



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Brendan Smyth MLA (Chair), Mary Porter AM MLA (Deputy Chair), Nicole Lawder MLA,
Meegan Fitzharris MLA

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Inquiry into 2013–14 Annual reports

Economic Development portfolio
Tourism and Events portfolio (tourism responsibilities only)

Responses to questions taken on notice at public hearing of 12 November 2014

QTN # 1-12 Nov 14
Min for Tourism & Events

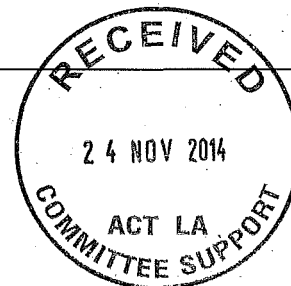


LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Brendan Smyth MLA (Chair), Mary Porter AM MLA (Deputy Chair), Nicole Lawder MLA,
Yvette Berry MLA

Inquiry into referred 2013–14 Annual and Financial Reports
ANSWER TO QUESTION TAKEN ON NOTICE
Wednesday, 12 November 2014



Asked by Mr Smyth:

In relation to: International Flights

Mr Smyth: Just as a supplementary to that, did you put \$600,000 towards wooing international flights this year?

Mr Barr: Yes, I think that is correct for this fiscal year.

Mr Smyth: How much of that has been spent and could we have a reconciliation?

Mr Hill: Yes. I am happy to take that on notice for the exact figures, but broadly speaking about \$450,000 was invested in some specific campaign activity and the development of the business cases for both New Zealand and Singapore. We engaged an aviation consultant who helped put together the business cases, which was a fairly detailed piece of work, and route planning work. It is quite dry. We wrapped the destination story around that and that was used to present to airline carriers.

Then on the other side, in the lead-up to the visit to Singapore, we ran a dedicated consumer campaign which included advertising in the *Straits Times*, which is the major daily newspaper over there, big double-page spreads about what Canberra has to offer. We ran some advertising in the *SilverKris* magazine, which is Singapore Airlines' in-flight magazine, and in some of the MRT publications—some consumer awareness whilst we were there. I will provide a detailed breakdown of that.

MINISTER BARR: The answer to the Member's question is as follows:—

The Government provided \$500,000 in funding in 2013-14 to support the effort to attract international air services. An additional \$600,000 was committed in the 2014-15 budget.

In 2013-14 a total of \$332,000 was expended on programs that supported efforts to attract direct international air services:

The Airline Access budget was invested as follows:

- \$242,000 - Destination consumer awareness campaign in Singapore to support the ACT Government Trade Mission, June 2014.
- \$50,000 - Restaurant Australia international campaign partnership activity
- \$40,000 – domestic and international aviation program including development and production of business case, collateral and presentations.

\$168,000 has been rolled over into 2014-15.

Approved for circulation to the Standing Committee on Public Accounts

Signature: 

Date: 23.11.2014

By the Minister for Tourism and Events, Andrew Barr MLA

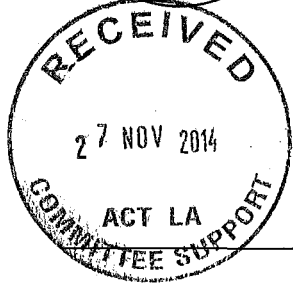
QTON # 2 - 12 Nov 14
Min for Tourism & Events



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Yvette Berry MLA



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ANSWER TO QUESTION TAKEN ON NOTICE
Wednesday, 12 November 2014

Asked by Mr Smyth:

In relation to: Exhibition Park in Canberra

THE CHAIR: In regard to the refurbishment of the service station and the establishment of the fast food outlet, there was some work done to clean up the old tanks. Who paid for that and how much did it cost?

Ms Clarke: I will have to take that on notice. Exhibition Park Corporation did the remediation—that was part of the arrangement in the contract—but I will need to get back to you on how much that was.

MINISTER BARR: The answer to the Member's question is as follows:—

As part of the contractual arrangement between the Exhibition Park Corporation Board and Woolworths, it was agreed that the Exhibition Park Corporation pay for the majority of the remediation works.

The remediation and demolition cost for the site was \$625,481. This was offset by a one-off reimbursement from Woolworths of \$175,000.

