and Bimberi Youth Justice Centre;
- Workforce issues across the health system;
- The anticipated impact on the ACT health system of the increase to the Medicare threshold for the private health insurance rebate;
- The potential for primary care (wellness) walk-in centres to take pressure off emergency departments;
- The bed occupancy rate in the ACT;
- The efficiencies of E-Health technology; and

- The capital redevelopment program at TCH and Calvary Hospital (p 351)

Proposed data centre

- 7.4 The Committee was interested in the potential health concerns that may arise should the proposed data centre be approved. The Committee was advised that assessments and community consultation were underway and the Minister assured the Committee that if the project did not meet safety guidelines the project would not proceed.¹²¹

Workforce issues

- 7.5 The Committee was particularly interested in the workforce culture surveys conducted in August 2005 and August 2007 and was advised that there had been a 10 per cent increase in positive responses in the latter survey.¹²²
- 7.6 Responding to questions about bullying and harassment in the workplace the Department advised that findings from the survey showed that most incidences of violence/bullying came from patients and their relatives rather than between staff members. The Committee noted that ACT Health has a training program to help equip staff to identify causes of aggression in the workplace.

RECOMMENDATION 33

- 7.7 **The Committee recommends that ACT Health further investigate the causes of aggression towards staff in hospitals.**
- 7.8 Questioned about staffing levels the Committee was advised that gains had been made in filling vacancies since the introduction of the Medical Appointments and Training Unit (MATU) in 2006. The Department advised that:

Its role is a strategic approach to medical workforce management. It is not just about increasing the overall number of medical staff in the agency; it is about identifying areas where there is a weakness in clinical service delivery, and

¹²¹ Ms Gallagher, *Transcript of evidence*, 21 May 2008, p. P319.

¹²² Mr Cormack, *Transcript of evidence*, 21 May 2008, p. P323.

working to fill those gaps.¹²³

- 7.9 A recruitment process can take between 6–18 months and particular difficulty can be experienced when recruiting and retaining specialised staff in the Territory. ACT Health advise that:

...we are still working on emergency department, plastic reconstructive surgery, oromaxillofacial surgery, ophthalmology and anaesthesia. I might say that the gaps there are relatively small in each of those; we are really fine tuning the workforce at the moment.¹²⁴

Medicare threshold

- 7.10 The Committee was interested in the potential impact that the changes Medicare levy threshold would have on the ACT public health system. The Minister advised the Committee that the ACT was not expecting any significant impact given that the ACT currently has the highest level of private health cover with the lowest level of usage. (5.6 per cent of public hospital admissions are covered by private health in the ACT which is lower than national average of 7.8 per cent¹²⁵).

RECOMMENDATION 34

- 7.11 **The Committee recommends that the ACT Government work with the Commonwealth Government to ensure that the ACT is not disadvantaged by changes to the Commonwealth Medicare levy threshold.**

RECOMMENDATION 35

- 7.12 **The Committee recommends that the ACT Government work with the Commonwealth Government to develop strategies that will eliminate the disincentives for people to use their private insurance in the public health system.**

¹²³ Prof Bassatt, *Transcript of evidence*, 21 May 2008, p. P380.

¹²⁴ Prof Bassatt, *Transcript of evidence*, 21 May 2008, p. P382.

¹²⁵ Mr Cormack, *Transcript of evidence*, 21 May 2008, p. P344.

Receivables

7.13 The Committee was interested as to why the receivables were higher than expected – now expected to be over \$41 million.¹²⁶ ACT Health advised that this figure reflected:

...the arbitrated outcome that we have had with New South Wales. It goes back a number of years, and so this reflects us recognising revenue that they owe us and they have not yet paid us.¹²⁷

7.14 The Committee was further advised that while interest was not charged on the outstanding money there was a need for NSW to increase their monthly payments.

RECOMMENDATION 36

7.15 **The Committee recommends that the ACT government continue to work with the NSW Government to ensure more streamlined reconciliation processes and payments are established.**

Hospital acquired infection rates

7.16 The issue of hospital acquired infection rates was raised and the Committee was advised that there is no requirement to notify the public health unit as infection control is undertaken within the hospital. However, measures within hospitals, and certainly with the construction of the new hospital, are mindful of current best practice on these issues. For instance, the provision of single rooms is considered to be good practice and the consistent use of infection control measures by nursing staff is encouraged.¹²⁸

7.17 The Committee is concerned that there is no requirement to notify the public health unit regarding acquired internal infection rates. The Committee notes that the hospital has implemented an ongoing campaign to reduce infection rates and commends the important work being done in this area.

7.18 In the area of acute care, the Committee also discussed the following matters

¹²⁶ *Budget paper 4*, p. 175.

¹²⁷ Mr Foster, *Transcript of evidence*, 21 May 2008, p. P375.

¹²⁸ *Transcript of evidence*, 21 May 2008, pp. P397 – P400.

with the Minister:

- Developments in the training of allied health and specialised nursing;
- The economic impact of waiting periods for elective surgery;
- Provision of hospital supplies and was advised that the Auditor-General has examined the matter and 'found that our systems were appropriate for the job they were trying to do.'¹²⁹

Mental Health

- 7.19 Funding commitments in the area of mental health include the establishment an adult acute inpatient unit, a secure adult unit, a mental health assessment unit and provision for the design work for a new young person's unit.
- 7.20 The Committee welcomed these initiatives and the mental health assessment unit in particular, which will relieve some of the pressure on emergency departments.
- 7.21 The Committee inquired about the Government's intention to increase mental health funding to 12 per cent of the overall recurrent health budget. The Minister advised that the proportion is currently at 7.5 per cent (about \$66 million) and that the 12 per cent figure represented a target. Non-government agencies had been suggested that the target should be met by 2012 and "that is what we are aiming for and working towards".¹³⁰ The Minister further explained that as the overall recurrent health budget continues to grow it becomes a bigger challenge to meet that the mental health target.
- 7.22 Discussing mental health services for people in the community, the Minister advised that Mental Health ACT provides a large amount of its services in the community as well as funding community organisations to support recovery and support for individuals. The Minister further advised that the budget increased expenditure on community care to 12.1 per cent of the overall mental health but acknowledged that it came short of the 30 per cent sought by mental

¹²⁹ Ms Gallagher, *Transcript of evidence*, 21 May 2008, p. P392.

¹³⁰ Ms Gallagher, *Transcript of evidence*, 21 May 2008, p. P421.

health groups.¹³¹

- 7.23 The Committee queried why only 56 per cent of the target for psychogeriatric beds had been met¹³² and was advised that this related to difficulties experienced in recruiting appropriately skilled staff.¹³³
- 7.24 The up-skilling of workers in the dual diagnosis field was also discussed by the Committee.

Community Health

- 7.25 The Committee was interested in discharge planning for public hospital patients and was advised that the focus of discharge planning was on the 20 per cent of patients that needed follow-up support services. These included clients with complex health conditions such those whose stay in hospital exceeds 30 days or mental health and aged care patients. ACT Health advised that:

In looking at accountability indicator 1.3 “i” – which, you are quite correct, we have discontinued for 2008-09 – we recognised that it was not necessarily hitting the target in terms of the client group that we were focusing on. We have actually got three indicators in discharge planning that we are focusing our energies on. One is strategic indicator 17, which is in a different output class but they are still patients within hospital. We are getting pretty close to 100 per cent compliance on that. They are the riskiest group of all. They are the clients of the Aged Care Rehabilitation Service.¹³⁴

- 7.26 The Committee also sought details about:
- The public dental health measures available and was advised that services range from preventative to telephone triage services. Discussion are also underway with the Commonwealth regarding children/youth dental services;
 - Opioid management or care plans as distinct from treatment or assessment

¹³¹ Mr Gallagher, *Transcript of evidence*, 21 May 2008, p. P424.

¹³² *Budget paper 4*, p. 164.

¹³³ Mr Gallagher, *Transcript of evidence*, 21 May 2008, p. P427.

¹³⁴ Mr Cormack, *Transcript of evidence*, 21 May 2008, pp. P406 – P407.

plans; and

- Services for people with eating disorders and the Committee was advised that, once it has been opened, the young people's mental health unit will provide in-patient support.

Public Health Services

7.27 The Committee sought details on a number of targeted measures in this output area including strategies in place to meet these targets. Areas discussed included:

- Achieving a decline in hip fractures
- Preventative measures to reduce cardio vascular disease;
- Cleanliness standards of public swimming pools with indications that there are no concerns;
- The level of preparedness of the ACT to deal with a pandemic of influenza or communicable disease;
- The management of public warnings and advice on air quality; and
- Food safety in restaurants.

7.28 On the issue of chronic disease management and the interaction between chronic and acute services, the Committee is aware that there are many stakeholders to be engaged in the discussion about chronic disease management.

RECOMMENDATION 37

7.29 **The Committee recommends that the Government report back to the Legislative Assembly on the progress made with Commonwealth agencies towards the development of a chronic disease plan for the ACT.**

Cancer Services

7.30 A number of issues were raised in this output area, including:

- Waiting times to enter Clare Holland House, with the Committee being advised that on rare occasions there can be a wait of a day or two but

mostly beds at the Canberra hospital are not taken up by patients waiting for palliative care.¹³⁵

- The potential for children's cancer service in the new women's and children's hospital, with the Committee being advised that the number of children diagnosed with cancer in the ACT each year is very low, therefore a dedicated service was not warranted.

7.31 Noting the estimated 20 per cent increase for the cost-weighted separations of cancer patients from 3 000 this year to 3 590 in the coming year the Committee sought an explanation. Mr Cormack advised the Committee that,

The bulk of that increase is because we are apportioning the separations from Clare Holland House, which have previously been counted elsewhere under the cancer output which is appropriate, and there is a modest growth of about, I think it is, three per cent, consistent with our general projected growth rate.¹³⁶

7.32 The non-admitted occasions have also increased due in part to more services being offered in the ACT with the third linear accelerator. Other reasons for the increase expected in cases of cancer in the ACT include the ageing population and the good health awareness of ACT residents who avail themselves of early screening and other early intervention options.¹³⁷

7.33 The Committee sought clarification as to why the targets for breast screening were not met and were advised that this was largely a staffing issue. The Committee was advised that an "aggressive campaign to recruit radiographers" in an area where there was a short supply of qualified practitioners. When questioned as to whether retention of radiographers was a problem, ACT Health advised the Committee that the retention rates were reasonable.¹³⁸

¹³⁵ *Transcript of evidence*, 22 May 2008, p. P454.

