

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

**SELECT COMMITTEE ON ESTIMATES**

**REPORT ON THE  
APPROPRIATION BILL 1992-93**

NOVEMBER 1992

## RESOLUTION OF APPOINTMENT

(Agreed to 11 August 1992)

That –

- (1) a Select Committee on Estimates 1992–93 be appointed to examine the expenditure proposals contained in the Appropriation Bill 1992–93;
- (2) Ms Helen Szuty be appointed Presiding Member of the Committee and the Committee also comprise such other Members of the Assembly who notify their nominations in writing to the Speaker by 13 August 1992;
- (3) 3 members of the Committee shall constitute a quorum of the Committee;
- (4) the Committee report by 6 November 1992;
- (5) 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 and circulation; and
- (6) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

## **MEMBERSHIP**

Ms Helen Szuty (Presiding Member)

Mr Gary Humphries (Deputy Presiding Member)

Mrs Kate Carnell

Mr Greg Cornwell

Mr Tony De Domenico

Ms Annette Ellis

Mrs Ellnor Grassby

Mr Trevor Kaine

Mr David Lamont

Mr Michael Moore

Mr Dennis Stevenson

Mr Lou Westende

### **Secretary**

Ms Karin Malmberg

### **Inquiry staff**

Mr Simon McGill

Mr Greg McIntosh

Ms Karen Pearce

Mr Rod Power

Ms Vicki Salkin

Ms Katrina Wilson

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## RECOMMENDATIONS

Listed below are the recommendations of the Select Committee on Estimates. The recommendations should be read in conjunction with the body of the report.

The Committee recommends that:

- each agency provide future Estimates Committees with its corporate plan at the time of provision of the Explanatory Notes. (paragraph 2.4)
- all corrections to documents provided to future Estimates Committees should be advised in writing to the Committee as soon as the error is detected and prior to the hearings wherever possible. (paragraph 2.24)
- future Explanatory Notes include:
  - details of "Administrative Operational Expenses" actual expenditure and estimates of "Administrative Operational Expenses" expenditure, at the sub-program level, broken down into the following categories:
    - . Payments to Comcare
    - . Repairs, maintenance and minor new works
    - . Minor plant and equipment
    - . Other operating costs;
  - a detailed breakdown of "other operating costs" actual expenditure and estimates of "other operating costs" expenditure where the total actual expenditure or estimated expenditure is greater than \$50,000;
  - a detailed breakdown of all actual expenditure and estimated expenditure other than salaries and other operating costs where individual items within those categories are greater than \$50,000; and
  - a detailed list of all consultancies, distinguishing between consultants, contractors and advisers, including the name of the consultant, purpose of the consultancy, cost and time period within which it was conducted. (paragraph 2.28)

- Explanatory Notes for future Estimates Committees include on a sub-program basis, a reconciliation of the budget estimate with the actual expenditure for the previous year plus a reconciliation of the actual expenditure for the previous year with the current year's estimate. This information should be provided for all expenditure categories recommended in paragraph 2.28. (paragraph 2.33)
- the ACT Treasury review all forms of budget supplementation to ensure consistency and uniformity in the application of budget supplementation rules across all agencies; and
- the Public Accounts Committee inquire into and report on methods by which budget supplementation to all agencies can be monitored by the Assembly. (paragraph 3.7)
- a review be undertaken by the Chief Minister's Department into the industrial relations functions within the ACT Government Service and the possibilities for rationalisation, including the cost/benefit of each option;
- a policy be developed for the most cost-effective option; and
- the Assembly be advised of the results of the review and the policy adopted. (paragraph 3.15)
- resolutions establishing future Estimates Committees include specific reference to the Committee examining the annual budgets for all non Budget dependent entities by name; and
- non Budget dependent entities provide future Estimates Committees with Explanatory Notes and other information on the same basis and in the same detail as ACT Government Service agencies. (paragraph 3.22)
- the program and sub-program structure of each agency be reviewed by the Office of Public Sector Management in conjunction with the agency, with particular reference to the ACT Legislative Assembly, Housing and Community Services and Health programs. (paragraph 3.46)

- staffing information included in all documents issued by the ACT Government and its agencies use the same, consistent format;
- in addition to information on full time, part time and inoperative staff, each program provide future Estimates Committees with staffing numbers categorised into function, location and classification;
- variations in staff numbers, from year to year, be explained fully; and
- when the Government is in a position to determine accurate and consistent staff numbers for the ACT Government Service for a particular pay period, the Chief Minister provide that information to the Assembly. (paragraph 3.59)
- the Office of Public Sector Management review training strategies of all ACT Government Service agencies and incorporate the individual strategies into one service wide corporate strategy. (paragraph 3.70)
- a review be undertaken of the activities of the Adoption Unit to assess where efficiencies can be gained in its operations with a view to increasing the speed with which adoption applications and approvals can be processed; and
- the Assembly be advised of the results of the review. (paragraph 3.85)
- the issue of travel undertaken by the Speaker and her personal staff be referred to the Standing Committee on Administration and Procedures for consideration; and
- the Speaker table a report on all travel undertaken as Speaker in the same format as is required of Members who utilise study travel. (paragraph 3.94)
- a review of the processes involved in the construction of the Special Care Units at the Belconnen Remand Centre from the design to commissioning stages be carried out, including the involvement of the Housing and Community Services Bureau and the Department of Urban Services. (paragraph 3.99)

- the Government take immediate steps to advise medical practitioners in the Territory, based on its best legal advice, as to the present position with respect to the notification of AIDS in all its stages. (paragraph 3.103)
- the Minister obtain a legal opinion as to whether his preferred option to dispense methadone will meet the requirements of the Act, and if necessary, provide revised costings for the expansion of the methadone program. (paragraph 3.111)
- responsibility for dealing with post-natal depression be clearly identified;
- services be better co-ordinated to deal with post-natal depression including involvement of the mental health crisis team, the Queen Elizabeth II home for mothers and babies and community nursing; and
- research be carried out to identify the extent and seriousness of post-natal depression in the ACT. (paragraph 3.115)
- future planning of primary schools and anticipated peak enrolments take cognisance of the socialisation of young children; and
- where primary schools with large enrolments are anticipated, the need for additional resources is examined with a view to adequately supporting both the students and staff of such schools. (paragraph 3.119)

## 1 INTRODUCTION

### Establishment of the Committee

1.1 On Tuesday 11 August 1992 the ACT Legislative Assembly established the Select Committee on Estimates 1992-93 to examine the expenditure proposals contained in the Appropriation Bill 1992-93.

1.2 At that time the Assembly appointed Ms Helen Szuty as the Presiding Member, with other membership of the Committee open to all Members of the Assembly who notified their nomination to the Speaker by 13 August 1992.

1.3 All Members of the Assembly, with the exception of the Executive and the Speaker, nominated for membership of the Estimates Committee. The Speaker advised the Assembly of the nominations on 13 August.

1.4 On 15 September 1992 the Chief Minister and Treasurer presented the Appropriation Bill 1992-93 to the Assembly and, in doing so, delivered her Budget speech outlining the major components of the Budget. On 17 September, following the in principle debate, the Assembly referred the Appropriation Bill to the Select Committee.

1.5 The Committee was required, under the terms of the resolution establishing it, to report by 6 November 1992.

1.6 The 1992 Estimates Committee held 10 public hearings (totalling some 67 hours) and examined the Appropriation Bill on a portfolio basis and, within that framework, on a program by program basis. The Committee also met with Treasury officials for a preliminary briefing prior to the commencement of hearings.

1.7 The principal witness for each portfolio was the responsible Minister supported by agency heads and other senior officials. In relation to Program 1 the Speaker was the principal witness supported by senior Legislative Assembly Secretariat officials.

1.8 A list of public hearings and witnesses is at Appendix A.



## **Accountability**

1.9 The Select Committee on Estimates, which has been formed each of the four years since the ACT gained self-government, plays an important role in the scrutiny and accountability processes of the Government and the Assembly. Its major function is to allow non-Executive Members of the Legislative Assembly to examine, publicly and in detail, the expenditure proposals contained in the annual appropriation bill. The Committee provides a forum for scrutiny of the proposals through extended questioning of Ministers or the Speaker and senior officials.

1.10 Through the Estimates Committee process, Members are provided with additional information by agencies (Explanatory Notes) which supplement the Budget Papers and provide detailed sub-program information to facilitate examination by the Committee of the Government's policies, programs and expenditure proposals. Comparative information on the previous year's actual expenditure is also provided to allow an effective examination of the estimates under review.

1.11 One feature that distinguishes the Estimates Committee from other Committees of the Assembly is that the responsible Minister, or the Speaker where appropriate, is always present when the Estimates Committee is taking evidence. This is to ensure that a broad range of questions can be responded to by the Minister or Speaker and officials, including those relating to policy.

1.12 In addition, the presence of the Minister or the Speaker underlines the accountability and responsibility of the Executive and the Speaker to the Assembly and the community.

## **2 PROVISION OF INFORMATION**

### **Information sources**

2.1 During the course of the Estimates inquiry the Committee used a number of information sources, primarily the Budget Papers and Supplementary Budget Information Papers, Explanatory Notes, annual reports, oral evidence given during the public hearings, documents tabled during hearings and responses provided to questions taken on notice.

2.2 The Budget Papers, Explanatory Notes and annual reports are all documents that are compiled in the time leading up to the Estimates Committee process. As these documents include a review of the previous year's program outcomes and performance, the Committee believes it would be of benefit for the Committee to be provided with the corporate plan of each agency outlining the agency's mission and goals.

2.3 The Committee believes that the provision of corporate plans to the Committee in future years will allow a more comprehensive assessment of performance.

2.4 **The Committee recommends that:**

- **each agency provide future Estimates Committees with its corporate plan at the time of provision of the Explanatory Notes.**

### **Accuracy of information**

2.5 The Committee emphasises the importance of and obligation upon witnesses providing accurate and complete evidence to the Committee, whether it be evidence in the form of Explanatory Notes, responses to questions taken on notice or evidence given during the hearings.

2.6 The importance of clear and complete evidence has been a matter raised by previous Estimates Committees in 1990 and 1991.<sup>1</sup>

2.7 The Committee noted a number of occasions where information in the range of documents before it was inconsistent, particularly between the annual report and the Explanatory Notes. The reason generally given was that the various documents were prepared at different times based on changing data.

2.8 The Committee accepts that errors and omissions occur from time to time in the course of preparation of material. The Committee however believes that when these instances come to the attention of either the Minister or Speaker (as appropriate) or the agency, a correction should be provided to the Committee as soon as the error or omission becomes known, prior to the hearing whenever possible. Further comment will be made later in this Chapter.