Approved for circulation to the Standing Committee on Public Accounts

Signature: *Andrew Barr*

Date: 26.11.2014

By the Minister for Tourism and Events, Andrew Barr MLA



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Yvette Berry MLA



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ANSWER TO QUESTION TAKEN ON NOTICE
Wednesday, 12 November 2014

Asked by Mr Smyth: In relation to: Organisational structure

THE CHAIR: We might move to economic development. Minister, can you outline how the new structure works and where economic development now fits into the Chief Minister, Treasury and Economic Development portfolio?

Mr Barr: Economic development is a division within CMTEDD, yes. Within the economic development directorate component of the larger directorate are two divisions. Mr Rake has arts, business, events, sport and tourism. Mr Stewart has land development and corporate. Mr Dawes obviously as the director-general—

Mr Dawes: And there have been some additions.

Mr Barr: Yes, with property group coming in.

Mr Dawes: It sits with Mr Stewart's division.

THE CHAIR: Is it possible to give an org chart of the new arrangements?

Mr Barr: The admin orders indicate that but yes, we can provide the committee with one.

MINISTER BARR: The answer to the Member's question is as follows:—

The organisational structure for the Chief Minister, Treasury and Economic Development Directorate is at Attachment A, and is also available on the CMTEDD website: <http://www.cmd.act.gov.au/functions/about>. An organisational structure for the Economic Directorate Portfolio, which reflects the changes under the new Administrative Arrangements, is also included, at Attachment B.

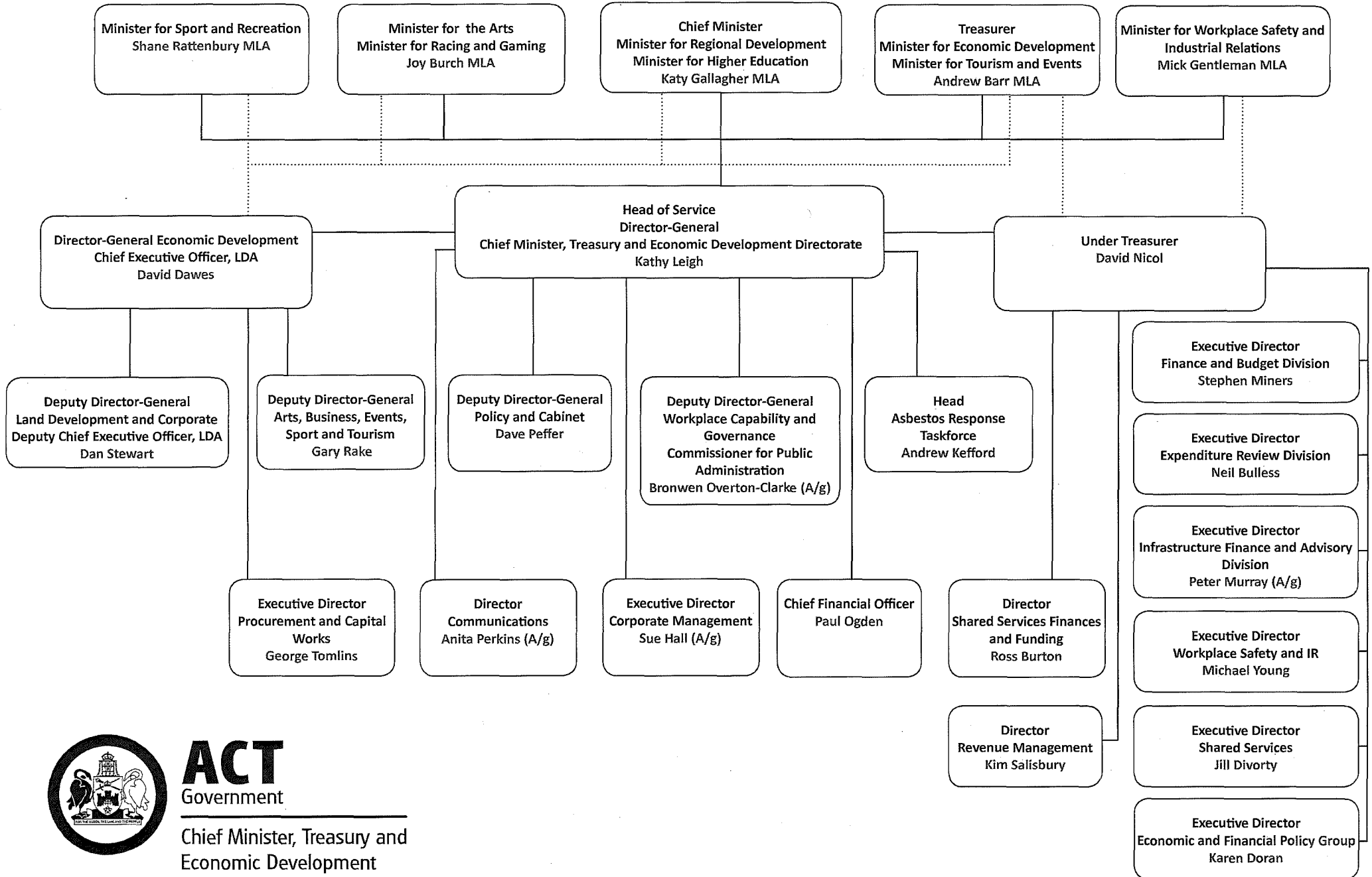
Approved for circulation to the Standing Committee on Public Accounts