¹³⁶ Mr Cormack, *Transcript of evidence*, 22 May 2008, p. P455.

¹³⁷ *Transcript of evidence*, 22 May 2008, pp. P455 – P456. .

¹³⁸ Mr Cormack, *Transcript of evidence*, 22 May 2008, p. P462.

7.34 The Committee questioned why breast screening was listed across two output classes and the Minister explained that this was:

...because breast screen is about early detection. It is a screening program. They are not actually people with cancer. Once you are diagnosed with cancer then you are out of the breast screening program and you are into the cancer services.¹³⁹

7.35 The Committee considered that it would be useful for the budget papers to adopt a more consistent approach to reporting on breast cancer programs.

RECOMMENDATION 38

7.36 **The Committee recommends that expenditure and performance indicators for breast cancer programs for both early detection and treatment be provided in the budget papers to allow them to be viewed together rather than in isolation.**

Aged Care and Rehabilitation Services

7.37 The Committee was pleased to note that discharge planning had been a particular focus for aged care and rehabilitation services for those over 75 years of age over the last 12 months and that a rate of a 100 per cent had been achieved.¹⁴⁰

7.38 The Committee inquired about the waiting lists for residential aged care facilities and was advised that times varied between the different facilities. ACT Health advised the Committee that:

The rules around residential aged care facilities do not require that they participate in a coordinated waiting list or that they draw from a coordinated waiting list. It would be wonderful if that were the case.¹⁴¹

¹³⁹ Ms Gallagher, *Transcript of evidence*, 22 May 2008, p. P463.

¹⁴⁰ *Transcript of evidence*, 22 May 2008, p. P465.

¹⁴¹ Mr Carey-Ide, *Transcript of evidence*, 22 May 2008, p. P466.

RECOMMENDATION 39

7.39 **The Committee recommends that, notwithstanding the inherent difficulties, ACT Health explore the possibility of instituting a consolidated waiting list for places at aged care residential facilities.**

7.40 Other issues discussed included:

- Sub-acute shortfall in target due to staff shortage;
- Negotiations with the Commonwealth to aim to provide better health care facilities in aged care facilities;
- Issues with elderly patients in hospital who refuse to be placed in nursing homes;
- The role of liaison officers to assist with placement and vacancies;
- The long term hospital admissions impact on the efficiency of hospitals;
- The community acute care program which was being developed to minimise the necessity for older people to be admitted to hospital in the first instance;
- The provision of aged care facility providing support in relation to infection control;
- The rapid assessment of the deteriorating at risk older person service (RADAR) service which involves nurse practitioners assisting residential aged care services identify health concerns; and
- Plans to expand the rehabilitation independent living unit (RILU).

Early intervention

7.41 The Committee questioned the drop in funding of \$3 million and was advised that this was a result of the reduction in Commonwealth money that had been provided for the vaccination program to immunise 14-15 year old girls against the human papilloma virus. The Committee was advised that the program is continuing but the catch-up has been completed and will now be run on an annual basis.¹⁴²

¹⁴² Mr Cormack, *Transcript of evidence*, 22 May 2008, p. P475.

7.42 Other areas of discussion included:

- Cuts to early intervention services across a number of output classes, such as, chronic disease management and breast screening;
- The lack of an increase in the target set for breast screening despite extra allocations to this service area;
- The reasons why a number of women screened for cervical cancer has moved from an accountability indicator to a strategic indicator;
- Strategies to target marginalised women; and
- The cost to ACT Health of using shared services.

7.43 The Committee was interested to hear that there have been preliminary discussions regarding a men's health plan. The Minister advised:

I have recently met with the Canberra Men's Centre who, as you know, pretty much are trying to get on the ground a men's sector in the ACT. Based on some of the feedback from what they have said to me, they are in the early stages of putting together a men's health plan.¹⁴³

RECOMMENDATION 40

7.44 **The Committee recommends that that the Government develop a men's health plan.**

¹⁴³ Ms Gallagher, *Transcript of evidence*, 22 May 2008, p. P483.

8 LAND DEVELOPMENT AND PLANNING

8.1 The Chief Minister, Mr Stanhope, appeared with the Land Development Agency on 27 May 2008 and the Minister for Planning, Mr Barr appeared with the ACT Planning and Land Authority on 30 May 2008.

Land Development Agency

8.2 The Committee discussed the following matters with the Chief Minister regarding the functions of the LDA;

- Affordable housing;
- Proposed data centre at Block 1671¹⁴⁴ Tuggeranong;
- Sale of the QEII site;
- LDA and sustainability; and
- ANU and the City-West redevelopment;

Affordable housing

8.3 As one of its affordable housing initiatives, the Government undertook to identify 'significant parcels of land that would be suitable for release direct to the market.'¹⁴⁵ The Chief Minister advised that the LDA had therefore an englobo release, the first of which was at west Macgregor which had a very significant impact on improving the availability of housing.

8.4 The Committee was advised that, since that time, another release had been made in Casey with subsequent plans in place for releases of Casey 2 and Molonglo 2 over the course of the coming financial year. The Chief Minister advised that by the end of this current financial year, the total number of blocks released will be 3,470.¹⁴⁶

¹⁴⁴ The proposed data centre was discussed extensively with a number of Ministers during the Estimates inquiry. Further discussion can be found at paragraphs 2.46, 3.4, 4.14, 8.6 and 9.36.

¹⁴⁵ Mr Stanhope, *Transcript of evidence*, 27 May 2008, pp. P714 - P715.

¹⁴⁶ Mr Dawes, *Transcript of evidence*, 27 May 2008, p. P715.

- 8.5 In meeting the affordable housing commitment, the Committee was advised that housing packages in Macgregor as a part of the land ballot could be acquired for between \$240,000 and \$300,000.

Proposed data centre –Block 1671 Tuggeranong

- 8.6 While the actual budgetary outlays in the ACT budget are minimal for the project, the Committee considers that the size and level of interest in the project on the ACT warranted a detailed and thorough examination of the issue.
- 8.7 The Committee has considered the data centre/power station several times in this report. Other references are to be found at paragraphs 2.46, 3.4, 4.14, 8.2 and 9.36.
- 8.8 The Committee sought clarification on the role of the LDA in the identification of suitable land for the proposed data centre and was advised that:

Four sites were identified as potential sites to meet the ActewAGL requirements for a Hume gas-fired power station. I could give you the details but they are numbers, blocks and sections. They are part block 7, section 21 Hume, part block 18, section 23 Hume, part block 1671 district of Tuggeranong, and there were two sites there which were referred to as blocks C and D.

The preferred site was, indeed, block 1671 district of Tuggeranong. The site was selected because it had an appropriate land use under the territory plan; it was close to existing ActewAGL infrastructure; its proximity to existing methane gas generation from Mugga landfill was an advantage; it was also free of a number of encumbrances which were identified with the other sites. And those other encumbrances related to things like the existence of leases which would require withdrawal and payment of compensation and things of that nature.¹⁴⁷

- 8.9 Questioned about the suitability of the site, the Chief Minister informed the Committee that:

It was implicit that the proponents would need to lodge and have approved a development application, and it is implicit that any development would

¹⁴⁷ Mr Mitchell, *Transcript of evidence*, 27 May 2008, pp. P716 – P717.

require a preliminary assessment and that no development application for a development such as this or, indeed, any other development would be approved if it did not meet the environmental conditions inherent in a preliminary assessment.¹⁴⁸

- 8.10 The Committee was initially advised that the Chief Minister's Department was not involved in the site selection process.¹⁴⁹ However, the Committee later received advice from the Acting Chief Minister and from the Acting Chief Executive of the Land Development Agency that the Chief Minister's Department was involved in preliminary work and discussion about possible site options from 'the time of receipt of a letter dated 9 May 2007 to the Chief Minister from ActewAGL's Chief Executive'¹⁵⁰
- 8.11 Since the Committee had been unable to fully pursue a line of questioning during the hearing the Chief Minister and his officials were recalled to clarify the role played by the Chief Minister's Department (CMD) in the selection of a site.
- 8.12 The Chief Minister and officials from the CMD, Land Development Agency, Actew and ActewAGL therefore appeared before the Committee on 16 June 2008 to clarify the situation in relation to the site selection for the data centre/power station.
- 8.13 The Committee pursued several lines of questioning, particularly related to clarifying the role of CMD in the selection of block 1671 at Tuggeranong by the project proponents (ActewAGL). The Chief Minister and officials all emphasised that four blocks were available to and considered by ActewAGL.
- 8.14 The Committee also sought clarification about the process for land release that would be followed in these circumstances and was advised that the process culminates in a submission to cabinet.¹⁵¹ The Chief Minister advised that cabinet approved the release of the block with the knowledge that:

...the grant of land would not proceed if the certain conditions presently

¹⁴⁸ Mr Stanhope, *Transcript of evidence*, 27 May 2008, p. P718.

¹⁴⁹ Mr Dawes, *Transcript of evidence*, 27 May 2008, p. P721.

¹⁵⁰ Ms Gallagher, Acting Chief Minister, Letter dated 4 June 2008, see Appendix B.