2.9 The Committee notes one instance where a question was raised by a Committee member regarding the accuracy of a response to a question taken on notice during examination of the Health program. The Minister for Health gave further evidence to the Committee at a public hearing following the conclusion of the examination of the Health program regarding the issue.<sup>2</sup>

#### **Unresponsive answers**

2.10 The report of the Estimates Committee examining the 1991-92 Budget made comment on the varying willingness of Ministers to supply information concerning budgetary performance and departmental objectives. It commented that:

The Committee is also concerned at the nature of some of the responses. While the Committee does not believe that any witness attempted to deliberately mislead the Committee it is concerned that some of the responses received appear to be inaccurate.<sup>3</sup>

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<sup>1</sup> Estimates Committee, Report on the Appropriation Bill 1990-91, November 1990, p 4  
Estimates Committee, Report on the Appropriation Bill 1991-92, November 1991, p 10

<sup>2</sup> Transcript pp 1021 - 1025

<sup>3</sup> 1991-92 Estimates Committee Report, p 10

2.11 The present Committee is forced to conclude that the situation with respect to some programs has not improved. The Committee was particularly concerned that information for which the Minister for Health is responsible was in some circumstances difficult to adduce.<sup>4</sup> For example, the Minister responded to a large number of questions with an answer to the effect:

We will consider the matter and then we will decide on a course of action. It is a matter for consideration.<sup>5</sup>

2.12 While such responses are undoubtedly appropriate in certain circumstances, they may become overused. The Committee also noted with concern an unwillingness to answer questions on sensitive matters,<sup>6</sup> when the information was clearly at the Minister's fingertips. For example, when asked to check the position with respect to legal advice with an officer sitting adjacent to the Minister, the following exchange occurred:

*Mr Humphries: I am certain Dr Scott knows the answer to this question.*

*Mr Berry: I shall ask them in due course.*

*Mr Humphries: All right, would you ask them now?*

*Mr Berry: No.<sup>7</sup>*

2.13 Answers such as these contribute to concerns that in the eyes of some Ministers the Estimates Committee of the Assembly is better left in the dark. The change in format of the quarterly financial statement of the Board of Health has fuelled these concerns. The statement for the September quarter, issued after the Committee had examined the Minister for Health, contained considerably less detailed information about the performance of the program and the present position of the Health budget than did its predecessors, the monthly statements.

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<sup>4</sup> Transcript pp 203, 322

<sup>5</sup> Transcription p 263

<sup>6</sup> Transcript pp 199, 216, 218-222, 233, 241, 279, 324

<sup>7</sup> Transcript p 265

2.14 The 1991-92 Estimates Committee commented that:

The Committee is of the view that the financial management of ACT Government agencies is a matter for public scrutiny and that managers are accountable to the Assembly and, through them, to the public for that management. This is particularly important in the Health area in view of past difficulties concerning financial management.<sup>8</sup>

2.15 These comments are more pertinent today than ever. The Committee remains concerned that without a more open approach by Government in this area, the difficulties Health has experienced in recent years will be accentuated rather than diminished. The Committee reasserts the central position of the Estimates process in providing proper scrutiny of the Budget process.

### Budget Papers

2.16 Reports of previous Estimates Committees have commented upon the need to review the format of the Budget Papers to make them clearer and easier to use. The Committee was pleased to note the reduced number and revised format of the 1992-93 Budget Papers, with a reduction from eight Budget Papers plus two Supplementary Budget Information Papers in 1991-92, to four Budget Papers and two Supplementary Budget Information Papers in 1992-93, without compromising the amount of information available.

2.17 The Committee, did however, note instances where information in the Supplementary Budget Information Papers was not consistent with the information in the Budget Papers or where information within the Supplementary Budget Information Papers was inconsistent. For example, the number of courses and participants in the Women's Workforce Development Scheme was inconsistently referred to in two places in the Women's Budget Statement 1992-93.<sup>9</sup>

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<sup>8</sup> 1991-92 Estimates Committee Report, p 20

<sup>9</sup> Transcript p 852

2.18 In addition, the Committee noted instances where cross referencing of financial information between programs of different agencies was not adequate. The Committee raised the matter with Treasury. In commenting upon specific purpose payments received from the Commonwealth, it was stated that the ACT had adopted a convention of showing the revenue as an item in the Program responsible for dealing with the Commonwealth on that particular issue. The funds are then appropriated amongst various Programs. It was acknowledged that some explanations are not as clear as they could be.<sup>10</sup>

2.19 The Committee believes attention could be directed towards consistency between the Budget Papers and the Supplementary Budget Information Papers and ensuring cross referencing is improved in future Budget Papers.

2.20 The Committee sought the Treasurer's views on the suggestion that a Social Justice Supplementary Budget Information Paper be prepared for the first time in 1993-94 and noted that the "matter has not been decided yet, but it is certainly one that would have to be under consideration. ... it is a matter we are still considering."<sup>11</sup>

### Explanatory Notes

2.21 The Committee was pleased to note an improvement in the timeliness and quality of Explanatory Notes provided to the Committee this year. All Explanatory Notes were received either on the nominated date or the next day, a substantial improvement over the previous year. Although the Committee has several comments to make about the content of the Explanatory Notes, they were, in general, of higher quality than previous documents.

2.22 Following lodgement of the Explanatory Notes with the Committee several agencies, for example, Treasury, the Department of Education and Training and the Department of Urban Services, identified errors, particularly in the financial information, and forwarded replacement pages prior to the hearings. The Committee recognises that errors will occur and supports the approach taken by these agencies. The Committee suggests however that replacement pages be clearly identified as such.

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<sup>10</sup> Transcript pp 1547 - 8

<sup>11</sup> Transcript p 1550

2.23 The Committee was concerned that a number of errors in the Budget Papers or the Explanatory Notes were identified by officials only after a Member had asked a question directly relating to the item containing the error. For example, during examination of Program 5, ACT Financial Management (Treasury), in response to questioning the Committee was informed that the expected dividend revenue from the TAB had been revised from \$50,000 to \$300,000 as a result of further discussions.<sup>12</sup> An error in information relating to grants to the private sector under the Family Services sub-program came to light in Program 15, Housing and Community Services.<sup>13</sup> The Committee is of the view that all corrections should be advised in writing to the Committee as soon as the error is detected and prior to the hearings wherever possible.

**2.24 The Committee recommends that:**

- **all corrections to documents provided to future Estimates Committees should be advised in writing to the Committee as soon as the error is detected and prior to the hearings wherever possible.**

2.25 The Committee has reviewed the general structure of and information provided in the Explanatory Notes and, with some additions, believes the structure to be sound and a good format for future years.

2.26 In addition, the Committee noted that whilst the breakdown of expenditure into categories in Budget Paper 3 was consistent between programs this was not the case in the Explanatory Notes. The Committee believes that the Explanatory Notes should be consistent with the Budget Papers at the program level with further detail being provided at the sub-program level. This information should also be shown in a consistent manner from sub-program to sub-program and from agency to agency.

2.27 The Committee believes that inclusion of information on consultants in the Explanatory Notes is also necessary due to the often inadequate and inconsistent presentation of that information in the Annual Reports.

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<sup>12</sup> Transcript p 1562

<sup>13</sup> Transcript pp 1425-6

**2.28 The Committee recommends that:**

- **future Explanatory Notes include:**
  - **details of "Administrative Operational Expenses" actual expenditure and estimates of "Administrative Operational Expenses" expenditure, at the sub-program level, broken down into the following categories:**
    - . **Payments to Comcare**
    - . **Repairs, maintenance and minor new works**
    - . **Minor plant and equipment**
    - . **Other operating costs;**
  - **a detailed breakdown of "other operating costs" actual expenditure and estimates of "other operating costs" expenditure where the total actual expenditure or estimated expenditure is greater than \$50,000;**
  - **a detailed breakdown of all actual expenditure and estimated expenditure other than salaries and other operating costs where individual items within those categories are greater than \$50,000; and**
  - **a detailed list of all consultancies, distinguishing between consultants, contractors and advisers, including the name of the consultant, purpose of the consultancy, cost and time period within which it was conducted.**

2.29 The Explanatory Notes of some agencies, for example Program 1, ACT Legislative Assembly and Program 8, Land, included a reconciliation of the 1992-93 Budget estimate with the 1991-92 Budget estimate, showing one off Budget adjustments. Although Programs 1 and 8 provided the reconciliations in differing formats and degrees of information, these Programs provided a greater degree of information than those that did not include reconciliations, and assisted the Committee in its review of the material.

2.30 The Committee believes that all programs should provide reconciliations in future years on a sub-program basis, reconciling the previous year's budget estimate with the previous years actual expenditure as well as the previous year's budget estimate with the current year's estimate. This information should be provided for all expenditure categories recommended in paragraph 2.28.

2.31 The Committee notes that reconciliations were a recommendation of the 1990 Estimates Committee.<sup>14</sup>

2.32 The Committee believes that in addition to providing more comprehensive information, reconciliations will also assist the Committee in identifying areas where budget cuts, such as the 2% cut this financial year, are actually made.

**2.33 The Committee recommends that:**

- **Explanatory Notes for future Estimates Committees include on a sub-program basis, a reconciliation of the budget estimate with the actual expenditure for the previous year plus a reconciliation of the actual expenditure for the previous year with the current year's estimate. This information should be provided for all expenditure categories recommended in paragraph 2.28.**

2.34 The Committee also stresses the importance of providing comprehensive policy and program information in addition to financial data to allow a full assessment of the effectiveness of programs and the expenditure proposals contained in the Appropriation Bill.

2.35 There is, however, a need to avoid repetition and duplication of information in the range of material available to the Committee, particularly as annual reports of agencies are now generally available to the Committee.

2.36 The Committee notes a comment in the Government's response to the 1991-92 Estimates Committee Report which stated:

The Government is moving towards a position where all Annual Reports will be available, at least in draft, in time for examination by the Estimates Committee. Once the relevant administrative and legislative reforms are in place to ensure that this timely provision of reports can occur each year, it may no longer be necessary for full program and sub-program information to be provided to the Committee by way of Explanatory Notes.<sup>15</sup>

<sup>14</sup> 1990-91 Estimates Committee Report, p 24

<sup>15</sup> Government response to 1991-92 Estimates Committee Report, p 3, tabled 20 November 1992

2.37 The Committee notes the possible merging of the Explanatory Notes and Annual Reports into one document in the future thus eliminating duplication and at the same time making sub-program information more accessible to the public than is currently the case with the Explanatory Notes. This, however, would require further examination and the Committee believes that, whilst there has been improvement in the availability of annual reports (or draft thereof) to the Committee this year, the overwhelming majority of agencies would not be in a position to provide the Committee with a merged report at the same time as Explanatory Notes have been required.

2.38 It would be essential, if this proposal were to go ahead in the future, that there be no loss of information. Timeliness of the information being provided to the Committee is also critical.

### **Annual reports**

2.39 The Committee was pleased to receive annual reports or draft annual reports from the majority of agencies prior to the hearings, a substantial improvement in availability from previous years.

2.40 This year the Committee received final annual reports from the Department of the Environment, Land and Planning, the ACT Treasury, ACT Electricity and Water, the ACT Institute of TAFE, the ACT Legislative Assembly Secretariat, and the Government Audit Office.

2.41 Draft reports were provided by the Head of Administration, the Chief Minister's Department, the Department of Urban Services, the Attorney-General's Department and Housing and Community Services Bureau, the Department of Education and Training and the Public Trustee.

2.42 The only ACT agency not to provide the Committee with a draft annual report was the Department of Health. The matter was raised with the Minister who advised that the report was being prepared within the timeframe required by the Chief Minister.<sup>16</sup> The Committee notes that the report was tabled in the Assembly during the next period of sittings.

<sup>16</sup> Transcript p 223

2.43 The general issue of timeliness of annual reports was raised with the Chief Minister, including the draft "Chief Minister's Directions on Annual Management Reporting for ACT Government Bodies, May 1992". The draft directions include a requirement that all annual reports be finalised and published within three months of the end of the financial year, ie, 30 September.

2.44 The Committee was advised that the directions will be in final form prior to the end of the 1992-93 financial year for application in relation to those annual reports. The Committee was also advised that the timeframe was still under discussion, but that the Chief Minister's personal view was that three months was reasonable in all but very complex reporting matters.<sup>17</sup>

2.45 The Committee notes that the draft directions state:

Reports must provide details on the use of consultants, specifying the consultant, the purpose, duration and cost of the consultancy, the program(s) to which the consultancy relates.<sup>18</sup>

2.46 The Committee noted an inconsistent approach to the inclusion of consultant information in the annual reports and draft annual reports received. For example, following a request for details of external advisers used to provide teacher training during 1991-92, the Department of Education and Training provided a list. The Committee was concerned however that this expenditure was not included in the list of consultants in the Department of Education and Training's draft annual report. In the Committee's view this expenditure is expenditure on consultants and should have been included in the draft report. As a result the Committee made its earlier recommendation concerning the provision of consultants information in future Explanatory Notes.