Signature: *Andrew Barr*

Date: 27.11.2014

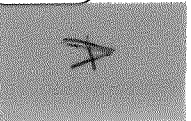
By the Minister for Economic Development, Tourism and Events, Andrew Barr MLA

Chief Minister, Treasury & Economic Development Directorate Organisational Chart September 2014

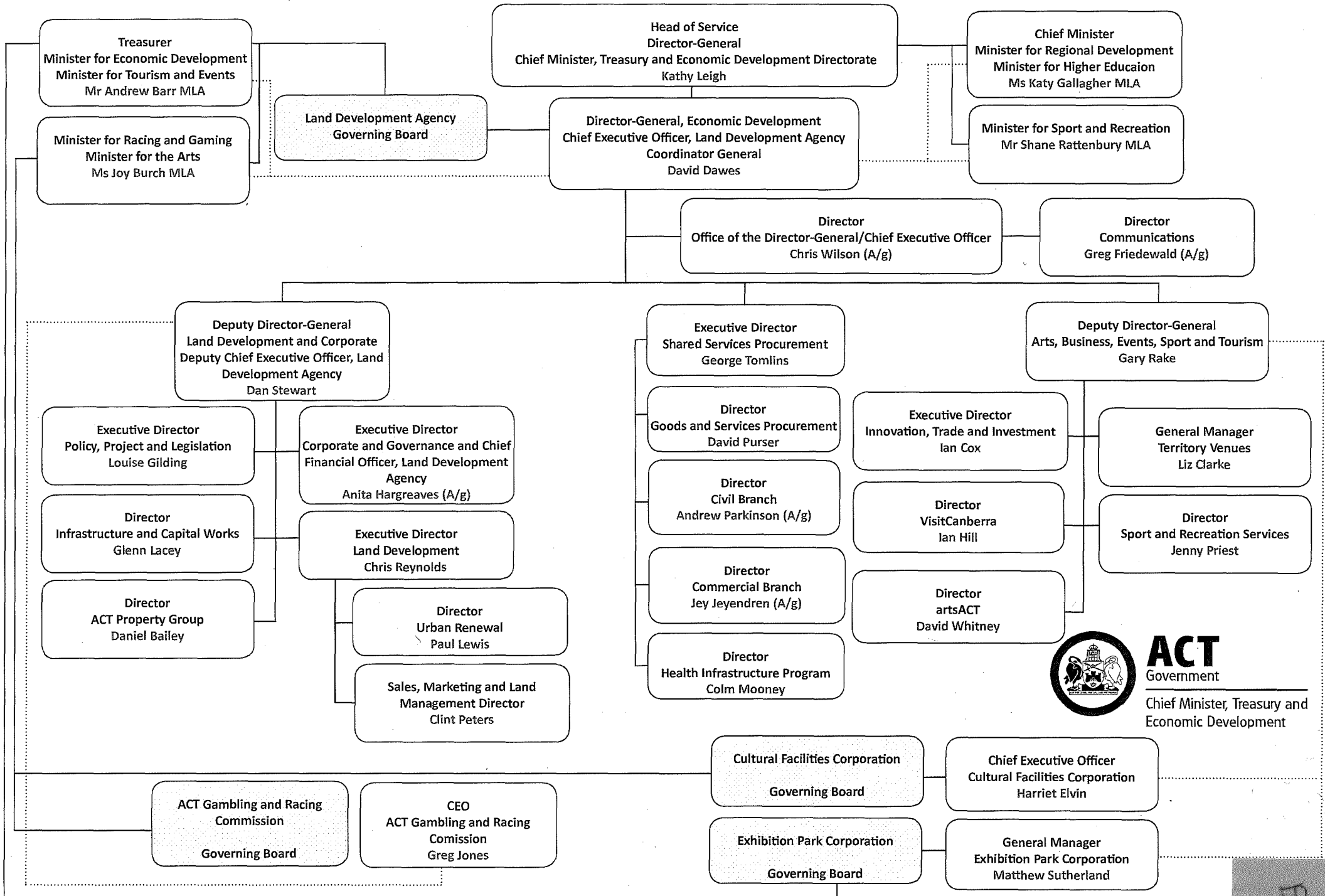


ACT
Government

Chief Minister, Treasury and
Economic Development



Economic Development Portfolio - Chief Minister, Treasury & Economic Development Directorate Organisational Chart September 2014



ACT
Government

Chief Minister, Treasury and
Economic Development

Q To N #4 - 12 Nov 14
Min for Housing (via Min
for Econ Devt)

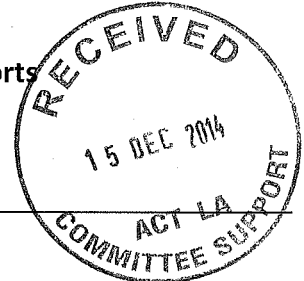


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ANSWER TO QUESTION TAKEN ON NOTICE
Wednesday, 12 November 2014



Asked by Mr Brendan Smith on 12 November 2014: Mr Andrew Barr took on notice the following question:

[Ref: Ref: Hansard Transcript 6 November 2014 [PAGE #259]

In relation to: High density public housing sites

Question: Can you please provide the Committee with a list of public housing redevelopments of sites over 20 units, over the last 13 years?

MINISTER BARR: The answer to the Member's question is as follows:—

Over the last 13 years since 2000-01 Housing ACT has undertaken three redevelopments involving the construction of more than 20 units on the site. The developments are:

- a 24 unit complex in Lyons, all of which are two-bedroom units for older persons;
- a 21 unit complex in O'Connor consisting of 21 two-bedroom units; and
- a 22 unit complex in Turner, consisting of 20 two-bedroom units and 2 three-bedroom units.