¹⁵¹ Mr Mitchell, *Transcript of evidence*, 27 May 2008, p. P733.

contained within the deed of option negotiated with the proponents were not satisfied...[including the] quite rigorous statutory processes that apply to all developments in the ACT.¹⁵²

8.15 The Committee also discussed:

- Water sensitive urban design with a particular focus on the use and reuse of water in the area.¹⁵³
- The QEII site in Civic which had been sold at above market value on condition that there was provision for a clear unencumbered site, a tenant agreement had been signed and the development application had been approved.¹⁵⁴
- The significantly larger than estimated profit for the year which reflected some significant sales in the period.¹⁵⁵

ACT Planning and Land Authority

8.16 The Committee discussed with the Minister for Planning the circumstances surrounding the eviction of the Farrell family from the Caretaker's Cottage at Molonglo and was provided with advice about the process leading up to the eviction. The property group from the Department of Territory and Municipal Services assumed control of the site following the deadline for departure as agreed on the consent order issued by the Magistrates Court the preceding year. The public debate regarding the eviction was discussed at length with the ACTPLA observing that:

The only way we can exercise our job is by falling back on a legal framework. We follow legal processes in order to get us to a point where at least we can sit around a table and say, "We followed due process; we followed procedural fairness,"¹⁵⁶

¹⁵² Mr Stanhope, *Transcript of evidence*, 27 May 2008, p. P733. The proposed data centre was discussed extensively with a number of Ministers during the Estimates inquiry. Further discussion can be found at paragraphs 2.46, 3.4, 4.14, 8.2 and 9.36.

¹⁵³ *Transcript of evidence*, 27 May 2008, p. P738.

¹⁵⁴ Mr Mitchell, *Transcript of evidence*, 27 May 2008, p. P738.

¹⁵⁵ Mr Mitchell, *Transcript of evidence*, 27 May 2008, p. P746.

¹⁵⁶ Mr Savery, *Transcript of evidence*, 30 May 2008, p. P1144.

8.17 The Committee notes that, under ACT leasehold arrangements, there is no provision for adverse possession.¹⁵⁷ The Committee also notes the unfortunate circumstances in which the situation was allowed to continue for so many years without either formalisation or documentation.

RECOMMENDATION 41

8.18 **The Committee recommends that the Government (a) undertake an audit of the occupation of Territory land where no legal arrangements are in place, (b) identify any agreements made with such persons, (c) formalise leases or other legal arrangements with such persons and (d) report to the Legislative Assembly on the steps taken on this matter at the earliest opportunity.**

East Lake project

8.19 Questioned about the provision of \$250,000 for the relocation of the Kingston miniature railway, ACTPLA advised that the East Lake project could only proceed following the relocation of current users. The allocation would allow a more detailed feasibility study to be undertaken once a site has been selected. The Committee was advised that at this stage, no alternative site had been identified and a decision regarding relocation had not been made by Government.¹⁵⁸

8.20 The Committee asked about plans for other users in the area and was advised that the whole area was a part of the “railway master plan work”. The Committee considered the name of the initiative was not indicative of the actual purpose of the funding and suggested a broader identifier would be more appropriate, such as “the railway precinct study.”¹⁵⁹

8.21 The Committee discussed other aspects of the East Lake planning process including;

- High density design in an infill area;
- The use of an energy and water assessment toolkit; and

¹⁵⁷ Mr Savery, *Transcript of evidence*, 30 May 2008, p. P1146.

¹⁵⁸ Ms Lavis, *Transcript of evidence*, 30 May 2008, p. P1147.

¹⁵⁹ Mrs Dunne, *Transcript of evidence*, 30 May 2008, p. P1148.

- Business rules relating to planning determinations with reference to procedural weaknesses during the approval phase of the Kinston foreshore development.

Application approval

- 8.22 The accountability indicators relating to the application approval process were discussed by the Committee, particularly the new code and merit track system. The Minister explained that:

...in relation to code track applications, the principle of the new system is that applications that go through that process are, by their nature, simpler and can only be assessed in that track if they meet the fairly strict rules that are in place in relation to a code assessment. So they would have to meet the code and if they do not meet the code they are immediately bounced into another assessment track. I think we can be confident that the targets that have been set for code track assessments can be achieved.¹⁶⁰

- 8.23 The implications for development applications that do not fall into the code track category were raised, concern being whether ACTPLA had the personnel to meet reasonable targets. The Minister advised that:

in terms of the effective allocation of resources within the Planning and Land Authority and the amount of time that is spent on certain DAs, the creation of a code track stream whereby simpler ones can go through more quickly and more time can then be devoted to the more detailed DAs is a sensible and logical way to approach dealing with development assessment. I am aware that a record number of DAs were lodged in the first quarter of this calendar year, and that there is a huge amount of pressure on the authority to work through those.¹⁶¹

- 8.24 The Committee was advised that the current staffing level is 15 – 20 personnel short of the 250 total. The Agency advised that recent recruits moving across from the National Capital Authority had been most welcome.¹⁶²

¹⁶⁰ Mr Barr, *Transcript of evidence*, 30 May 2008, p. P1156.

¹⁶¹ Mr Barr, *Transcript of evidence*, 30 May 2008, p. P1157. Mr Ponton advised elsewhere that 400 applications were received. *Transcript of evidence*, 30 May 2008, p. P1161.

¹⁶² Mr Barr and Mr Savery, *Transcript of evidence*, 30 May 2008, p. P1157.

Development Applications – Transitional Rules

- 8.25 ACTPLA officials stated that there were no clear rules for making a determination on whether the revised Development Applications would be treated as a new application under the new Act or a revised application under the old Act. The Committee considers that the lack of clear procedural guidelines is unfortunate because officials could be accused of arbitrary decision-making.
- 8.26 The Committee notes that there were a large number of Development Applications submitted prior to the change in legislative arrangements and is concerned that any amendments required to these applications should be assessed in a fair and legally appropriate manner.

RECOMMENDATION 42

- 8.27 **The Committee recommends that the Government clarifies the rules of interpretation that will be applied by ACTPLA for the purposes of distinguishing between new Development Applications and revised applications in cases where applications have been lodged prior to 31 March 2008 but amended subsequently.**

Kingston development

- 8.28 The Committee was concerned to learn that a single officer within ACTPLA had approved a building application which was subsequently found to be inconsistent with the Territory Plan. The Committee notes that in this instance no peer review mechanism had been followed.

RECOMMENDATION 43

- 8.29 **The Committee recommends that ACTPLA review its policies and procedures to ensure that Development Application approvals are subject to appropriate checks and balances.**

Development Application Forms

- 8.30 The Committee heard that since the introduction of the new Territory planning system there has been difficulty reported in regard to Development Application forms. ACTPLA advised the Committee that the forms were not

efficient and needed to be urgently revised.¹⁶³ They were now consulting with the industry with a view to enhancing the efficacy of the forms.

RECOMMENDATION 44

8.31 **The Committee recommends that the Government simplify paperwork requirements for development applications under the new Territory planning system and that, in future proposed planning system forms be subject to testing to ascertain compliance problems prior to their introduction.**

8.32 The Committee also discussed:

- Advice provided by ACTPLA regarding the proposed gas-fired power station development in the Tuggeranong District;
- ACTPLA's relationship with Queanbeyan City Council;
- Developments in planning relating to energy efficiency and housing, transport and land use in greenfields developments, and sustainability advise for consumer and the implementation of "Weathering the Change" strategy;
- Review processes following Administrative Appeals Tribunal decisions;
- Implications from the review of the National Capital Authority;
- Resumption of rural leases in the Molonglo valley; and
- Possible high density residential development sites

¹⁶³ Mr Meyer and Mr Savery, *Transcript of evidence*, 30 May 2008, p. P1187.

9 TERRITORY AND MUNICIPAL SERVICES

9.1 On 27 May, the Minister for Tourism, Sport and Recreation, Mr Barr, met with the Committee to discuss the following outputs:

- Sport and recreation, as an output of municipal services; and
- Tourism and events, as an output of enterprise services.

9.2 On 28 and 29 May, the Minister for Territory and Municipal Services, Mr Hargreaves, met with the Committee to discuss the following output areas:

- Municipal services, including;
 - Information services;
 - The office of transport;
 - Sustainability (collection of household garbage and recycling); and
 - Land management;
- ACTION;
- ACT Cemeteries Authority; and
- Government services as an output of enterprise services.

Tourism, sport and recreation

9.3 In meeting the Minister for Tourism, Sport and Recreation, the Committee discussed the following issues regarding sports and recreation :

- The upgrade of the Lyneham sports precinct which would include upgrading of the netball facilities (with a comparable contribution from the netball association) and additional improvements to the surrounding roadway, access points and car parks;
- Increased maintenance costs associated with increased water costs;
- The drought proofing strategy for playing fields and the allocation of grants to sporting organisations to implement water saving or resurfacing projects; and
- Upgrades to various facilities including Phillip Oval, the Canberra Olympic Pool and the Lakeside Leisure Centre, and the Griffith Oval.

- 9.4 The Committee discussed an allocation of \$8 million in project funds originally earmarked for a Dragway, a project which had been unable to proceed. The Minister advised that an announcement concerning a major motor sport project would be made in the near future using the rollover funds from the Dragway project.¹⁶⁴
- 9.5 The Committee noted the increased funding provided for the tourism portfolio in the budget. A particular focus for the expenditure will be on the e-strategy including the rebuilding of the visitcanberra.com.au site.¹⁶⁵
- 9.6 The purpose of earlier cuts in the tourism portfolio in the 2006-2007 Budget was questioned by the Committee as increased funding in the current period appears to have reversed the earlier decision. The Minister advised the Committee that a significant restructuring of the tourism portfolio was achieved over this period. Asked for the specific number of staff, the Minister advised that there were 40 full-time equivalents (FTEs) allocated to the area.¹⁶⁶

Floriade

- 9.7 The Minister also provided details about plans to reinvigorate Floriade by including a night-time activities and the involvement of the National Film and Sound Archive in the theme of Australian film.
- 9.8 The Committee also sought clarification about the options being pursued for a permanent site with an allocation for a feasibility study to be undertaken. The Minister advised that the study will look at two sites in particular – in the East Lake area and at the international arboretum site. The Minister also noted that,

If you look at events of this nature elsewhere in the world, they are held over multiple sites, so it may well be that we could look at two or three different sites, with each offering a different set of experiences. With the boat harbour going in at Kingston foreshore; the idea of catching a ferry from one part of Floriade to another across the lake is a reasonably attractive prospect. So these are the sorts of things that will be examined in this particular feasibility study, noting that we will not be revisiting some of the sites that have previously

¹⁶⁴ Mr Barr, *Transcript of evidence*, 27 May 2008, p. P773.

¹⁶⁵ Mr Barr, *Transcript of evidence*, 27 May 2008, p. P799.