2.47 On the other hand, the list of consultants contained in the draft annual report of the Attorney-General's Department and the Housing and Community Services Bureau was considered useful and could be used as a model by other agencies.

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<sup>17</sup> Transcript p 804

<sup>18</sup> Draft "Chief Minister's Directions on Annual Management Reporting for ACT Government Bodies, May 1992", p 21

2.48 The Committee noted some inconsistencies between annual reports and the Budget Papers or Explanatory Notes, which were explained as resulting from compilation of material at different times.<sup>19</sup> The omission of page numbers in the Attorney-General's Department and Housing and Community Services draft annual report caused difficulty for both the Committee and the witnesses. The Committee also noted a number of errors in that draft report.<sup>20</sup> The Committee noted that, whilst the draft annual report of the Department of Urban Services contained pages that were numbered, they were not all in order.

2.49 The Committee would also appreciate the inclusion of an index in all annual reports.

2.50 The Committee expects that all annual reports will be available to the Committee, in final text, prior to Estimates Committee hearings in the future. In order to provide the Committee with adequate time to examine the reports they should be provided to the Committee a week before the agency is scheduled to appear at its hearing. The provision of the reports could be used as a measure of performance of the agency as a whole.

#### Questions taken on notice

2.51 During the course of the hearings, a number of questions were taken on notice by agencies and the Committee requested that responses be received by the Committee within three working days. The Committee made this request based on the need for the Committee to be able to assess the responses and determine if further information should be sought or if there is a need to recall the Minister or Speaker and the officials for further questioning.

2.52 Most agencies were able to provide responses to the Committee within the time period requested. The Committee appreciated agencies providing responses on a progressive basis where a large number were taken on notice, or where an agency had taken on notice either a particularly complex issue or needed to seek information from an outside body.

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<sup>19</sup> Transcript pp 26-28, 1217

<sup>20</sup> For example, Transcript p 1429

2.53 For example, the Minister for Health was able to provide some responses within one and a half days which enabled further questioning prior to the conclusion of Health's public hearings. The Attorney-General's Department advised the Committee that the response from the Australian Federal Police would be delayed due to some of the questions having national implications and requiring consultation with other areas of the Australian Federal Police.

2.54 However, the Committee was concerned that the responses from the Department of Education and Training and the Department of Urban Services took two or more weeks to be received by the Committee. The Committee notes that the Department of Urban Services was also tardy in providing responses to questions taken on notice in 1991.<sup>21</sup>

2.55 The delay in providing responses to questions taken on notice is of concern to the Committee given the timeframe within which the inquiry must take place, the restrictions arising from the Assembly's sitting pattern and the inability to gain an extension to the reporting date given the integral part the Committee's deliberations play in the debate upon and the passage of the Appropriation Bill.

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<sup>21</sup> 1991 Estimates Committee Report, p 9

### 3 KEY ISSUES

#### General issues

##### *Budget supplementation*

3.1 The issue of budget supplementation was raised on several occasions during the series of public hearings, with particular reference to the business rules that relate to Program 26, Health. The Committee expressed concern that the business rules used in relation to the Health budget differ from the general budget supplementation rules that apply to other agencies.

3.2 The Committee noted a reference in the Explanatory Notes to the business rules for Health being implemented during 1991-92 and that areas have been identified where refinements are necessary. The Explanatory Notes state that the business rules will be revised in 1992-93.<sup>22</sup> Treasury officials advised the Committee of the refinements.<sup>23</sup>

3.3 The Committee was informed by Treasury that a number of other agencies have similar arrangements and specific reference was made to the ACT Institute of TAFE and the Department of Education and Training. Treasury also stated that, when compared to other agencies and the application of budget supplementation rules, the main distinctive feature relating to Health was the rule regarding loss of revenue.<sup>24</sup>

3.4 The Committee is concerned that there appears to be a number of methods of budget supplementation which vary from agency to agency.

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<sup>22</sup> Explanatory Notes, Program 5, ACT Financial Management, p 56

<sup>23</sup> Transcript pp 1574-5

<sup>24</sup> Transcript p 1575

3.5 The question of whether there was a need for a supplementary estimates procedure to be instituted to allow scrutiny of budget supplementation prior to the expenditure was also raised by the Committee. Currently the Assembly is advised of changes to appropriations at the end of the financial year, after the expenditure has been made, rather than prior to the expenditure being incurred, resulting in a lack of opportunity to scrutinise the proposal or debate the changed appropriation.<sup>25</sup>

3.6 The Chief Minister acknowledged the validity of the views expressed and suggested that it may be a matter that could be taken up by the Public Accounts Committee.<sup>26</sup>

**3.7 The Committee recommends that:**

- **the ACT Treasury review all forms of budget supplementation to ensure consistency and uniformity in the application of budget supplementation rules across all agencies; and**
- **the Public Accounts Committee inquire into and report on methods by which budget supplementation to all agencies can be monitored by the Assembly.**

*Industrial relations arrangements*

3.8 During the hearings the Committee commented on the number of industrial relations sections in agencies across the ACT Government Service, noting that the Department of Health, the Department of Urban Services and the Chief Minister's Department all had an industrial relations function.<sup>27</sup>

3.9 The Committee was informed that the industrial relations function of the Chief Minister's Department involves dealing with the macro issues and coordinating a whole of government approach to industrial relations, including maintaining a constant dialogue with colleagues in other agencies. On a micro level an industrial relations service is provided to the Housing and Community Services Bureau and the Chief Minister's portfolio.<sup>28</sup>

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<sup>25</sup> Transcript p 812

<sup>26</sup> Transcript p 813

<sup>27</sup> Transcript pp 458, 809–11, 1293

<sup>28</sup> Transcript pp 512–3

3.10 The industrial relations function carried out by the Corporate Services Bureau in the Department of Urban Services includes providing services to the Department of the Environment, Land and Planning and the Department of Urban Services in relation to the large blue collar workforce.<sup>29</sup>

3.11 The Committee was advised that the industrial relations staff of the Department of Health deal with disputes as well as working proactively to minimise disputes through a range of workplace reform projects.<sup>30</sup>

3.12 Following questioning from the Committee about possible overlap of functions, and the resultant waste of resources, it was claimed that a balance was needed in the provision of industrial relations services between providing industrial officers with a degree of local knowledge and an appreciation of the particular issues that face individual workplaces, and the need also to have a whole of government approach as provided in the Chief Minister's Department.<sup>31</sup>

3.13 An undertaking was made by the Secretary of the Chief Minister's Department to examine whether savings could be achieved by rationalising the industrial relations functions into one organisation and out-posting officers to agencies in a similar way that public relations functions are now carried out.<sup>32</sup>

3.14 The Committee also raises the practicality of Ministerial arrangements, where a Branch of the Chief Minister's Department, the Industrial Relations and Occupational Health and Safety Branch, is responsible to the Deputy Chief Minister while the other officers of the Department are responsible to the Chief Minister.

**3.15 The Committee recommends that:**

- **a review be undertaken by the Chief Minister's Department into the industrial relations functions within the ACT Government Service and the possibilities for rationalisation, including the cost/benefit of each option;**
- **a policy be developed for the most cost-effective option; and**

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<sup>29</sup> Ibid

<sup>30</sup> Transcript pp 458–9

<sup>31</sup> Transcript pp 512–3

<sup>32</sup> Transcript p 811



- the Assembly be advised of the results of the review and the policy adopted.

#### *Legal support sections*

3.16 The Committee notes, from the information contained in the Explanatory Notes, that the tendency for agencies to establish their own legal sections has been reversed, a trend that the Committee supports.

#### *Non Budget dependent entities*

3.17 In 1992 the Estimates Committee met for the first time with a non Budget dependent entity. Officers from the ACT Electricity and Water Authority (ACTEW) appeared at the conclusion of the public hearings by agreement with the Minister and the board of ACTEW.

3.18 The Committee believes that the appearance of ACTEW was a successful innovation this year and the practice of non Budget dependent entities appearing at public hearings should become a regular feature of future Estimates Committees. The Committee notes these entities include, in addition to ACTEW, the Milk Authority of the ACT, the National Exhibition Centre Trust, the Building and Construction Industry Long Service Leave Board, the ACT Totaliser Agency Board Limited and Totalcare Industries Limited.

3.19 The Committee believes that accountability of the public sector is not limited to agencies directly receiving public funds but extends to all entities established by the ACT Government.

3.20 Whilst it will be a matter for future Committees, this Committee does not envisage all entities appearing each year. Rather, each Committee would nominate, prior to the hearings commencing, one or more entities to appear and give evidence. This would involve the entity in providing Explanatory Notes and other information on the same basis and in the same detail as the ACT Government Service agencies.

3.21 The Committee believes it important that resolutions establishing future Estimates Committees include specific reference to the Committee examining annual budgets for all non Budget dependent entities, by name.

#### 3.22 The Committee recommends that:

- resolutions establishing future Estimates Committees include specific reference to the Committee examining the annual budgets for all non Budget dependent entities by name; and
- non Budget dependent entities provide future Estimates Committees with Explanatory Notes and other information on the same basis and in the same detail as ACT Government Service agencies.

#### *Performance measurement*

3.23 Key performance indicators were the subject of much questioning and examination by the Committee again this year. Previous Estimates Committees have commented on the inadequacy of both performance indicators and subsequent measurement of performance against those indicators by most agencies. The first Estimates Committee stated in 1989:

The Committee is strongly of the view that the development of performance indicators and the measurement of performance is essential to the Assembly's ability to monitor and assess program delivery.<sup>33</sup>

3.24 In 1990 the Committee stated:

The Committee believes that the performance indicators included in the Budget Papers are, in many cases, more rhetoric than substance and are often non-measurable and non-accountable.<sup>34</sup>

3.25 In 1991 the Estimates Committee noted that some programs had included improved performance indicators but "was concerned that in general indicators were still poorly formulated".<sup>35</sup> That Committee also stated:

<sup>33</sup> 1989-90, Estimates Committee Report, October 1989-90, p 5

<sup>34</sup> 1990-91, Estimates Committee Report, November 1990, p9

<sup>35</sup> 1991-92, Estimates Committee Report, November 1991, p6

Measurement of results is an essential consequence of inclusion of performance indicators in material presented to the public and the Committee.<sup>36</sup>

3.26 1992 again saw an improvement in performance indicators and measurement by some programs, although the Committee was concerned that some agencies have not demonstrated an improvement.

3.27 The Committee formed the view that in some programs, for example, Program 2, ACT Corporate Management, performance indicators at the sub-program level were more comprehensive than at the program level.

3.28 Officers of the Chief Ministers' Department stated that performance indicators were aligned specifically against the various sub-programs and individual items within the program, rather than its totality. The Committee queried whether the achievements and outcomes of top management are required to be measurable, particularly as top management requires the same of middle management. The Chief Minister stated that the degree of achievement in sub programs is a reflection on senior management.<sup>37</sup>

3.29 Whilst the Committee accepts the Chief Minister's comments as valid, the Committee believes that performance indicators, and associated performance measurement, should be developed at both program and sub-program levels. Without effective performance indicators for top management and the program as a whole it could be perceived that there was a reluctance at top management and program level to be as responsive and open to scrutiny as middle management and sub-programs.