¹⁶⁶ Mr Barr, *Transcript of evidence*, 27 May 2008, p. P803.

been ruled out¹⁶⁷

- 9.9 The Committee was concerned about car parking for this year's event, however, the Minister assured the Committee that adequate parking would be available along Constitution Avenue despite the changed arrangement for the car park traditionally used by Floriade visitors.¹⁶⁸

RECOMMENDATION 45

- 9.10 **The Committee recommends that the relevant Minister provide details of car parking arrangements prior to Floriade commencing.**

Balloon Festival

- 9.11 The Committee was advised that expenditure of funds on the Balloon event from this portfolio area was \$50,000 and that these funds were provided for promotion of the event. Other in-kind support was provided by a number of organisations. The Minister advised that there were considerable savings in costs associated with the hosting of this year's event.¹⁶⁹

Other issues

- 9.12 The Committee also discussed:
- The arrangement for the World Cup rugby league game to be played in Canberra in October; and
 - The increased number of major cycling events being scheduled at Mt Stromlo.

Territory and municipal services

Capital upgrades

- 9.13 The Minister for Territory and Municipal Services advised the Committee that \$20.4 million in capital upgrades had been provided in the budget and noted

¹⁶⁷ Mr Barr, *Transcript of evidence*, 27 May 2008, p. P792.

¹⁶⁸ Mr Barr, *Transcript of evidence*, 27 May 2008, pp. P792 – P795.

¹⁶⁹ Mr Barr, *Transcript of evidence*, 27 May 2008, p. P808.

the challenges presented by factors, such as the prolonged drought, on maintaining enjoyable public facilities and spaces. The focus for the Department over the coming year will be on improving the Territory's infrastructure including upgrades to the older section of Bunda Street, the purchase of 116 new buses, and an upgrade and reconfiguration of the Belconnen interchange.¹⁷⁰

- 9.14 The Committee discussed a number of issues with the Minister including:
- Accountability indicators relating to the provision of footpaths and cyclepaths; and
 - The impact of variables such as cost of water on the budget forecasts.

Road infrastructure and Gungahlin Drive Extension

- 9.15 The Committee noted that, as part of strategic road planning, there had been an allocation of \$11 million over three years to upgrade Tharwa Drive, \$10 million for road works around the airport and a further \$30 million Commonwealth allocation to allow improvements around the Fairbairn Avenue-Morsehead Drive-Majura Road intersections.¹⁷¹
- 9.16 The Committee discussed the impact that the new road system (the Gungahlin Drive Extension) had on traffic congestion during peak periods and was advised that over the next 12 months traffic studies would be undertaken to quantify changes in the movement of traffic and changes in congestion patterns.¹⁷² The Minister informed the Committee that such assessments would help determine any future works that might be required to improve traffic flows around north Canberra and that no major plans would be considered prior to those assessments.¹⁷³
- 9.17 The Committee was advised, however, that minor improvement to traffic flow will be undertaken where possible within the existing configuration – for instance, by lengthening the acceleration lane at Aranda where the Belconnen

¹⁷⁰ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, pp P928 - P929.

¹⁷¹ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P936.

¹⁷² Mr Hargreaves, *Transcript of evidence*, 28 May, 2008, p. P941.

¹⁷³ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P942.

Way traffic merges.¹⁷⁴

- 9.18 The Committee queried whether the various delays to the completion of the GDE had led the Department to delay other major road works projects, specifically Tharwa Drive. The Minister advised that changes to the strategic road plan arise from time to time because of unexpected delays from external factors and that:

these documents are evolutionary documents and they will be affected by priorities which emerge from time to time. They are an indicator. A strategic road plan is an indicator of government intention. It is not cast in stone.¹⁷⁵

Library services

- 9.19 The Committee asked for clarification about the membership targets and was advised that a “purge” of non-active members from the membership list was anticipated to reduce the number of members from 194,000 to approximately 180,000.¹⁷⁶ A purge of non-active members from the list would improve the management of the membership data base.

- 9.20 A report into the ACT Legislative Assembly library was discussed with the Committee. The Minister advised:

I consider the report at this stage of the game to be a working document. It is not anything other than an aid to a decision that needs to be taken. I have not had an opportunity at this stage to have a conversation with the Speaker on the way forward. Until that conversation is concluded and decisions are taken jointly, I do not think I will be making that stuff available.¹⁷⁷

RECOMMENDATION 46

- 9.21 **The Committee recommends that the Minister provide the report into the ACT Legislative Assembly library to the Speaker forthwith.**
- 9.22 The Minister indicated that although the re-establishment of a library at Griffith will not occur, the mobile library will continue to support the needs of

¹⁷⁴ Mr Gill, *Transcript of evidence*, 28 May 2008, p. P942.

¹⁷⁵ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P948.

¹⁷⁶ Mr Hargreaves and Ms Morrell, *Transcript of evidence*, 28 May 2008, pp. P950 – P951.

¹⁷⁷ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P952.

residents in that area.¹⁷⁸

Public transport

9.23 The Minister advised that the current fleet consisted of 379 buses and that while there will be no net increase in the number of buses, 116 buses will be replaced over the next four to five years with buses that facilitate disabled access.¹⁷⁹ In addition, these buses are all to be fitted with bike racks.¹⁸⁰

9.24 The Committee also discussed:

- Fares and the favoured strategy of increased boardings rather than fares;
- Consideration of the feasibility of a new ticketing system;
- The completion of the new Belconnen interchange by June 2009;
- CCTV programme and increased staff presence at Woden interchange since 2007; and
- Costs of fuel and forecasts for budget increases.

9.25 In relation to reports of driver shortages, the Minister advised that the system was between 20 and 40 drivers short of target, partly reflecting a nation-wide shortage and the challenge in balancing attrition and recruitment action for new personnel.¹⁸¹

Fleet replacement schedule

9.26 The 2008-2009 budget projects that patronage on ACTION buses will increase by 847 000.¹⁸² The Committee notes the fleet replacement schedule for this financial year does not add any additional buses to the existing fleet, calling into question the capacity of the fleet to handle an increase in usage.

¹⁷⁸ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P955.

¹⁷⁹ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P990.

¹⁸⁰ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P972.

¹⁸¹ Mr Hargreaves, *Transcript of evidence*, 28 May 2008, p. P1007.

¹⁸² *Budget Paper 4*, p 325

RECOMMENDATION 47

- 9.27 **The Committee recommends that any increase in patronage of buses is matched by the addition of new buses to the fleet.**

Government Services

- 9.28 The Committee questioned how the \$2.723 million funding for Albert Hall was to be spent. It was advised of a significant list of renovations and upgrades planned. A reference group would oversee the process and provide advice to government.¹⁸³
- 9.29 The Committee also sought clarification from the Minister on the following issues:
- strategies to preserve the buildings at closed school sites while they are unoccupied;
 - water saving achievements by Capital Linen Services;
 - non-government occupancy rate for properties;
 - graffiti removal processes; and
 - new measures for the Yarralumla Nursery.
- 9.30 The Committee explored the issue of graffiti management with the Minister who advised on a number of strategies, including that of encouraging private citizens to place murals on their walls as a discouragement to graffiti artists. However, the Committee considers that some additional assistance to private residents is warranted, especially when their property is close or adjacent to public property.

RECOMMENDATION 48

- 9.31 **The Committee recommends that funding be made available to facilitate the removal of graffiti on private property adjacent to public property.**

¹⁸³ Mr Ryan, *Transcript of evidence*, 29 May 2008, p. P1018.

RECOMMENDATION 49

- 9.32 **The Committee further recommends that graffiti adorning government owned municipal services buildings be removed immediately.**

Sustainability

Waste and recycling¹⁸⁴

- 9.33 The Committee heard that the requirements for Canberra Concrete Recycling will change at their current (Commonwealth) site and they will move into mixed waste processing rather than land –fill. This will improve the overall figures for resource recovery in the ACT.¹⁸⁵
- 9.34 The Government will also spend \$2 million to plan for future waste infrastructure and the rehabilitation of existing sites. Options for reducing the overall reliance on landfill are also being explored. The Minister also identified the need for the commercial and retail sectors to improve their performance in the recycling of packaging and organic matter. The Department advised that:
- In the past we have had an ACT industry waste forum where we have had various members such as the chamber of commerce, ANU and a range of other people come along and attend and sit on that forum. Effectively, the Waste Minimisation Act requires us to consult and have industry involvement in ACT-wide waste policy development and implementation. That forum was to serve that purpose. Unfortunately, the forum died a very slow death in terms of attendance of the stakeholders.¹⁸⁶
- 9.35 The Committee also discussed sustainability issues with the Minister for the Environment, Water and Climate Change, seeking detail on the review of the Nature Conservation Act currently underway. The Committee was advised:

The Nature Conservation Act review is happening at the moment. It is being

¹⁸⁴ This component of the sustainability output sits within the portfolio responsibility of the Minister for Territory and Municipal Services. Other sustainability matters are the responsibility of the Minister for the Environment, Water and Climate Change.

¹⁸⁵ Mr Horsey, *Transcript of evidence*, 28 May 2008, p. P960.

¹⁸⁶ Mr Horsey, *Transcript of evidence*, 28 May 2008, p. P965.

funded within the departmental budget. There were enough funds to do it at the time; there was not for the Heritage Act review. That is why we sought initiative funding for that.¹⁸⁷

9.36 The Committee also sought clarification on a number of other issues including:

- funding for a kangaroo management plan;
- developments at Tidbinbilla;
- environmental impact statements, especially in the context of the proposed data centre and power station at Block 1671 Tuggeranong¹⁸⁸;
- water quality post fires and funding for water quality management in the lower Cotter catchment area; and
- removal of pine wildings which is being achieved with contractors, Greening Australia volunteers and through corrective services.

9.37 Although the Commissioner for Sustainability and Environment did not attend, the Committee was advised that the State of the Environment report was almost complete and that the inquiry into the Lawson grasslands had been complete with other inquiries on grasslands to be undertaken in the future. For the first time, the position of Commissioner was held as a full-time role and consideration was being given to a new statutory framework to support the role.