3.30 The Committee also noted, during examination of the Urban Services portfolio, that there were no overall performance indicators for the Department, but performance indicators became more specific at the program and sub-program level.<sup>38</sup>

3.31 During examination of Program 2, the Committee questioned the Chief Minister and officials regarding the objective including "economic development" and a key focus of "strategic development". The Committee was of the view that such terms were perhaps more appropriate to Program 3, rather than Program 2.<sup>39</sup>

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<sup>36</sup> Ibid

<sup>37</sup> Transcript p 801

<sup>38</sup> Transcript pp 1175 - 6

<sup>39</sup> Transcript pp 806-808

3.32 The Committee had further difficulty in Program 3, Economic Development, regarding the measurement of performance relating to the indicator "The extent to which activities contribute to the growth and diversification of the economic base of the ACT and region".<sup>40</sup>

3.33 The Committee is of the view that not all performance indicators will be quantifiable, but the range of indicators used in a program area should, in addition to qualitative indicators, include a measurable component.

3.34 The Committee noted programs which have developed measurable indicators, for example, Program 23, Government Schooling.<sup>41</sup>

3.35 The Committee was advised that in 1992-93 ACTION will be financing a benchmarking study, the concept of which is to measure performance against the best in the industry, and which may in the future build on the performance indicators.<sup>42</sup> The Committee is particularly interested in this study and looks forward to the Assembly being made aware of the results when completed.

3.36 The Committee notes that, in general, programs do not provide the results of performance management in either Explanatory Notes or Annual Reports. What is often included is the outcome for the previous year, which is a list of achievements, rather than measurement against the indicators.

3.37 The Committee was particularly pleased to note the measurement of the performance of the Roads and Transport sub-program included in the Department of Urban Services annual report.<sup>43</sup>

3.38 The Committee is of the view that the standard of performance indicators, measurement is steadily, but slowly, improving. The Committee however believes that measurement of performance should be a management tool used on a regular basis rather than only when preparing the Annual Report or Explanatory Notes.

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<sup>40</sup> Transcript pp 905-10

<sup>41</sup> Transcript pp 576, 580-4

<sup>42</sup> Transcript pp 1174-5

<sup>43</sup> Department of Urban Services Annual Report, 1991-92, p 33

### *Program/sub program structures*

3.39 The Committee is of the view that the program and sub-program structure of agencies should be reviewed to ensure consistency across the entire program structure. The Committee is particularly concerned with three programs, Program 1, ACT Legislative Assembly, Program 15, Housing and Community Services, and Program 26, Health.

3.40 Whilst it is simplistic to compare the number of programs and sub-programs from agency to agency, the Committee believes that there is an inconsistency in the treatment of Health as one program divided into six sub-programs compared to other large agencies with a number of programs further divided into multiple sub-programs.

3.41 The Committee believes that scrutiny of the Health function is reduced by virtue of the fact that the agency presents its information at a higher and broader level than others.

3.42 In relation to the Housing and Community Services Bureau, the Committee is concerned that the program structure is too broad, encompassing a wide range of activity. Similar comment was made in 1990 when the Program also included the youth advocate and sport and recreation functions, but not housing (which was a separate program).<sup>44</sup>

3.43 On the other hand, some programs may be small enough to warrant no sub-programs, for example, Program 24, Non-Government Schooling.

3.44 The Committee and witnesses also encountered difficulties during examination of Program 1, ACT Legislative Assembly, where the sub-program split appeared to be somewhat arbitrary and it was not clear to which sub-program certain costs should be attributed.

<sup>44</sup> 1990-91 Estimates Committee Report, p 8

3.45 In 1990 the Committee recommended that a review of the program and sub-program structure be undertaken by the Office of Public Sector Management in conjunction with each agency.<sup>45</sup> The Committee repeats that recommendation this year.

3.46 The Committee recommends that:

- the program and sub-program structure of each agency be reviewed by the Office of Public Sector Management in conjunction with the agency, with particular reference to the ACT Legislative Assembly, Housing and Community Services and Health programs.

### *Staffing*

3.47 An accurate picture of the total number of staff employed in the ACT Government Service was difficult to determine as the information provided to the Committee across a range of documents was inconsistent and used different methodologies to calculate staffing numbers.

3.48 The Committee noted that staffing numbers were recorded in a variety of ways including Average Staffing Levels (in annual reports and previous budget documentation), numbers on the payroll at Pay 26 including inoperative personnel and other categories, numbers on the payroll at Pay 26 excluding some categories, and full-time equivalents.

3.49 Staffing information available to previous Estimates Committees in Budget Papers and Explanatory Notes was in the form of Average Staffing Level (ASL). This was the format expected again by the Committee. Whilst the format of the staffing information received (as distinct from the actual information) is an improvement over the previous year, ie showing details of full and part time staff, casuals and inoperatives, rather than the previous ASL, in the transition year from one format to another a reconciliation should have been provided.

3.50 The Committee was not able to assess the staffing numbers provided this year. This proved to be a major deficiency in the information provided to the Committee, and also to the general Canberra community. It was also not possible to adequately assess the staff reductions that resulted from 1991-92 Budget decisions.

<sup>45</sup> 1990-91 Estimates Committee Report, p 9

3.51 The Committee believes staffing information included in all documents issued by the ACT Government and its agencies should use the same, consistent format.

3.52 In addition to difficulties arising from the use of inconsistent formats, the information itself was in fact different although it purported to be the same. Of the 26 programs, the Committee identified 8 where the staffing information in the Explanatory Notes was different to that included in the draft Head of Administration annual report. That information had also been tabled in the Assembly by the Chief Minister on 17 September 1992.

3.53 In all instances where the program information was different the staffing numbers were lower than that identified in the Head of Administration draft annual report. The programs where this occurred were the ACT Legislative Assembly, Economic Development, Audit Services, Territory Planning, Land, Administration of Justice, Maintenance of Law and Order, and Government Schooling.

3.54 When raised by the Committee during examination of Program 2, ACT Corporate Management, the question was taken on notice. The following general explanation was provided together with specific information on a program basis. The Committee was advised that:

The payroll figures recorded in the Head of Administration draft annual report include all paid and unpaid staff who were on the payroll for pay 26, 1991/92. These encompass all full-time, part-time, casual and inoperative staff, irrespective of whether or not they are receiving an entitlement on the particular selected payday.<sup>46</sup>

3.55 The Committee was also advised by some agencies, for example, during the Urban Services portfolio and Territory Planning, that the figures in the draft Head of Administration annual report counted staff as being on the payroll for several pay periods after the officer had in fact left the agency.<sup>47</sup> This raises the issue of double counting, particularly for those staff who have transferred between agencies and are, for a time at least, counted on the payroll of two agencies.

3.56 The Committee believes the provision of staffing numbers in a consistent form across program documentation allowing for easy comparison should not be a difficult task to achieve.

3.57 The Committee is concerned that explanations for the differing staff numbers often had to be taken on notice and could not be answered quickly.

<sup>46</sup> Response to question taken on notice, Program 2

<sup>47</sup> Transcript pp 1179, 10

3.58 The Committee found the staffing information provided by Program 22, Technical and Further Education helpful. In addition to the numbers of staff on the payroll at pay 26, TAFE provided information of the number of full time equivalent staff by function, location and classification.<sup>48</sup> This table would have been improved by using full time, part time and inoperative staffing numbers to correlate with the payroll information but it did provide helpful information. This is a format that other agencies could adopt in the future.

3.59 The Committee recommends that:

- staffing information included in all documents issued by the ACT Government and its agencies use the same, consistent format;
- in addition to information on full time, part time and inoperative staff, each program provide future Estimates Committees with staffing numbers categorised into function, location and classification;
- variations in staff numbers, from year to year, be explained fully; and
- when the Government is in a position to determine accurate and consistent staff numbers for the ACT Government Service for a particular pay period, the Chief Minister provide that information to the Assembly.

3.60 The Committee does, however, note further funding included in the 1992-93 Budget for the Human Resource Management System and that it is expected that all staff records will be on the system by July 1994.

#### *Training*

3.61 The Committee believes that training of ACT Government Service officers is particularly important, whether it be specific trade or professional training, or training of a more general but equally important nature, such as financial and management training, aimed at broadening the skills of all officers.

<sup>48</sup> Explanatory Notes, Program 22, pp 42-43

3.62 In relation to middle managers, the Committee was pleased to note the existence of the Strategic Management Framework produced by the Office of Public Sector Management which aims to provide for a "structured, systematic and consistent approach to planning, evaluating and reporting across the ACT Government Service".<sup>49</sup>

3.63 The Committee was also interested in the outcome of the wide ranging training initiatives commenced to ensure that positions are occupied by staff with appropriate skills and training. The Committee was advised that a training survey had been conducted for the first time in 1992 though the results were not available yet. The Committee was also advised that a further survey would be conducted in 1993 to provide a benchmark by which to assess whether staff are becoming more skilled across the ACT Government Service.<sup>50</sup>

3.64 The Committee emphasises the importance of training for staff across the ACT Government Service. The Committee was pleased to note the responsiveness of the Department of the Environment, Land and Planning to suggestions arising out of the Department's joint consultative unions process for additional middle management training. The Department advised that the training includes financial management, staff counselling and industrial relations issues.<sup>51</sup>

3.65 In relation to the industrial workforce, the Committee was pleased to note the increased training in the Department of Urban Services, particularly literacy and supervisory skills and training to increase the skills of officers in a range of work areas.<sup>52</sup>

3.66 The Committee also notes a staff development initiative in the Constitutional and Law Reform Branch of the Attorney-General's Department, where in-house seminars are conducted on a monthly basis on topics of interest and particular relevance.<sup>53</sup>

3.67 Whilst it is essential that individual agencies evolve their own training programs in response to local requirements, the Committee believes that OPSP should be more active in the development of a corporate training strategy to ensure all ACT Government Service officers have adequate opportunity to attend such courses.

<sup>49</sup> Transcript p 813; Explanatory Notes, Program 2, p 6

<sup>50</sup> Transcript p 871

<sup>51</sup> Transcript p 15

<sup>52</sup> Transcript p 1262

<sup>53</sup> Transcript p 981

3.68 The Committee believes that a corporate approach could also reduce the costs of training. It appears to the Committee that many officers attend privately run courses on an individual basis and a corporate approach may lead to reduced cost through making bulk bookings for training etc. This could improve the cost/benefit of training across the ACT Government Service.

3.69 In addition, as training is such an essential element in the performance of officers and hence agencies, the Committee believes that training should be specifically included in agencies' performance indicators and measurement.

**3.70 The Committee recommends that:**

- the Office of Public Sector Management review training strategies of all ACT Government Service agencies and incorporate the individual strategies into one service wide corporate strategy.

*2% "across the board" expenditure reductions*

3.71 The majority of programs have been required to achieve savings of 2% of running costs in 1992-93 through the implementation of efficiency measures while minimising any adverse reduction in services provided to the community.<sup>54</sup> The Committee was interested in assessing how programs will achieve these savings.

3.72 Exceptions to the 2% reductions included the Housing and Community Service Bureau, required to achieve savings of 1% of running costs as a recognition of the limited scope for administrative savings in this service delivery program. Tourism was exempted from the savings requirement. Other exemptions from the 2% saving on running costs are related to largely non-discretionary expenditures such as the asbestos removal program, street lighting and the detention of offenders in NSW.

3.73 The Committee was cautious in endorsing the savings potential of the 2% efficiency gains as it noted the difficulty in assessing whether previous claimed savings have actually taken place. For example, the Committee had difficulty in verifying the claim that Program 2 had achieved savings of 8.6% of their operating budget in 1991-92 and called for a detailed explanation of the terms of the adjustment which led to the reduced budget base.<sup>55</sup>

<sup>54</sup> Budget Paper 2, p 58

<sup>55</sup> Transcript pp 843-6

3.74 The Committee was concerned that, in relation to 1992–93, the areas where reductions in running costs would be effected were to be determined by program managers not Cabinet or the responsible Minister or Speaker. The Committee considers that Ministerial responsibility makes this approach inappropriate.