RECOMMENDATION 50

9.38 **The Committee recommends that the State of the Environment report be released by the Minister for the Environment by the end of July 2008.**

¹⁸⁷ Mr McNulty, *Transcript of Evidence*, 29 May 2008, p P1066

¹⁸⁸ The proposed data centre was discussed extensively with a number of Ministers during the Estimates inquiry. Further discussion can be found at paragraphs 2.46, 3.4, 4.14, 8.2, and 8.6.

10 DISABILITY, HOUSING AND COMMUNITY SERVICES

10.1 On the 28 May, Ms Katy Gallagher, the Minister for Disability and Community Services and the Minister for Children, Youth and Family Services and the Minister for Women met with the Committee to discuss the following output areas:

- Disability and therapy services;
- Early intervention
- Children, youth and family services; and
- Community development and policy.

10.2 As a department with a number of different areas, the Committee was interested in the integration between the various areas. The Minister advised that the 'business of this department is responding to families and families in need'¹⁸⁹ and it was not uncommon, when responding to a family in need, that the services provided would cut across a number of areas such as housing, care and protection, disability services and so on.

10.3 The Committee explored the interaction between DHCS and Education ACT given that notifications of children in need of intervention often come through the school system. The Minister advised that the Department was working with the Department of Education and Training to finalise policy response particularly in relation to the P-2 schools.¹⁹⁰

10.4 The Committee inquired into the connection between the child and family centres and the P-2 schools and how they would operate. The Department explained that:

The context around the P-2 schools and the child and family centres and how they work together will really depend on what the school identifies as the needs of their community. We will be working together with the schools to

¹⁸⁹ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P836.

¹⁹⁰ Ms Gallagher, *Transcript of evidence*, 28 May 2008, pp. P387 – P388.

get a sense of what it is that the families need in those communities, deliver some programs on site at the schools, look at doing early-morning sessions and evening sessions in order to facilitate contact into programs for various parents—parents who work and parents who do not work—and also run some programs from the child and family centre, from the centre itself. So it is trying to provide flexibility of service, depending on the needs of that community and what they identify as their priorities.¹⁹¹

Disability Services and Policy

- 10.5 Details of the *Challenge 2014*, an extensive review of disability services in planning for future directions, were discussed. As an aspirational document, the Department's priority in the coming year would be to work with the community to implement many of the goals identified.¹⁹²
- 10.6 The Committee also sought more details about individual support packages (ISPs) and was advised that individuals preferred the flexibility of the ISP, rather than pre-purchased services. Over recent years, an increased number of people had become eligible for ISPs, with 191 individuals at an average cost of \$60,000 being supported in this way. Approximately 60 - 65 of those people required additional support at an estimated cost of \$8 million.¹⁹³
- 10.7 Inquiring into why there was no specific funding allocation for carers in this year's budget the Minister advised that there are a number of ongoing initiatives in relation to carers and that:
- ...in relation to disability, much of the in-home support, community access support and respite care support is actually direct support for carers, and that does not necessarily have a separate line in the budget.¹⁹⁴
- 10.8 The Committee was advised that one of the biggest challenges for the sector was staffing shortages. The Department advised:
- Within Disability ACT we have done a number of things. We have revised our whole recruitment strategy to make it much more streamlined, and we are

¹⁹¹ Ms Pappas, *Transcript of evidence*, 28 May 2008, p. P868.

¹⁹² Ms Ford, *Transcript of evidence*, 28 May 2008, pp. P842 – P844.

¹⁹³ Ms Ford, *Transcript of evidence*, 28 May 2008, pp. P846 - P847.

¹⁹⁴ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P847

trying to make it less bureaucratic. We also try and advertise a bit wider and a bit broader...For example, it may be appropriate work on some days for retired people as well as people working through university. It is a whole spectrum of people that we are trying to attract, so we are looking at different ways of approaching the community and trying to bring those people in, including from outside of the ACT.¹⁹⁵

Equipment loans service

- 10.9 The Committee queried the efficacy of the current equipment loans service. The Minister advised that this was currently a service operated by the Department of Health, but did advise that the service was currently under review. The Minister further advised that, because the ACT's scheme was universal it had different parameters from schemes in other states which were means tested.¹⁹⁶

RECOMMENDATION 51

- 10.10 **The Committee recommends that a review of the current equipment list form part of the current review by the Department of Disability, Housing and Community Services into equipment loans and investigate the inclusion of additional equipment options.**

Therapy services

- 10.11 The Committee was advised that the increased target for hours of therapy services, 4 000 hours¹⁹⁷ reflects improvements in recruitment and staff retention and that a significant amount of work has gone into this such as offering flexible working arrangements and improved facilities at the Holder and Belconnen sites. The Minister conceded that she would have liked to do more to address the unmet demand but was not able to do so in this year's budget.¹⁹⁸

¹⁹⁵ Mr Whale, *Transcript of evidence*, 28 May 2008, p. P852.

¹⁹⁶ Ms Gallagher, *Transcript of Evidence*, 28 May 2008, p P863

¹⁹⁷ *Budget paper 4*, p. 195.

¹⁹⁸ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P872 – P873. The Committee notes the subsequent allocation of \$15.8 million of Commonwealth funding and the Minister has indicated that this funding will be used to provide 'additional individual support package, respite care options,

Child and Family Centre Program

- 10.12 The Committee questioned the reason why the strategic indicator for the number of families accessing services only increases by five families per out year. The Minister explained that the figures related to the two centres at Tuggeranong and Gunghalin and that the figures indicate that:

...we can maintain this workload with perhaps a few more families a year. We will keep watching and monitoring it, but the next growth in child and family centres will be to a new population, not extending to Gungahlin.¹⁹⁹

- 10.13 Allocations of \$845,000 over four years have been made in the budget to support the work of UnitingCare Kippax in the west Belconnen area. The Minister also advised that a feasibility study for the proposed children and family centre for the area would be undertaken during the coming year and indicated that:

What I am hoping that we can establish here with UnitingCare Kippax is a model that works and does not replicate what they are doing, because you could say that they are running a child and family centre out there that they have established themselves.²⁰⁰

- 10.14 The Committee inquired about the potential links between Aboriginal and Torres Strait Islander family support services and the new family centre for west Belconnen particularly in light of the high Indigenous population in that area. The Department advised the Committee of the project, growing healthy families developed by the Gungahlin Child and Family Centre and local partners, specifically for engaging with Aboriginal and Torres Strait Islander families to determine their service needs.

Child and young people services

- 10.15 The Committee inquired about the recidivism rate of young people in custody compared with those on community based orders as the percentage figures in strategic indicator 7 appear to "flatline". The Committee was advised that the

more supported accommodation places, and increased community access places.' Media Release 30 May 2008. Capital funding of \$1.69 million was also provided by the Commonwealth

¹⁹⁹ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P885.

²⁰⁰ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P866.

figures were based on the young person reoffending within a two-year period. The Department explained that they are quite different numbers between custody and community orders as 'in custody, we are talking about young people who reoffend within a two-year period and then are sentenced by the court. So we are talking about fairly small numbers.'²⁰¹ The Department further advised that such numbers were "fairly small" in comparison with the 150-200 young people on a community based order in any given year.

- 10.16 Inquiring about the total cost for Bimberi Youth Justice Centre, the Committee was advised that the cost was on target at \$42.5 million. The Committee sought an update on the staffing program and was advised that Bimberi is currently filling 35 positions and has invested in psychometric testing to ensure the recruitment of the most appropriate staff.

Autism/Asperger's body

- 10.17 The Committee notes that the ACT is the only state or territory which provides no funding to an Autism/Asperger's peak body. The Committee further notes that the Minister is taking advice on this matter.

RECOMMENDATION 52

- 10.18 **The Committee recommends that the Minister advise the Assembly once any funding decision regarding an Autism/Asperger's peak body is made and the basis for the decision.**

Care and Protection Services

- 10.19 The Committee was concerned with the apparent cut in funding to care and protection services as indicated in output class description²⁰² but was advised that there had been a restructure with the overall funding for output class 4 being slightly increased.²⁰³
- 10.20 The Committee was advised that there were currently 31 vacancies and that staffing issues have been an ongoing problem with administrative work being

²⁰¹ Mr Wyles, *Transcript of evidence*, 28 May 2008, p. P891.

²⁰² *Budget paper 4*, p. 193.

²⁰³ Mr Hubbard, *Transcript of evidence*, 28 May 2008, p. P901.

done in the evenings to fill in the backlog. The national recruitment process has been unsuccessful. Department staff were about to travel to the UK on a major recruiting exercise which would see them conducting 110 pre arranged interviews to fill vacancies in such priority areas as social work and psychology. This exercise followed the successful recruitment of 32 staff from the UK in 2004.²⁰⁴

- 10.21 The Committee recognises the difficulties experienced by the Department in recruiting adequate numbers of staff in this service area and commends the Department for its ongoing and innovative efforts to fill these positions.

Community and Homelessness Services

- 10.22 Questioned about the \$1 million cut to the SAAP budget in 2006 the Minister advised that under the requirements of the SAAP agreement with the commonwealth the ACT overmatches the funding provided. The Minister further advised that no accommodation beds were lost with the reduction and funds and that savings had been made on the administrative side of the program. There is currently about \$2 million of funding that goes to accommodation and outreach support.²⁰⁵

Women's Budget Statement

- 10.23 The Committee sought advice on specific funding allocations for women's initiatives in this year's budget apart from the funding for the women's and children's hospital. The Committee was advised that the specific allocations were for the return to work grants, the Audrey Fagan scholarships and the Women's Grants portfolio. The Minister conceded that it was difficult to disaggregate as many budget initiatives impact on women.²⁰⁶
- 10.24 The Committee inquired about the women's "return to work" grants and was advised that that the grants are for \$1000 each and that 18 had been approved since February. The Committee was advised that 200 had been planned for this year but that things had been moving slower than expected. The Minister

²⁰⁴ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P907.

²⁰⁵ Ms Gallagher, *Transcript of evidence*, 28 May 2008, pp. P917 – P919.

²⁰⁶ Ms Gallagher, *Transcript of evidence*, 28 May 2008, pp. P920 – P922.

further advised the eligibility criteria had been reviewed and that a major publicity campaign advertising the grants had begun.²⁰⁷

Indigenous affairs

- 10.25 The Minister for Indigenous Affairs met with the Committee on 29 May 2008.
- 10.26 The Indigenous representative body was of particular interest to the Committee, which was advised that approximately 1000 people would be eligible to vote. Approximately 200 people had voted in the ACT division for ATSIC elections in the past.
- 10.27 Support will be provided to the elected body by a secretariat, with \$172,000 being allocated for the purpose. There was also funding for administration costs, research and interaction with the United Ngunnawal Elders Council.
- 10.28 The Committee also discussed the following issues:
- Refurbishment and operation of the Indigenous Cultural Centre, Yarramundi;
 - Progress towards establishing an Indigenous healing farm; and
 - Current lease and funding arrangements for Billabong Aboriginal Corporation.

Multicultural Affairs

- 10.29 The Minister for Multicultural Affairs met with the Committee on 30 May 2008 and discussed the following matters:
- Funding for the multicultural festival which had been increased in this budget for the first time in six years; and
 - Plans for the upcoming multicultural summit scheduled for August 2008 and which will provide the members of the community with the opportunity to establish a strategic plan for the coming three years;
- 10.30 The Committee queried the number of government offices situated in the Theo Notarras Centre and asked how much space these offices occupied. The Office for Multicultural Affairs (OMA) takes up approx 10 per cent of the 2200 square

²⁰⁷ Ms Gallagher, *Transcript of evidence*, 28 May 2008, p. P923.

metre floor space.²⁰⁸The Committee further questioned whether this space could be better utilised by community groups but was advised by the Minister that the location of the OMA at that site suited the needs of the community.

Housing

- 10.31 On 30 May 2008, the Minister for Housing met with the Committee to discuss social housing services.
- 10.32 The Committee inquired how Housing ACT properties are being made more energy efficient and was advised that all new properties are now purchased had a 3 - 4 star energy rating. However, with 11 500 properties, there were many in the older category and Housing ACT has \$20 million identified over ten years for an upgrade program to make those properties more energy efficient.²⁰⁹
- 10.33 In response to an inquiry about how properties for retrofitting were selected and whether tenants could request an upgrade, the Committee was advised that tenants could request an upgrade through the call centre if they thought their energy costs are too high. Housing ACT would then conduct an assessment. The Department agreed to reassess the policy given that it appeared that many tenants only became aware of the availability of the upgrade as a result of a complaint to the call centre about the cost of their utility bills.²¹⁰
- 10.34 Responding to a query regarding market renters the Minister advised that the number was expected to reduce as market renters exit the system through the shared equity scheme, sales to tenants or simply moving on to other accommodation options. Currently 87.3 per cent of people in public housing receive a rent rebate, an increase from four years ago when the figure was 86 per cent.²¹¹ This indicates that the proportion of tenants on a low income is increasing.

²⁰⁸ Mr Manikis, *Transcript of evidence*, 29 May 2008, p. P1129.

²⁰⁹ Mr Hehir, *Transcript of evidence*, 30 May 2008, p. P1088.

²¹⁰ Mr Collett, *Transcript of Evidence*, 30 May 2008, p P1090

²¹¹ Mr Hargreaves, *Transcript of evidence*, 30 May 2008, p. P1098.

10.35 With regard to the national affordable housing agreement, which will replace the commonwealth-state housing agreement due to expire, the Committee was advised that negotiations are ongoing but are expected to be progressed significantly at a ministerial council meeting on 4 July. The Minister further advised that:

One of the initiatives that is going forward is in partnership with making sure that there are lower-cost buildings being built; hence our increase in the amount of land that we are releasing. That is part of the package. It is also the case that we will encourage landlords to rent their property out at up to 20 per cent less than the market rate and, where they do, there will be a subsidy from the federal government under the national affordable housing agreement to do that.²¹²

10.36 Asked to advise the Committee of the current value of Spotless total facilities management contract, the Minister indicated that it is around \$30 million which includes work undertaken or contracted. He assured the Committee that Spotless provided value for money and that feedback from tenants in relation to maintenance issues had been very positive.²¹³

10.37 The Committee was advised that tenant responsible maintenance constitutes about 30 per cent of unplanned maintenance and that Housing ACT has been working closely with tenants to reduce this. Spotless has been particularly effective in reducing the amount of responsive maintenance compared to the amount of planned maintenance and that this was a key target of the contract.²¹⁴

RECOMMENDATION 53

10.38 **The Committee recommends that ACT Housing puts in place arrangements to ensure that tenants are not required to undertake maintenance activities which are not part of their responsibilities as tenants.**

10.39 The Committee was concerned that the budget analysis provided by the

²¹² Mr Hargreaves, *Transcript of evidence*, 30 May 2008, p. P1102.

²¹³ Mr Hargreaves, *Transcript of evidence*, 30 May 2008, p. P1105.

²¹⁴ Mr Collett, *Transcript of evidence*, 30 May 2008, p. P1108 – 1109.

community sector indicated that they were disappointed that there was no money for capital works in public housing. However, the Minister advised the Committee that the 2008-09 capital program is expected to be more than \$82 million, nearly \$30 million more than the previous year. This equates to Housing ACT providing an estimated 64 constructed properties and purchasing 145 properties.

- 10.40 The Committee suggested that community organisations could require some assistance in negotiating all components of the budget papers and has recommended this in chapter 2.
- 10.41 The Department advised the Committee that the tender process for the sale of Fraser Court had closed and the subsequent assessment has been completed. The proceeds of the sale will be reinvested into Housing ACT stock.

11 AUDITOR-GENERAL AND LEGISLATIVE ASSEMBLY

ACT Auditor- General

11.1 Major issues pursued with the Auditor-General included:

- Effectiveness of the audit function;
- Staffing matters
- Follow up of audit recommendations.

Effectiveness of the audit function

11.2 The major issue pursued with the Auditor-General was the level of resourcing and the lack of success that the Auditor-General had had with a budget bid of \$210 000 to procure additional resources for the office to meet new professional standard called APES 320, accounting professional and ethical standards for quality assurance for auditing firms. The Auditor-General stated:

Our office is considered an audit firm by the definition of the legislation. So this funding is very necessary to ensure that our office can meet the requirement of this new standard without taking the limited resources away from the office's financial and performance audit program and without incurring operating deficits. This funding was examined by the public accounts committee and supported by the public accounts committee and recommended to the government.²¹⁵

11.3 The Committee was advised that the consequence of the funding refusal was a possible adverse impact on the ability of the ACT Audit Office to deliver the planned audit program, given that the office may need to take the resources away from audit activity to meet the external standard.

²¹⁵ Ms Pham, *Transcript of Evidence*, 23 May 2008, p. P578.

11.4 The complexity of the new standard was a significant issue for the Audit Office:

Most of the other audit offices, I have got to say, are grappling with these new requirements, large and small. They are very prescriptive. They cover virtually all aspects of your auditing operations and they require in many cases a lot more documentation to be prepared demonstrating, if you like, compliance with the standard that you might have otherwise not been able to do.²¹⁶

11.5 They further advised::

We estimated that we needed a dedicated team of about two people, with one senior, to be able to do the analysis of the different op systems and monitor the compliance on an ongoing basis. That would cost \$200,000, together with the cost of licensing, the system and everything else. Not having the \$200,000 in our funding means that I have to take two staff away from the current number of audit staff in our office. That has an implication on the resources doing the audit activity, and it impacts not only on financial audit activity but also on performance of audit activities.²¹⁷

11.6 The Committee notes the concern of the Auditor-General, given that the consequences of the funding shortfall may well mean a reduction in the number of performance audits from 8 to 4 this calendar year.

Staffing matters

11.7 Reiterating her comments in the previous year, the Auditor-General advised the Committee that:

- Staff shortages were an ongoing problem;
- The retention of skilled, experienced auditors was also an issue, with staff turnover running at 30 per cent;
- The staffing profile was concentrated at the less experienced end of the spectrum, with at least 30 per cent of staff having less than two years' experience.

²¹⁶ Mr Sherville, *Transcript of Evidence*, 23 May 2008, p. P580.

²¹⁷ Ms Pham, *Transcript of Evidence*, 23 May 2008, p. P580.

Follow up of audit recommendations

11.8 The Auditor-General also advised the Committee that, following the audit on how well recommendations were followed up and implemented, a number of actions had been taken by agencies to monitor progress in implementing audit recommendations. She stated:

Most departments now have an internal audit committee, which has a role of monitoring the agency performance in implementing audit recommendations.²¹⁸

RECOMMENDATION 54

11.9 **The Committee recommends that the Auditor-General's request for funding to implement the requirements of the new professional auditing standard be granted.**

ACT Legislative Assembly Secretariat

11.10 The ACT Legislative Assembly Secretariat provides business and procedural advice and support services to the Legislative Assembly, including:

- Procedural advice and research services to Members and their staff through the Chamber Support and Committee Offices;
- Business and policy advice and support relating to payroll, personnel, accounting, members' entitlements, building and operations management and corporate governance,
- Hansard recording and transcription services, IT support and advice, and broadcasting services; and
- Communicating and promoting the roles and functions of the Assembly to the community and Government agencies.²¹⁹

11.11 Major issues canvassed with the Assembly included:

- The impending election and consequences for the secretariat;

²¹⁸ Ms Pham, *Transcript of Evidence*, 23 May 2007, pp. P584 – P585

²¹⁹ *Budget Paper No 4*, p. 1.

- The transfer to Shared Services of some financial functions; and
- The future of the Assembly library.²²⁰

11.12 The Committee also raised concerns about the accommodation arrangements for attendants at the public entrance and the reliability of the lifts at the Members' entrance.

11.13 The Committee has no other comment to make on the Secretariat allocation or the programs funded.

Mary Porter AM MLA

Chair

17 June 2008

²²⁰ See Recommendation 46.