3.75 Other programs, such as Program 4, Audit Services, were able to indicate to the Committee how the 2% efficiency improvement would be achieved.<sup>56</sup>

3.76 In addition, the Committee asked questions about the specific restructuring initiatives funded in 1992–93 to improve the cost effectiveness and efficiency of public sector operations. The restructuring proposals include the Workforce Management and Mobility Program (Program 2), the ACTION Automated Ticketing System (Program 16), the upgrading of outdated parking meters (Program 17), the conversion of long stay car parks from booth to voucher operation (Program 17), the implementation of a Human Resource Management System in the ACT Government Service (Program 19), and the Nursing Information Management System (Program 26).

### Specific issues

#### *ACT Government Service childcare*

3.77 The Committee sought to obtain clear reasons for the Government's decision to provide child care places to ACT Government Service employees.<sup>57</sup>

3.78 The Committee expressed concern that as ACT Government Service employees would be charged normal commercial rates for child care at Acton, the service would not have any benefits over child care provided through the private sector.

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<sup>56</sup> Transcript p 1532

<sup>57</sup> Transcript pp 826–9

3.79 It is therefore incumbent on the Government to justify the provision of \$100,000 and infrastructure, and to show what community benefit has resulted from these substantial contributions.

#### *Adoption services*

3.80 The Committee scrutinised the activities of the Adoption Unit of the Housing and Community Services Bureau, and the procedures for overseas adoptions in particular.<sup>58</sup>

3.81 The Committee was advised that the Adoption Unit undertakes a range of tasks including administering local, overseas, step-parent/natural family, special needs adoptions and wards in permanent care, as well as access to origins issues until the establishment of the Adoption Information Service.

3.82 The Committee expressed concern that the staffing of the Unit, comprised of four full time equivalent staff, and contract staff employed on a fee for service basis, is high in relation to the number of applications processed (44 in 1991–92) and the number of adoptions approved (16 in 1991–92).

3.83 The procedures for overseas adoptions were questioned and the Committee raised concerns over what it saw as an arbitrary waiting period of 12 months for the approval process to go before the ACT Supreme Court.

3.84 The Minister informed the Committee that the 12 month period that an overseas child spends in Australia before the approval, or otherwise, of adoption takes place is a national policy standard which has been used by the Adoptions Unit but is yet to be put into legislation.

#### **3.85 The Committee recommends that:**

- **a review be undertaken of the activities of the Adoption Unit to assess where efficiencies can be gained in its operations with a view to increasing the speed with which adoption applications and approvals can be processed; and**
- **the Assembly be advised of the results of the review.**

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<sup>58</sup> Transcript pp 1407 – 1419

### *Assembly travel*

3.86 During examination of Program 1, ACT Legislative Assembly, the Speaker was questioned on the travel undertaken in her capacity as Speaker, as distinct from travel undertaken as Presiding Member of the Standing Committee on Administration and Procedures in relation to its inquiry into the provision of new premises for the Assembly.<sup>59</sup>

3.87 The Committee's concerns centred on travel undertaken by the Speaker and the senior member of her personal staff to Hobart, the purpose for that trip and the procedures for approval of the Speaker's travel.

3.88 In particular the Committee was concerned when the Speaker confirmed the following statement put to her by the Committee:

You mean the Speaker, unlike all other non-executive members, can travel by her own decision without anybody else being involved in the decision process or even knowing what travel is contemplated?<sup>60</sup>

3.89 In relation to the Speaker's travel to Hobart, the Committee was advised during the hearing that the visit was undertaken in view of the Speaker's responsibilities to the Assembly, the move to the South Building and to gain an understanding of the Hare-Clark system, electorates, and electoral offices and the responsibilities of the Speaker vis-a-vis the Hare-Clark Bill.<sup>61</sup>

3.90 The Committee sought elaboration of the benefits of the trip to the Assembly and details of the information gathered. The Committee was initially concerned that the Speaker was not forthcoming with additional information, however the Committee notes the Speaker later agreed to furnish a report on the visit.<sup>62</sup>

3.91 Following a private meeting held after the hearing to discuss the Speaker's travel, the Committee wrote to the Speaker requesting that she table a report on the visit to Hobart in the Assembly. The Committee notes that the Speaker was able to respond quickly to the Committee, rather than the Assembly, on the travel undertaken.

<sup>59</sup> Transcript pp 359-62, 369-373

<sup>60</sup> Transcript p 366

<sup>61</sup> Transcript p 369

<sup>62</sup> Transcript pp 370, 371

3.92 In that report the Speaker advised she had undertaken a range of discussions with office holders, former office holders and officials of the Tasmanian Parliament relating to the operation of the Parliament, and the Chief Electoral Officer regarding the Hare-Clark electoral system.<sup>63</sup>

3.93 The Committee is of the view that the investigation of the Hare-Clark electoral system is not a matter that falls within the Speaker's responsibilities, but is the responsibility of Program 2, ACT Corporate Management, as is indicated in the 1992-93 Budget Papers. The responsible Minister is the Chief Minister, reflected in the fact that she presented the Electoral Bill 1992 to the Assembly.

#### **3.94 The Committee recommends that:**

- **the issue of travel undertaken by the Speaker and her personal staff be referred to the Standing Committee on Administration and Procedures for consideration; and**
- **the Speaker table a report on all travel undertaken as Speaker in the same format as is required of Members who utilise study travel.**

### *Belconnen Remand Centre*

3.95 Belconnen Remand Centre was the subject of extensive questioning from the Committee in Program 15, Housing and Community Services.

3.96 Questions on the Belconnen Remand Centre focused mainly on the Special Care Units.<sup>64</sup> Among the issues raised about the Units were the use to which they would be put, the staffing levels needed to maintain the Units, their total cost, and alterations in the design of the multipurpose area which prevented the scheduled opening of the Units.

3.97 The Committee expressed concern over the cost of the Units, the substantial delay in opening after staff were appointed and the design changes to the Units which could have been carried out more cheaply at the time of building and should in fact have been identified at the design stage.

<sup>63</sup> Report by Speaker on travel to Hobart, 1 October 1992

<sup>64</sup> Transcript pp 1455-62, 1468-70

3.98 The Minister asserted to the Committee that the process of the revision of the design of the Special Care Units had "not been a process that has been handled well under any government and it is not one that I have been particularly impressed with".<sup>65</sup>

**3.99 The Committee recommends that:**

- **a review of the processes involved in the construction of the Special Care Units at the Belconnen Remand Centre from the design to commissioning stages be carried out, including the involvement of the Housing and Community Services Bureau and the Department of Urban Services.**

*HIV/AIDS Notification*

3.100 The Committee received advice that the situation concerning notification by medical practitioners of cases of AIDS, including HIV infection, had recently changed in the ACT. The Medical Officer of Health advised that a recent legal opinion indicated that AIDS is notifiable at all its stages, not merely after full-blown AIDS has ensued.<sup>66</sup>

3.101 The Committee was informed that previous advice to doctors in the Territory was that HIV infection was not notifiable. The Minister indicated that the Government would "review the position" in light of the contradicting advice.<sup>67</sup>

3.102 The Committee is concerned that doctors in the ACT may not be clear on the correct legal position opening them, and possibly the Government, to potential legal action.

**3.103 The Committee recommends that:**

- **the Government take immediate steps to advise medical practitioners in the Territory, based on its best legal advice, as to the present position with respect to the notification of AIDS in all its stages.**

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<sup>65</sup> Transcript p 1460

<sup>66</sup> Transcript p 260

<sup>67</sup> Transcript p 262

*Magnetic Resonance Imaging*

3.104 The Committee raised questions concerning the provision in 1994 of a Magnetic Imaging Resonance (MRI) machine.<sup>68</sup> The machine will be jointly funded by the Commonwealth and the ACT.

3.105 The Committee is concerned that the ACT appears not to know the extent of its own financial obligations in this regard. The Commonwealth is not proposing to fund the entire capital and operating costs of a new MRI unit.

3.106 Those appearing before the Committee appeared to have little knowledge of how much money the ACT will have to contribute, of a definite timetable for installing the unit and of the extent of usage which would justify its purchase.

*Methadone program*

3.107 The Committee raised serious questions concerning the costs of expanding ACT methadone treatment options.<sup>69</sup> Of particular concern was the considerable discrepancy between the figures presented to the Estimates Committee and figures provided to the Minister less than a year ago by the Alcohol and Drug Working Party.

3.108 In particular, concern was expressed that the Government's preferred option did not meet the legal requirements of the Drugs of Dependence Act 1989.

3.109 Section 80 of the Act states:

- (1) A person shall not supply a drug of dependence upon prescription unless the person is—
  - (a) a pharmacist;
  - (b) a medical practitioner;
  - (c) a person under the personal supervision of a medical practitioner or pharmacist; or
  - (d) a veterinary surgeon.

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<sup>68</sup> Transcript p 412-6

<sup>69</sup> Transcript pp 476-488



3.110 The Committee notes that the Minister envisages employing nurses to dispense methadone. As they would be dispensing methadone without immediate supervision, this may constitute a breach of the Act.

**3.111 The Committee recommends that:**

- the Minister obtain a legal opinion as to whether his preferred option to dispense methadone will meet the requirements of the Act, and if necessary, provide revised costings for the expansion of the methadone program.

#### *Post-natal depression*

3.112 The Committee scrutinized the treatment of new mothers with particular emphasis on the Queen Elizabeth II (QE II) home for mothers and babies and the support for women suffering post-natal depression. Evidence presented indicates that whilst the funding of QE II has remained static there has been an increase in demand for inpatient (12.8%), outpatient (8.7%) and telephone consultations. The Department of Health's solution is for the QE II staff to "organise their service delivery in a more effective way."<sup>70</sup>

3.113 The Committee questioned the Minister extensively on the provision of services for women suffering from post-natal depression.<sup>71</sup> Services currently being planned include a 008 telephone service to Tresillian (a Sydney based centre which deals with women suffering from post-natal depression) with the possibility of improving the service by "formal links with the ACT information data that is provided to Tresillian". Additionally, the Minister commented upon a post-natal interest group and 1.8 full-time equivalent positions in Tuggeranong as part of a family care service. The Minister considered that the focus of these positions is not specifically on post-natal depression.

3.114 The response to whether or not the size of the problem has been quantified in the ACT was unclear.<sup>72</sup>

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<sup>70</sup> Transcript p 306

<sup>71</sup> Transcript pp 308-11.

<sup>72</sup> Transcript p 319

**3.115 The Committee recommends that:**

- responsibility for dealing with post-natal depression be clearly identified;
- services be better co-ordinated to deal with post-natal depression including involvement of the mental health crisis team, the Queen Elizabeth II home for mothers and babies and community nursing; and
- research be carried out to identify the extent and seriousness of post-natal depression in the ACT.

#### *Primary school size*

3.116 The Committee queried the proposal to build primary schools in Gordon and Conder in the Tuggeranong Valley with peak enrolments of 750 students.<sup>73</sup> Of particular concern was the expected duration of such peak enrolments being from five to twelve years.

3.117 The Committee particularly wished to know if students and parents would be satisfied with such a learning environment for their children. The question of the adequate socialisation of young children was also raised.

3.118 The Committee contrasted the expected enrolments at Gordon and Conder with current enrolments at Cook and Lyons Primary Schools.

**3.119 The Committee recommends that:**

- future planning of primary schools and anticipated peak enrolments take cognisance of the socialisation of young children; and
- where primary schools with large enrolments are anticipated, the need for additional resources is examined with a view to adequately supporting both the students and staff of such schools.

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<sup>73</sup> Transcript p 651

## **4 OVERVIEW BY AGENCY**

4.1 This Chapter includes a brief summary on an agency basis of the major issues raised by the Committee in the public hearings. This Chapter should be read in conjunction with the previous Chapters of this Report.

### **ACT Institute of TAFE**

#### **Program 22, Technical and Further Education**

4.2 In Program 22, Technical and Further Education, Members questioned TAFE regarding its establishment of an international hotel management school and its links with overseas educational institutions, particularly in North America.

4.3 Other issues of interest included campus consolidation and the uses to which former TAFE sites would be put, the decrease in Commonwealth funding for the Adult Literacy Program and the seemingly small amount of money being spent on staff development as a percentage of the total wages bill.

4.4 Members placed on the record their appreciation for the high standard and detailed level of supplementary information provided by ACT TAFE.<sup>74</sup>

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<sup>74</sup> Transcript pp 769, 774

## ACT Legislative Assembly

### Program 1, ACT Legislative Assembly

4.5 Travel costs of non-executive Members of the Legislative Assembly, including that of the Speaker, were the main focus of questioning in Program 1, ACT Legislative Assembly. The procedures relating to approval for travel were scrutinised and some attempt was made to clarify, according to the function of the travel and who was undertaking it, under which sub-program the costs of study travel, Committee travel and the Speaker's travel appeared. The Committee queried the somewhat arbitrary split of expenditure into two sub-programs.

4.6 Other areas of interest within the program were the cost of provision of vehicles to Members of the Assembly and the Secretariat, the Speaker's entertainment expenses, the cost of late night sittings, the preparation of an education package, and the feasibility of broadcasting the Assembly proceedings.

4.7 The Committee also posed the question as to whether the Assembly should have its own source of funds, separate from the Executive, thereby strengthening its independence from the Government of the day.<sup>75</sup>

## Attorney-General's Department

Program 11, Legal Services to Government

Program 12, Community Legal Services

Program 13, Administration of Justice

Program 14, Maintenance of Law and Order

Program 15, Housing and Community Services

4.8 During questioning relating to performance indicators and measurement, the Attorney-General voiced his scepticism about the effectiveness of performance indicators and noted the difficulty of preparing meaningful indicators about the delivery of legal services.<sup>76</sup> Concern was expressed over the lack of performance indicators for sub-program 11.3, Director of Public Prosecutions.<sup>77</sup>

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<sup>75</sup> Transcript pp 355 - 394

<sup>76</sup> Transcript pp 954-9,

<sup>77</sup> Transcript pp 1008-11

4.9 In Program 11, Legal Services to Government, Members placed on record their appreciation of the work done by Parliamentary Counsel.<sup>78</sup>

4.10 Other issues addressed included the presentation of 'omnibus' bills, the role of the Community Law Reform Committee, rules of court review, crime prevention strategies, debt recovery processes, legal costs to government, a new computerised legislation database and the processing of Freedom of Information requests.

4.11 Activities carried out by the ACT Consumer Affairs Bureau under the Trade Measurement Act, such as the measurement of the output of petrol bowsers, and Fair Trading Bill and associated codes of practice were of particular interest to Members in Program 12, Community Legal Services. The decrease in Legal Aid Commission Grants, demand rates on the Legal Aid Office and recompensation of legal aid costs were raised. Breaches of the Liquor Act identified by the Liquor Licensing Board including underage drinking and the community's reaction to the Pubcard proposal were noted. The automation of the Registrar's Office and promotion of the role of the Public Trustee's Office were addressed.

4.12 Assurance was sought that equitable access was being provided in the ACT in Program 13, Administration of Justice. In relation to the Magistrate's Court, the Committee was interested in case management techniques, jury selection techniques and domestic violence orders. The effect of changes to the Coroners Act was questioned.

4.13 In relation to the ACT Ombudsman's Office, the Committee sought comment on age discrimination, breaches of parole conditions and waiting times for people on remand. The recovery of traffic infringement and court fines, the serving of subpoenas and warrants by police officers and the timeframe from the lodgement of readiness to a trial before a judge in the Supreme Court of the ACT were also issues of interest to Members. The Community Advocate's role as guardian of last resort in relation to 15 individuals and the adoption of the Youth Advocate's role were other issues examined by Members.

4.14 The introduction of a range of new community based pro-active policing methods encouraged discussion in Program 14, Maintenance of Law and Order. Members showed an interest in the application of new breathalyser technology and voluntary agreement to attend court and questioned how these will work in achieving savings for the Program. Other issues raised included the police in schools program, police response times, the survey of community satisfaction with policing and the increase in juvenile crime.

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<sup>78</sup> Transcript pp 957, 1025

## *Housing and Community Services Bureau*

4.15 The ACT Housing Trust and the Belconnen Remand Centre were the subjects of questioning from Members in Program 15, Housing and Community Services. Questions asked about the Housing Trust covered areas such as priority accommodation, rental rebates, rental arrears, valuation times, and sales of public housing to tenants.

4.16 Questioning about the Belconnen Remand Centre focused mainly on the Special Care Units.<sup>79</sup> Among the issues raised about the units were the use to which they would be put, the staffing levels, the total cost of the units, and alterations in the design of the multipurpose area in Belconnen Remand Centre which prevented the units from opening when originally scheduled to.

4.17 Other topics which Members pursued in Program 15 included the procedures and approval times for local and overseas adoptions,<sup>80</sup> the closure of Bruce Hostel and the movement of its residents into group housing, the timeframes within which notifications of a child in need of care are investigated and the activities of the Office of Rental Bonds.

### **Chief Minister's Department**

Program 2, ACT Corporate Management

Program 3, Economic Development

4.18 In Program 2, ACT Corporate Management, Members experienced difficulty in verifying the claim that the Program had achieved an 8.6% reduction on operating costs in 1991/92 and a call was made for a detailed explanation of the terms of the adjustment that led to the reduced budget base.<sup>81</sup>

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<sup>79</sup> Transcript pp 1455-62, 1468-70

<sup>80</sup> Transcript pp 1408 - 20

<sup>81</sup> Transcript pp 843, 846

4.19 Clarification of the role of industrial relations sections across the ACT Government Service was called for with Members noting that the Department of Health, the Department of Urban Services, and the Chief Minister's Department all had an industrial relations function. The possibility of rationalisation of the industrial relations function was raised.<sup>82</sup> The issue of work place injuries and whether preference is given to union members in some ACT agencies were also discussed.

4.20 The usefulness of performance indicators evaluating the efficiency, productivity and management of the ACT Government Service was questioned by Members.<sup>83</sup> Particular criticism was levelled at the performance indicators of sub-program 2.4, Public Sector Management, with members noting that they were not measures of outcomes but merely actions taken to effect change.<sup>84</sup> The implementation of performance appraisal schemes for SES and Senior Officers and the appeal mechanisms available were also of interest.

4.21 Other issues of interest in Program 2 included the transfer of the Youth Affairs function from the ACT Housing and Community Services Bureau to the Chief Minister's Department, the focus of domestic violence funding on women and children, initiatives for workers with family responsibilities, the secondment of officers to the ACT Council of Social Service and the possibility of seconding officers to the Canberra Business Council as a method of staff development. Also raised were the implementation of the Hare-Clark electoral system, the appointment process of ACT public servants, the possibility of making OPSM training information available to the non-government and community sectors, the development of social indicators, the extent of community consultation, the Streetlink Program, the Internal Investigations Unit, and the ACT's participation in the Local Government Community Relations Program.

4.22 Performance indicators were criticised in Program 3, Economic Development, when statistics couldn't be produced to show the extent to which activities of the program contributed to the growth and diversification of the economic base of the ACT and South-East Region.<sup>85</sup> The performance of the Program could not at the moment be measured in a quantifiable way.<sup>86</sup>

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<sup>82</sup> Transcript p 809

<sup>83</sup> Transcript pp 813-8

<sup>84</sup> Transcript pp 870-3

<sup>85</sup> Transcript p 905

<sup>86</sup> Transcript pp 908, 910

4.23 This situation was particularly evident when Members attempted to gauge the net effect on tourism of the effort and expenditure of the ACT Tourism Commission as opposed to that of the tourism industry.<sup>87</sup> Members also had difficulty in discovering where over two million dollars in funding for tourism marketing, identified in the Treasurer's budget speech, was to be found in the operational funds of the ACT Tourism Commission.<sup>88</sup> The information was subsequently provided.

4.24 Other issues raised by members included the role, effectiveness and cost of the Business Services Centre, the proposal for a freight distribution centre at Canberra Airport, women's employment, education, training, and participation in the workplace, the National Industry Extension Service (NIES) program, research into social and economic development issues, the Department's urban renewal policy role, the extent of liaison between the Business Development and Marketing Unit with the ACT Tourism Commission, seminars for women in Tuggeranong and the decision to reduce funding for the Local Employment Development Incorporated (LEDI) program. Also of interest was the closure of the Melbourne and Sydney offices of the ACT Tourism Commission, the amount of money spent by local and overseas tourists, hotel occupancy rates, the establishment of a Special Events Unit in the ACT Tourism Commission, and the role of multicultural marketing of tourism and its success rate.

#### **Department of Education and Training**

Program 23, Government Schooling  
Program 24, Non-government Schooling  
Program 25, Higher Education and Training

4.25 Members questioned the Minister about the increased expenditure in the 1991/92 education budget and the over-funding identified by the Commonwealth Grants Commission in relation to ACT education.<sup>89</sup>

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<sup>87</sup> Transcript pp 1511-2

<sup>88</sup> Transcript pp 1525 - 27

<sup>89</sup> Transcript pp 597-9

4.26 Questions relating to Aboriginal education, English as a second language teachers, and children from non-English speaking cultures were raised in Program 23, Government Schooling. Topics highlighted by Members included the role of Dairy Flat Centre and its Adolescent Development Program, the optimum student size for primary schools, the Pilot Integration Program allowing the integration of children with physical and intellectual disabilities into mainstream schools, and the community use of schools.

4.27 Other topics raised were the composition of the Ministerial Advisory Council on Public Education, school-based curriculum development, the professional development of teachers, staff-student ratios, counselling services, pastoral care, the High School Development Report and the number of females in principal positions. School-based management, voluntary contributions by parents to schools, furniture expenditure, the performance of high schools, the police in schools program, computer use by primary school students and the monitoring of literacy and numeracy skills were of interest. Issues such as the expulsion of students, the closure of regional pre-school education offices, special placements, the early intervention system, the possibility of children spending extra time at pre-school, collocation of pre-schools and primary schools, the role of the O'Connell Education Centre, and the review of sports program provision at ACT and interstate levels were also covered.

4.28 Two main topics arose in questioning on Program 24, Non-government Schooling. The first was the effect of the Commonwealth Government's 'One Nation' statement on the funding levels for government and non-government schools and which sector of the two drew the most benefits from the arrangement. The second concerned the effects on funding of non-government schools arising out of the recommendations of the Berkeley Report. Other topics raised were provisional registration of schools, student-teacher ratios, the establishment of a Montessori school in Canberra, the consideration being given to incorporating the AME School into the government system, and funding cuts to Canberra Grammar School.

4.29 Members explored the ways in which employers, accreditation agencies, the Vocational Training Authority and ACT TAFE could best work together to achieve costs savings in the budget by amalgamating some of their activities, in Program 25, Higher Education and Training. Information was also sought about the costs involved in the marketing and provision of education to international students, the awarding of certificates of recognition, and the decrease in apprenticeships.

## Department of the Environment, Land and Planning

Program 6, Environment and Conservation

Program 7, Territory Planning

Program 8, Land

Program 9, the Arts

Program 10, Sport and Recreation

4.30 An accurate picture of the total number of staff employed across the programs administered by DELP was difficult to calculate from the material presented to the Committee resulting in difficulty in assessing whether DELP had actually achieved the staff reductions, and thus, the staff savings stated in the Estimates for 1992–93.<sup>90</sup>

4.31 Program 6, Environment and Conservation, saw Members seeking detailed information on the efforts of DELP in promoting energy efficiency, the control of feral animals, and the establishment of a Commissioner for the Environment.