APPENDIX A: Hearing witnesses

16 May 2008

Mr Jon Stanhope MLA, Treasurer

Department of Treasury

Ms Megan Smithies, Under Treasurer

Mr Khalid Ahmed, Executive Director, Policy Coordination and Development Division

Mr Roger Broughton, Executive Director, Investment and Economics

Mr Graeme Dowell, Commissioner, ACT Revenue

Mr Patrick McAuliffe, A/g Director, Investments and Economics Division

Mr Tom McDonald, Director, Legal and Insurance Policy

Mr Stephen Miners, Director, Policy Coordination and Development Division

Mr Andrew Barr MLA, Minister for Education and Training

Department of Education and Training

Ms Janet Davy, Deputy Chief Executive

Mr Craig Curry, Executive Director

Canberra Institute of Technology

Dr Colin Adrian, Chief Executive

Ms Kaye O'Hara, Deputy Chief Executive - Academic

Mr Peter Kowald, Deputy Chief Executive - Operations

Mr Shane Kay, Director, Central Support Centre

19 May 2008

Mr Jon Stanhope MLA, Treasurer

ACTEW

Mr Jim Service, Chairman

Mr Michael Costello, Managing Director

Mr Kerry McIlwraith, Chief Finance Officer

Mr Simon Webber, Technical Manager

Department of Treasury

Ms Megan Smithies, Under Treasurer

Mr Neil Bulless, A/g Executive Director, Finance and Budget Division

Mr Michael Vanderheide, Head of Shared Services, Shared Services

Mr Ross Burton, Chief Financial Officer, Shared Services

Mr Patrick McAuliffe, A/g Director, Investments and Economics Division

ACT Gambling and Racing Commission

Mr Greg Jones, Commissioner

ACT Insurance Authority

Mr Peter Matthews, General Manager

ACTTAB

Mr Tony Curtis, Chief Executive

Exhibition Park Corporation

Mr Brian Acworth, Chair

Community Groups

National Council of Women (ACT)

Ms Rosalyn Dixon, President

Ms Julie Biles, Coordinator of Standing Committees

Ms Margaret Findlater-Smith, Secretary

Health Care Consumers Association

Mr Russell McGowan, President

Ms Josephine Bothroyd, Member

Dr Adele Stevens, Member, Executive Committee

Property Council of Australia (ACT Branch)

Ms Catherine Carter, Executive Director

Mr Chris Wheeler, Treasurer

Mental Health Community Coalition

Dr Leanne Craze, Policy Consultant

ACT Council of Parents and Citizens Associations

Ms Josephine Dixon, President

Ms Jane Gorrie, Vice President

Canberra Business Council

Ms Chris Faulks, Chief Executive Officer

Association of Independent Schools

Mr Jeremy Irvine, Executive Director

UnionsACT

Ms Kim Sattler, Secretary

Mr Craig Shannon, Industrial Officer

Volunteering ACT

Mr Tim Turner, President

Orana School

Ms Ruth Underwood, School Administrator

20 May 2008

Mr Simon Corbell MLA, Attorney-General, Minister for Police and Emergency Services

Department of Justice and Community Safety

Ms Renée Leon, Chief Executive

Mr Bill Brodie, Senior Project Officer, Security and Emergency Management Branch

ACT Parliamentary Counsel's Office

Mr John Clifford, Parliamentary Counsel

ACT Corrective Services

Mr James Ryan, Executive Director

Mr Barry Folpp, Director Prison Project and Deputy Executive Director

Public Advocate of the ACT

Ms Anita Phillips, Public Advocate

Elections ACT

Mr Phillip Green, Electoral Commissioner

Office of Regulatory Services

Mr Brett Phillips, Executive Director

Legal Aid Commission

Mr Andrew Crockett, Chief Executive Officer

Independent Competition and Regulatory Commission

Ms Shelley Schreiner, Chief Executive Officer

Mr Paul Baxter, Senior Commissioner

Public Trustee for the ACT

Mr Andrew Taylor, Public Trustee

ACT Emergency Services Agency

Mr Gregor Manson, Commissioner

Mr David Foot, Deputy Commissioner (Ambulance)

ACT Policing

Mr Michael Phelan, Chief Police Officer

21 May 2008

Ms Katy Gallagher MLA, Minister for Health

ACT Health

Mr Mark Cormack, Chief Executive

Prof Mark Bassett, Director, Medical Appointments and Training Unit

Dr Peggy Brown, Director and Chief Psychiatrist, Mental Health ACT

Mr Ron Foster, Chief Finance Officer, Financial and Risk Management Branch

Dr Charles Guest, Chief Health Officer

Ms Jenelle Reading, General Manager, Community Health

Mr Ian Thompson, Deputy Chief Executive, Clinical Operations

Adj Prof Joy Vickerstaff, A/g Chief Nurse

22 May 2008

Ms Katy Gallagher MLA, Minister for Health

Department of Health

Mr Mark Cormack, Chief Executive

Mr Grant Carey-Ide, Executive Director, Aged Care and Rehabilitation Services

Mr Ron Foster, Chief Finance Officer, Financial and Risk Management Branch

Dr Charles Guest, Chief Health Officer

Mr Ross O'Donoghue, Executive Director, Policy Division

Prof Robin Stuart-Harris, Director, Capital Region Cancer Services

Mr Andrew Barr MLA, Minister for Education and Training

Department of Education and Training

Dr Michele Bruniges, Chief Executive

Ms Janet Davy, Deputy Chief Executive

Mr Rodney Bray, Director, School Capital Works

Mr Craig Curry, Executive Director - Schools

Mr Rob Donnelly, Director, Finance and Facilities

Ms Carol Harris, Director, Schools - Southern Canberra

Ms Kathy Melsom, Director, Student Services

23 May 2008

Mr Wayne Berry MLA, Speaker

ACT Legislative Assembly

Mr Tom Duncan, Clerk of the Legislative Assembly

Mr Ian Duckworth, Manager, Corporate Services

Mr Max Kiermaier, Deputy Clerk and Sergeant-at-Arms

Ms Tu Pham, Auditor-General

ACT Audit Office

Mr Rod Nicholas, Director, Performance Audits and Corporate Services

Mr Malcolm Prentice, Senior Audit Manager, ACT Audit Office

Mr Bernie Shelville, Director, Financial Audits, ACT Audit Office

Community Groups

Carers ACT

Ms Dee McGrath, Executive Officer

Ms Annemarie Ashton, Policy Adviser

Council on the Aging

Mr Paul Flint, Executive Director

Mr Rod Templar, Board Member

Housing Association

Mr Paul McBow, Chairman

Mr Nicholas Spence, Business Development Adviser

ACT Council of Social Service

Ms Ara Cresswell, Director

Ms Caterina Giorgi, Policy and Development Officer

Ms Maria Jenkins, Policy and Development Officer

Ms Brooke McKail, Policy and Development Officer

Canberrans for Power Station Relocation

Mr Rodahn Gibbon, Committee Member

Mr Simon Byrne, Committee Member

Mr Roger Payne, Vice President

Mr Dugald Holmes, Committee Member

Lifeline ACT

Ms Marie Bennett, Executive Officer

UnitingCare Kippax/Kippax Uniting Church

Mr Gordon Ramsay, Team Leader

Conservation Council of the South East Region and the ACT

Ms Trish Harrup, Director

Ms Genevieve Wauchope, Climate Campaigner

ACT and Region Chamber of Commerce and Industry

Mr Chris Peters AM, Chief Executive

Youth Coalition of the ACT

Ms Meredith Hunter, Director

Ms Carrie Annual Fowlie, Deputy Director

26 May 2008

Mr Jon Stanhope MLA, Chief Minister, Minister for Arts, Minister for Ageing

Disability, Housing and Community Services

Ms Sandra Lambert, Chief Executive

artsACT

Mr David Whitney, Executive Director

Cultural Facilities Corporation

Ms Harriet Elvin, Chief Executive Officer

Mr Ian Tidy, Financial Controller

Chief Minister's Department

Mr Andrew Cappie-Wood, Chief Executive

Ms Pam Davoren, Deputy Chief Executive, Policy Division

Mr David Dawes, Deputy Chief Executive, Business and Projects Division

Ms Penny Farnsworth, Director, Social Policy and Implementation

Ms Cathy Hudson, Deputy Chief Executive, Governance Division

Mr Jeremy Lasek, Executive Director, Arts, Communications, Events and Protocol

Mr Ross McKay, A/g Director, Program Facilitation

Ms Karen Stewart-Moore, Senior Manager, Arts, Communications, Events and Protocol

Mr George Tomlins, Executive Director, Strategic Priorities

27 May 2008

Mr Jon Stanhope MLA, Chief Minister, Minister for Business and Economic Development

Chief Minister's Department

Mr Andrew Cappie-Wood, Chief Executive

Mr Ian Cox, Director, Business and Industry Development

Mr David Dawes, Deputy Chief Executive, Business and Projects Division

Mr Jeremy Lasek, Executive Director, Arts, Communications, Events and Protocol

Ms Dita Hunt, Senior Manager, Business and Industry Development

Land Development Agency

Mr Phillip Mitchell, A/g Chief Executive Officer

Mr Andrew Barr MLA, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations

Department of Territory and Municipal Services

Mr Mike Zissler, Chief Executive

Mr Neale Guthrie, General Manager, Territory Venues and Events

Ms Sue Marriage, Director, Sport and Recreation Services

Ms Simonne Shepherd, General Manager, Australian Capital Tourism

Chief Minister's Department

Ms Cathy Hudson, Deputy Chief Executive, Governance Division

Ms Liesl Centenera, Director, Office of Industrial Relations

28 May 2008

Ms Katy Gallagher MLA, Minister for Disability and Community Services, Minister for Children, Youth and Family Services, Minister for Women

Department of Disability, Housing and Community Services

Ms Sandra Lambert, Chief Executive

Mr David Collett, Director, Asset Management

Mr Frank Duggan, Senior Manager, OCYFS

Ms Lois Ford, Executive Director, Disability ACT

Mr Neil Harwood, Director, Aboriginal and Torres Strait Islander Services

Ms Roslyn Haynes, Senior Manager, Therapy Services

Mr Martin Hehir, Deputy Chief Executive

Mr Ian Hubbard, Director Finance, Finance and Budget

Ms Jenny Kitchen, Director, Service and Sector Development

Ms Megan Mitchell, Executive Director, OCYFS

Ms Maureen Sheehan, Director, Housing ACT

Ms Helen Pappas, Senior Manager, Early Intervention and Prevention Service, Office of Children, Youth and Family Services (OCYFS)