4.32 In Program 7, Territory Planning, Members questioned the interaction with the National Capital Planning Authority in the planning process for the ACT. Issues such as planning approvals, the need for more public consultation, leasing conditions, office vacancy rates, urban renewal, the National Capital Plan, and variations to the Territory Plan were also raised.

4.33 Members questioned the Minister about his policy to return to government land development in Program 8, Land. Issues associated with betterment fees and compliance with leases also attracted questioning from members.

4.34 In Program 9, the Arts, Members raised the likely benefits for cultural activities from the casino premium. The reallocation of funding from the scrapped World Festival in the 1991/92 financial year was scrutinised, as were the operations of the Canberra Theatre Trust.

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<sup>90</sup> Transcript pp 6–13, 151–7

4.35 In Program 10, Sport and Recreation, Members asked questions concerning the new Tuggeranong Aquatic Centre including the costs involved in the provision of staff, materials, plant and equipment. Questions were also asked about the costs associated with other ACT sports facilities, including the provision of lighting and changerooms at sportsfields. Other areas of interest were the state of motorsport in the ACT and the impact of the Noise Control Act on its further development, planning of sports facilities in Gungahlin, irrigation restructuring savings through computerisation, a new site for the Tuggeranong BMX Club track and the success of the Life Be In It Program.

## Department of Health

Program 26, Health

4.36 The lack of overall measurable performance indicators for Program 26, Health, was criticised as it made it difficult for Members to assess whether the Program was achieving its goals.<sup>91</sup> The Committee was pleased to note Health's advice that measurable performance indicators will be in place in 1993–94.

4.37 The application of business rules and supplementation procedures to the Health budget and its effects on the Program's finances drew intense questioning.<sup>92</sup> Members were particularly interested in how the Program is going to meet the savings required over the next five years to meet budgetary imperatives and also fund a number of new initiatives outlined in the supplementary information.<sup>93</sup>

4.38 Hospital occupancy rates, the length of stay of patients, the number of hospital beds and the effect of these on waiting lists were also examined.

4.39 Issues related to HIV and AIDS were of interest to the Committee with questions being asked on the stage at which HIV becomes a notifiable disease under law, the use of traceable coding on HIV tests and medically-acquired AIDS compensation.<sup>94</sup>

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<sup>91</sup> Transcript pp 190–1

<sup>92</sup> Transcript pp 206–12, 215, 216

<sup>93</sup> Transcript p 447

<sup>94</sup> Transcript pp 260–8

4.40 The Committee asked a series of questions about women experiencing post-natal depression and the support services currently available. It also explored the possibility of establishing a service for the management of post-natal depression as part of the redevelopment of the Queen Elizabeth II Hospital.<sup>95</sup>

4.41 The Committee examined issues in relation to the distribution of methadone in the ACT focusing on the costs of the pharmacy and private health clinic distribution options and how those options would be administered.<sup>96</sup>

4.42 The Committee noted that the Department of Health is introducing service agreements with service providers which will specify the Department's expectations on the provision of various health services.<sup>97</sup>

4.43 Other topics covered included the possible establishment of a hospice on Acton Peninsula, the involvement of the ACT in the Commonwealth Magnetic Resonance Imaging Program, the ACT Ambulance Service response times, the University of Canberra's Nurse Education Program, breast and cervical cancer screening, the operations and role of the ACT Board of Health, aged health care services and health grants.

#### **Department of Urban Services**

Program 16, Public Transport

Program 17, City Services

Program 18, Fire and Emergency Services

Program 19, Government Corporate Services

Program 20, Public Works and Services

Program 21, Corporate Development in DUS

4.44 Questions in Program 16, Public Transport, covered a wide range of issues in relation to the operation of ACTION. Members asked about the cost of the bus system, the decline in passenger boardings, the extent of fare evasion, the introduction of an automated ticketing system, the expansion of the Park and Ride scheme, school bus services, the introduction of express services, the natural gas/dieselhol trials and the possibility of the establishment of new bus interchanges.

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<sup>95</sup> Transcript pp 307-11

<sup>96</sup> Transcript pp 339-487

<sup>97</sup> Transcript pp 424-5

4.45 Program 17, City Services, saw Members inquiring into effective landfill management, the benefits of motor vehicle inspections, asbestos removal costs, the establishment of an ACT reference library, the development of new cycle paths, the impact of the closure of the Road Safety Council, and the 140 litre wheeled bin trials in Kaleen.

4.46 The possible problem of duplication of rescue services between police and the fire service was raised in Program 18, Fire and Emergency Services. Also raised was the effectiveness of the co-location of the ACT Fire and Emergency Services and the Rural Fire Fighting Service.

4.47 The cost-effectiveness of ACTNET to some agencies, particularly the Legislative Assembly, was examined by Members in Program 19, Government Corporate Services, in light of the fact that outside calls are charged at STD rates. Clarification was sought to the industrial relations role played by DUS and how it complemented the industrial relations role in the Chief Minister's Department.<sup>98</sup> Other topics of interest to Members included Government accommodation assets and costs, the operation of shopfronts and the planning for open computing systems.

4.48 Members recognised the awards won by Public Works<sup>99</sup> in Program 20, Public Works and Services, and noted that steps were being made to achieve energy efficiencies in assets DUS managed. Questions relating to ACT Fleet dealt with its level of efficiency and its methods of vehicle purchase.

4.49 Questions in Program 21, Corporate Development in DUS, centred on the assessment of the impact of a three-year budget strategy targeting high-cost functions within the Department.<sup>100</sup>

#### **Government Audit Office**

Program 4, Audit Services

4.50 In Program 4, Audit Services, Members were interested in how a 2% efficiency gain in the cost of performance and regulatory audits was going to be achieved and how the reduced costs would be reflected in the budget.<sup>101</sup>

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<sup>98</sup> Transcript p 1293

<sup>99</sup> Transcript p 1299

<sup>100</sup> Transcript p 1313

<sup>101</sup> Transcript pp 1530-3, 1535-7

4.51 The Auditor-General was asked for comment on the presentation of the 1992-93 Budget Papers in view of his comments in Audit Report Number 2 of 1992 concerning the 1991-92 Budget Papers and inadequacies reported. The Auditor-General declined to comment other than stating that there has been some improvement but that there was still some way to go. The Auditor-General would leave other comment to the report he will make to the Assembly later this year.<sup>102</sup>

## Treasury

### Program 5, ACT Financial Management

4.52 The difficulty of tracking the transfer of money between programs and sub-programs was raised in Program 5, ACT Financial Management.<sup>103</sup> Members were interested in the new processes and systems being introduced for budget management, including improvements in revenue collection and payroll administration. The cost of Comcare to the ACT Government was also examined in some detail.

4.53 The Committee noted that reviews of the funding requirements of a number of programs, including the ACT Housing and Community Services Bureau and the Corporate Services Bureau, were carried out.

4.54 Other issues of interest were the priority given by the ACT Revenue Office in countering practises aimed at avoiding or reducing tax liability, the issuing of default assessments and reassessments amounting to \$12.4m, measures introduced to avoid departments exhausting unspent appropriations at the end of the financial year, the use to which the balance of the Community Development Fund was put, the increase in banking fees including a charge for a locked bag service, and appeals against the ACT Revenue Office in the Administrative Appeals Tribunal.

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<sup>102</sup> Transcript pp 1535-37,

<sup>103</sup> Transcript pp 1546-8

## ACT Electricity and Water Authority

4.55 The ACT Electricity and Water Authority (ACTEW) was the first non Budget dependent entity to be involved in an Estimates Committee public hearing allowing the Committee to gain a fuller understanding of ACT economic operation.

4.56 The Committee is of the view that even though no funds are appropriated by the Legislative Assembly for ACTEW, it is accountable through the Government to the community for its activities, in the same way that all the other agencies that have appeared before the Committee are.<sup>104</sup>

4.57 Issues raised included the \$19.5m dividend to the Government from ACTEW and whether the size of the dividend meant ACTEW could deliver services at a more competitive price than utilities around Australia or whether ACTEW was merely raising revenue for the Government through a regressive form of taxation.<sup>105</sup>

4.58 The issue of whether ACTEW had a social justice strategy in place because of its important role in the supply of essential services to the ACT community was raised as were the methods used by ACTEW to meet the ACT's needs for electricity, water and sewerage in an economically and environmentally sustainable way.

4.59 Other topics of interest included the 350 kilolitre water limit, the profitability of supplying water, the use of forward forecasts to determine the amount of water to be used in a year, the possibility of the loss of a Commonwealth specific purpose grant which pays half the operating costs of the lower Molonglo sewerage treatment plant, and the number of SES positions in ACTEW.

Helen Szuty MLA  
Presiding Member  
5 November 1992

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<sup>104</sup> Transcript p 1494

<sup>105</sup> Transcript pp 1479-81



## LIST OF PUBLIC HEARINGS AND WITNESSES

### Thursday 24 September 1992

Department of the Environment,  
Land and Planning

B Wood, Minister for the Environment, Land and  
Planning  
Minister for the Arts

G Fraser  
D Gration  
P Guild  
D Jackson  
C Parsons  
J Stanwell  
G Tomlins  
J Townsend

### Friday 25 September

Department of Health

W Berry, Minister for Health  
J Ayling  
S Batho  
S Belsham  
G Biscoe  
A Butlin  
M Cormack  
A Guntherall  
J Hargraves  
J O'Donnell  
H Ramsay  
R Scott

### Monday 28 September 1992

ACT Legislative Assembly

R McRae, Speaker  
T Duncan  
M Weeks

**Tuesday 29 September 1992**

Department of Health  
W Berry, Minister for Health  
A Austin  
J Ayling  
S Belsham  
G Bischoe  
S Kirby  
H Ramsay

Chief Minister's Department  
W Berry, Minister for Industrial Relations  
H Guilfoyle  
W Harris  
S Hunter  
J Woodrow

Department of the Environment,  
Land and Planning  
W Berry, Minister for Sport  
G Fraser  
D Jackson

**Wednesday 30 September 1992**

Department of Education and  
Training  
B Wood, Minister for Education and Training  
A Murray  
M Sawatzki  
C Thomas  
T Wheeler

ACT Institute of TAFE  
B Wood, Minister for Education and Training  
W Dickson  
N Fisher  
K Kinsman

**Thursday 1 October 1992**

Chief Minister's Department  
R Follett, Chief Minister  
C Adrian  
G Bellchambers  
C Eccles  
H Elvin  
L Foreman  
W Harris  
S Hunter

P Karmel  
I Manning  
G Powell  
R Smeed  
L Webb

**Wednesday 7 October 1992**

Attorney-General's Department  
T Connolly, Attorney-General  
T Brown  
T Charge  
V Dawson  
D Dunkley  
B Hugg  
C Hunt  
D Hunt  
H McGregor  
M Peedom  
S Petherbridge  
L Sorbello  
J Taylor  
P Thompson  
R Thomson  
A Towill

Office of the Director of  
Public Prosecutions

T Connolly, Attorney-General  
K Hemenstall

ACT Legal Aid Office

T Connolly, Attorney-General  
C Staniforth

Australian Federal Police

T Connolly, Attorney-General  
P Dawson  
N Grant  
A Hoitink

Department of Health

W Berry, Minister for Health

**Thursday 8 October 1992**

Department of Urban Services  
T Connolly, Minister for Urban Services  
D Barron  
R Black  
B Colbey  
G Davidson

B Dockrill  
A Eggins  
D Farrell  
G Gaskill  
R Gowing  
J Lalor  
B Lenihan  
M McFarlane  
G McKenzie-Smith  
T Miller  
P Milray  
P Sadler  
M Sullivan  
J Turner  
M Wadsworth  
I Woolcock

ACT Treasury

R Follett, Treasurer  
B Cheshire  
G Faichney  
P Gregory  
N Morgan  
M Woods

**Friday 9 October 1992**

Housing and Community Services  
Bureau

T Connolly, Minister for Housing and Community  
Services

H Briggs  
P Chivers  
L Grayson  
C Healy  
K Horsham  
C Hunt

ACTEW

T Connolly, Minister for Urban Services  
C Orr  
M Sargeant

**Tuesday 13 October 1992**

Chief Minister's Department

R Follett, Chief Minister  
G Bellchambers  
W Harris  
D Lawrance

ACT Auditor-General

R Follett, Chief Minister  
J Parkinson  
P Hade

## LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

Telephone: (06) 2050173  
Fax: (06) 2050442

1 Constitution Avenue  
CANBERRA A.C.T. 2601  
GPO Box 1020

6 November 1992

Ms. Helen Szuty, MLA  
Chair  
Committee on Estimates

Dear Ms. Szuty

I am more than a little dismayed by being denied the opportunity to deliberate on the endorsement of the Estimates Committee Report, as outlined in your letter of 5 November. I am sorry this decision was not influenced by our conversation of last evening.