Mr Andrew Whale, Director, Disability ACT

Ms Meredith Whitten, Senior Director, Governance, Advocacy and Community Policy

Mr Paul Wyles, Director, Youth Directorate, OCYFS

Mr John Hargreaves MLA, Minister for Territory and Municipal Services

Territory and Municipal Services

Mr Mike Zissler, Chief Executive

Mr Tony Gill, Director, Roads ACT

Mr Nick Kalogeropoulos, A/g Director, Strategic Finance

Ms Sue Morrell, Executive Director, Community and Infrastructure Services

Mr Anthony Pollinelli, A/g Executive Director, Strategic Coordination and Continuous Improvement

Mr Chris Horsey, Senior Manager, ACT NOWaste

Ms Karen Greenland, General Manager, Transport Regulation and Planning

29 May 2008

Mr John Hargreaves MLA, Minister for Territory and Municipal Services

Territory and Municipal Services

Mr Mike Zissler, Chief Executive

Mr Gary Byles, Executive Director, Enterprise Services

Ms Liz Clarke, Manager, Business Alliance and Performance

Mr Tom Elliott, General Manager, ACTION

Mr Steve Ryan, Director, ACT Property Group

Mr Jon Stanhope MLA, Minister for Indigenous Affairs, Minister for Environment, Water and Climate Change

Department of Disability, Housing and Community Services

Ms Sandra Lambert, Chief Executive

Mr Ian Hubbard, Director Finance, Finance and Budget

Ms Maureen Sheehan, Executive Director, Housing and Community Services

Office of Multicultural, Aboriginal and Torres Straight Islander Affairs (OMATSIA)

Mr Nic Manikis, Director

Department of Territory and Municipal Services

Mr Mike Zissler, Chief Executive

Mr Hamish McNulty, Executive Director, Environment and Recreation

Mr David Butt, Director, Sustainability and Environment Policy Coordination

Mr Robert Neil, Director, Environmental Protection and Heritage

Mr Rob Thorman, Director, Sustainability Programs

Mr Russell Watkinson, Director, Parks, Conservation and Lands

30 May 2008

Mr John Hargreaves MLA, Minister for Housing, Minister for Multicultural Affairs

Department of Disability, Housing and Community Services

Ms Sandra Lambert, Chief Executive

Mr Martin Hehir, Deputy Chief Executive

Mr David Collette, Director, Asset Management

Mr Ian Hubbard, Director Finance, Finance & Budget

Mr Nic Manikis, Director, OMATSIA

Mr David Mathews, Director, Housing ACT

Ms Maureen Sheehan, Executive Director, Housing and Community Services

Mr Andrew Barr MLA, Minister for Planning

ACT Planning and Land Authority

Mr Neil Savery, Chief Planning Executive

Ms Jacqui Lavis, Executive Director, Planning Services Branch

Mr John Meyer, Director, Client Services Branch

Mr Ben Ponton, Director, Development Services Branch

Mr Adrian Walsh, Manager, Corporate and Human Resources Section, Client Services Branch

Mr Peter Wurfel, Chief Financial Officer, Corporate Resources, Corporate and Human Resources Section, Client Services Branch

APPENDIX B: Correspondence relating to evidence provided

1. Chief Minister (letter received 27 May 2008) regarding survey results following the Balloon Spectacular;
2. Chief Executive, Department of Education and Training (letter dated 20 May 2008) regarding course not currently provided by CIT;
3. Acting Chief Minister (letter dated 4 June 2008) regarding evidence provided on 26 and 27 May 2008;
4. Acting Chief Executive Officer, Land Development Agency (letter dated 4 June 2008) regarding evidence provided on 26 and 27 May 2008.



Jon Stanhope MLA

CHIEF MINISTER

TREASURER MINISTER FOR BUSINESS AND ECONOMIC DEVELOPMENT
MINISTER FOR INDIGENOUS AFFAIRS MINISTER FOR THE ENVIRONMENT, WATER AND CLIMATE CHANGE
MINISTER FOR THE ARTS

MEMBER FOR GINNINDERRA



Ms Mary Porter
Chair, Estimates Committee
GPO Box 1020
CANBERRA ACT 2601

Dear Chair

It has come to my attention that in the Estimates hearing of the morning of Monday 26th May when speaking about the 2008 National Autumn Balloon Spectacular I made a mistake in one of my answers. I mistakenly said 25% of people attending the event were tourists who came specifically for the event, according to a survey. It has now come to my attention that I received the wrong information and in fact, according to the as yet to be finalised survey, 29% of people at the event were from interstate or overseas and of those a quarter (26%) indicated they had come specifically for the event.

I apologise to the Committee for this mistake and would like the record corrected.

Sincerely

Jon Stanhope MLA
Chief Minister

ACT LEGISLATIVE ASSEMBLY

London Circuit, Canberra ACT 2601 GPO Box 1020, Canberra ACT 2601
Phone (02) 6205 0104 Fax (02) 6205 0433 Email stanhope@act.gov.au



Education and Training



File Ref: 2007/00314

Ms Mary Porter AM MLA
 Chair
 Select Committee on Estimates 2008-09
 GPO Box 1020
 CANBERRA ACT 2601

Dear Ms Porter

I am writing to correct the record of the Department of Education and Training's appearance before the Select Committee on Estimates 2008-09 on Friday 16 May 2008.

During the hearing on Output Class 3: Vocational Education and Training (Budget Paper 4: 363 and 368), in response to your question as to whether the Canberra Institute of Technology (CIT) currently offered a Certificate IV in Careers Development, I indicated that they did. However, I have subsequently been informed that the CIT does not currently offer the course. However, it is the intention of the Department to approach the CIT to discuss their ability to provide this qualification.

I apologise for the mistake, and submit this letter in order to correct the record.

Yours sincerely

Michele Bruniges
 Chief Executive
 20 May 2008



Katy Gallagher MLA
 DEPUTY CHIEF MINISTER
 MINISTER FOR HEALTH
 MINISTER FOR CHILDREN AND YOUNG PEOPLE
 MINISTER FOR DISABILITY AND COMMUNITY SERVICES
 MINISTER FOR WOMEN
 MEMBER FOR MOLONGLO



Ms Mary Porter MLA
 Chair
 Select Committee on Estimates 2008-09
 Legislative Assembly
 Canberra ACT 2601

Dear Ms Porter *Mary*

I am writing to clarify evidence provided by Chief Minister's Department officials at the Estimates hearings into the 2008-09 Budget on 26 and 27 May 2008.

Committee members asked a number of inter-related questions about Project Facilitation in Chief Minister's Department (CMD) and any facilitation role in relation to the proposed gas fired power station, and who made the decision on a site.

The Project Facilitation role commenced in late June 2007, with work transitioning over the subsequent month from Policy Division to Business and Projects in relation to land supply policy, development and oversight of the Territory's land supply strategy, and related project oriented work such as the facilitation for the Government's aged accommodation strategy.

With the opportunity to examine the transcripts from the hearings, it is apparent that the Committee asked wide-ranging questions covering not just site selection, but who was consulted on site selection and when agencies became aware of the issue. Having read the transcript and reviewed the department files Mr Dawes would like to correct any suggestion that CMD had no involvement in providing comments on possible sites.

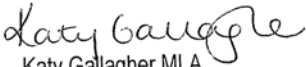
It is possible that responses on questions about who made the decision in relation to the site could be taken as a response to CMD's wider involvement. The decision to progress a request for a site is one for the proponent based on the potential suitability of the site. That would need to be tested through detailed assessments based on further studies and formal planning processes. It was not a question for CMD or the Land Development Agency (LDA) to determine. However, CMD and the LDA collaborated in looking at the available land that might suit the preliminary requirements.

ACT LEGISLATIVE ASSEMBLY

London Circuit, Canberra ACT 2601 GPO Box 1020, Canberra ACT 2601
 Phone (02) 6205 0840 Fax (02) 6205 3030 Email gallagher@act.gov.au

CMD was involved in work relating to the proposal from the time of receipt of a letter dated 9 May 2007 to the Chief Minister from ActewAGL's Chief Executive. From this time, CMD staff were involved in preparation of advice to the Chief Minister on the proposal and liaison with the Land Development Agency on possible site options, consistent with the Department's role in land supply. Officers in CMD were also involved in informal discussions with the LDA and ActewAGL about sites. Again, these discussions related to the Department's role in land supply as well as the Department's overall co-ordination role within the ACT Public Service.

Yours sincerely


Katy Gallagher MLA
Acting Chief Minister
416108

ABN 204 193 255 79
 21 Worswornth Avenue, Kingsmill ACT 2804
 GPO Box 158 Canberra ACT 2601 • Telephone (02) 6205 0000 • Facsimile (02) 6205 2260
 Mailing Address • www.lda.gov.au



Land Development Agency

Ms Mary Porter MLA
 Chair
 Select Committee on Estimates 2008/09
 Legislative Assembly
 Canberra ACT 2801



Dear Ms Porter

I am writing to clarify evidence given by me, as Acting Chief Executive Officer of the Land Development Agency (LDA), to the Estimates hearings on 27 May 2008.

In answer to a question from Mr Smyth, regarding what sites had been looked at for the proposed gas fired power station, I indicated that sites were selected in conjunction with ActewAGL, the Chief Minister's Department (CMD) and LDA. Subsequently, Mrs Dunne asked further questions regarding consultation with CMD.

An officer from CMD gave evidence that CMD was not involved with site selection. I then apologised for giving incorrect evidence, indicating that no one from CMD was involved.

Having reviewed the files, particularly regarding the matters which occurred before I joined the LDA in December 2007, I wish to confirm that CMD was involved and did liaise with the LDA on possible site options. I understand that the Acting Chief Minister has also written to you clarifying CMD's involvement.

Again, I apologise to you and to the Committee for this lack of consistency in my evidence.

Yours sincerely

Philip Mitchell
 Acting Chief Executive Officer

4 June 2008