I am aware that you were advised on Wednesday afternoon that due to other work commitments, I had been unable to fully research the additional blocks of proposals submitted by Mr. Humphries on Monday, or the additional re-written material provided in the draft received on Tuesday.

As you are aware, my chairmanship of the public hearings for the Social Policy Committee impacted heavily on my time in the past three days.

My concern is made even more significant when it is understood that many of the Liberal members of the Committee were not in attendance for the actual hearings of the Committee yet have obviously endorsed a report without allowing at least three members of the Committee who were in attendance to finalise their input prior to adoption of the Report.

I have attached some of the additional comments in relation to the Report that I would have raised at this morning's meeting had it been proceeded. Furthermore, I would like you to understand that I would have liked - indeed I always expected I would have had - the opportunity to challenge what I regard as a number of political assertions in the Report.

In accordance with the resolution of yesterday's meeting, this letter and the additional comments should be included in the Report.

Yours sincerely



ANNETTE ELLIS, MLA

## LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

Telephone: (06) 2050173  
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**AUSTRALIAN LABOR PARTY**  
**ELLNOR GRASSBY MLA**  
 Chairman Select Committee on  
 Scrutiny of Bills and Subordinate Legislation

1 Constitution Avenue  
 CANBERRA A.C.T. 2601  
 GPO Box 1020

Attachment

Paragraphs 2.10 to 2.15 should be deleted.

I am told that these paragraphs were written by Mr Humphries. This section of the report was adopted at a meeting of the Committee at which I could not be present. The paragraphs suggest that the Minister refused to answer questions of the Committee or was obstructive in deciding to take questions on notice rather than answering them on the spot. They are a political attack, and not a factual criticism of the Minister.

I believe that these paragraphs should not be included in the report for the following reasons:

- . there is no supporting evidence to sustain the assertion (in para 2.11) that the Minister responded "to a large number of questions" in a certain manner. Footnote number 4 in that paragraph refers to pages 203 and 322 of the transcript of proceedings, which on examination do not contain any instances of the type alleged.
- . the quote from the transcript at paragraph 2.12 and comment in paragraph 2.13 create an impression that the Minister refused to answer a question when the information was available. An examination of the full transcript at pages 264-265 reveals that the Minister in fact applied proper principles of Ministerial accountability which require that he answer to the Assembly and its Committees. The Minister was quite entitled to decide that a particular question was one which he should answer personally.

The second sentence of paragraph 4.20 is wrong and should be deleted. An examination of the transcript shows that only one member of the Committee, Mr Kaine, made the criticism mentioned in the report. In doing so, he said (page 870) "I was not impressed, unlike the chairman." The Chair of the Committee, speaking immediately before Mr Kaine, in fact said the exact opposite of the Committee's report (page 869):

I was impressed with the strategy that you took in approaching these in that when you mentioned a key performance indicator, you actually gave an example of what that key performance indicator could measure and did measure...that is the first time that I have seen that approach in the explanatory notes...it is a very useful guide in terms of knowing what key performance indicators are and actually assessing whether they work or not.

6 November, 1992

Ms Helen Szuty  
 Presiding Member  
 Estimates Committee  
 ACT Legislative Assembly

Dear Ms Szuty,

I refer to your letter of 5 November, 1992 relating to the adoption of the Estimates Committee Report.

I am extremely concerned that I have been denied the opportunity to debate a range of issues within the Committee process prior to the adoption of this report.

I attach a copy of the letter from Mr Lamont indicating that I had been ill and was attending a doctor's appointment and as advised to Mr Lamont would be unavailable for the 8.30am meeting scheduled for Thursday 5 November.

Attached please find additional comments as provided for in the resolution of the Committee adopting the report.

I request that this letter, Mr Lamont's letter and the attachment be included in the Estimates Committee report when printed.

Yours sincerely,



Ellnor Grassby MLA

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

Telephone: (06) 2050173  
Fax: (06) 2050442

1 Constitution Avenue  
CANBERRA A.C.T. 2601  
GPO Box 1020

Attachment

5 November 1992

Ms Helen Szuty  
Chairperson  
Estimates Committee  
ACT Legislative Assembly  
1 Constitution Avenue  
CANBERRA ACT 2601

Dear Ms Szuty

I am writing to express my concern at the intention to proceed with a meeting of the Estimates Committee this morning at 8.30 am. I am told that the meeting will attempt to discuss several significant issues about the drafting of the Estimates Committee report.

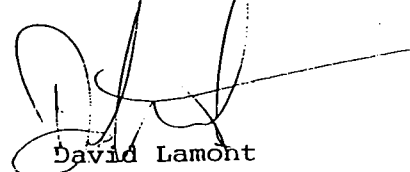
At the last meeting of the Committee, large slabs of extra material were tabled by Mr Humphries. I believe that Mr Humphries' wording, and some sections elsewhere in the draft report, may not be supported by a number of Committee members.

I believe that the Committee needs the opportunity to discuss the report at some length in the hope that we can reach a consensus. This unfortunately will not be possible this morning.

As the Committee Secretary has been advised, Mrs Grassby has been away sick and has not had a chance to examine the draft. Ms Ellis, yourself and three other Estimates Committee members have public hearings of the Social Policy Committee scheduled at 9.00 am for which they need to prepare. There will thus be no more than a few minutes to work on the Estimates report.

To allow some reasonable chance that major issues can be resolved amicably, I ask that the Estimates Committee meeting be postponed for a day.

Yours sincerely



David Lamont

2.9 Insert new sentence after the first sentence.

The Minister acknowledged immediately a problem with the answer tabled and undertook to have his officers provide new information. (Transcript page 475).

3.58 Delete first dot point. (see next amendment)

3.59 Answers 3.58 and therefore should be placed before 3.58.

This section, which discusses and makes recommendations about staffing information and how it is stored and collected, has 3.59 following. Paragraph 3.59 acknowledges the funding allocated by the Government for a Human Resource Management System and that all staff records will be on it by July 1994. This answers to the first recommendation.

## LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

Telephone: (06) 2050173  
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Estimates Committee Draft Report

Possible Amendment

Paragraph 4.11 - page 1066

Insert after sentence:

"The decrease in Legal Aid Community Grants demand rates on the Legal Aid Office and recompensation of legal and costs were raised."

New Sentence

It was noted that the duty lawyer service to the community had increased by 14 per cent and that the budget papers show clearly that the funding base had in fact been increased.

Ms Helen Szuty, MLA  
 Presiding Member  
 Estimates Committee

Additional Comments - 1992/3 Estimates Committee Report

I refer to our conversation at 12:15 pm on 05 November 1992 (yesterday) and your subsequent letter of the same date indicating that, notwithstanding the concerns raised by several Government backbenchers - Members of the Estimates Committee - regarding the process to finalise the Committee Report, the Estimates Committee had endorsed the Report as amended at the 08:30 am meeting yesterday.

In accordance with the resolution passed at the meeting on the 5th, I provide this letter, a copy of my letter to you outlining the difficulties in meeting on the 5th and additional comments. These should all be attached to the report.

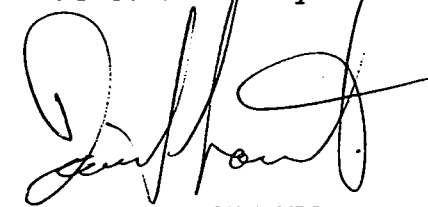
The strength of the Estimates Committee process is that all non-executive Members of the Assembly have the opportunity to collectively assess the effectiveness of the Public Administration and Government processes within the Territory.

Where a Member or Members disagree with the majority's view, the opportunity exists for a minority Report to be delivered.

In general, a minority Report strengthens this process as it allows for the identification of differing perceptions, philosophies or ideologies. However, a minority report should not be written to dispute evidentiary fact as the Committee process should have sifted this fact to the point of acceptance by the Committee.

Whenever this clearly outlined process is disrupted or denied then the whole of the Report is called into question as a vehicle for properly assessing the points made in my third paragraph.

I believe that this has occurred in relation to the adoption of this Report. The lack of due attention to proper processes is evidenced by the examples in the attachment to this letter.



DAVID LAMONT MLA  
 6 November, 1992 (9 A.M.)

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

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ATTACHMENT

5 November 1992

Ms Helen Szuty  
Chairperson  
Estimates Committee  
ACT Legislative Assembly  
1 Constitution Avenue  
CANBERRA ACT 2601

Dear Ms Szuty

I am writing to express my concern at the intention to proceed with a meeting of the Estimates Committee this morning at 8.30 am. I am told that the meeting will attempt to discuss several significant issues about the drafting of the Estimates Committee report.

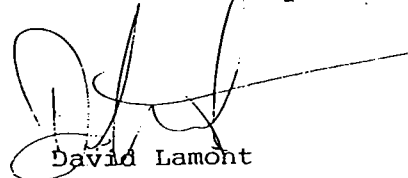
At the last meeting of the Committee, large slabs of extra material were tabled by Mr Humphries. I believe that Mr Humphries' wording, and some sections elsewhere in the draft report, may not be supported by a number of Committee members.

I believe that the Committee needs the opportunity to discuss the report at some length in the hope that we can reach a consensus. This unfortunately will not be possible this morning.

As the Committee Secretary has been advised, Mrs Grassby has been away sick and has not had a chance to examine the draft. Ms Ellis, yourself and three other Estimates Committee members have public hearings of the Social Policy Committee scheduled at 9.00 am for which they need to prepare. There will thus be no more than a few minutes to work on the Estimates report.

To allow some reasonable chance that major issues can be resolved amicably, I ask that the Estimates Committee meeting be postponed for a day.

Yours sincerely



David Lamont

Estimates Report

Additional Comments

Paragraph 3.85

Replace: "In particular the committee was concerned when..."

With: "The Committee notes that, under the current arrangements, the Speaker's travel, like that of members of the Executive, does not require direct approval by the Admin & Procedures Committee. The Speaker [etc]..."

Paragraph 3.87

The second sentence should be deleted. The Chair suggested the Speaker provide a report. The Committee had the option to pursue further questions.

In the final sentence, "later" should be deleted.

Paragraph 3.88

The first sentence is irrelevant and should be deleted. Replace with: "The Committee wrote to the Speaker requesting...[etc]"

Paragraph 3.89

The Report shows that the Speaker spoke to the Chief Electoral Officer regarding the ACT Electoral Bill and the potential role for the Speaker under the Hare-Clarke system.

Paragraph 3.9

The Speaker was rightly concerned with the operation of Hare-Clarke under the ACT Electoral Bill. Sentence one is unnecessary.