In addition, Housing ACT has undertaken the following developments (more than 20 units) using Nation Building and Economic Stimulus Initiative funding:

- a 42 unit development in Braddon consisting of 5 one-bedroom flats, 36 two-bedroom units and 1 three-bedroom unit;
- a 31 unit development in Chapman consisting of 28 two-bedroom units and 3 three-bedroom units, all built for older persons;
- a 70 unit development in Rivett consisting of 66 two-bedroom units and 4 three-bedroom units, all built for older persons
- a 34 unit development in Florey consisting of 33 two-bedroom units and 1 three-bedroom unit, all built for older persons;
- a 47 unit development in Kambah consisting of 43 two-bedroom units and 4 three-bedroom units, all built for older persons;
- a 53 unit development in Conder, all of which were two-bedroom units built for older persons; and
- a 37 unit development at Bonython consisting of 35 two-bedroom units and 2 three-bedroom units, all suitable for older persons.

Housing ACT also built the following using Nation Building Stimulus funding and the Social Housing National Partnership Agreement capital funding:

- a 29 unit development for Community Housing Canberra Limited (CHC) in Harrison, all of which were two-bedroom units and CHC own all units;
- a 24 unit development in Narrabundah consisting of 17 two-bedroom units and 7 one-bedroom units, built on land owned by the Salvation Army. All units are owned by the Salvation Army; and
- a 20 unit development in Dunlop consisting of 13 two-bedroom townhouses, 3 three-bedroom townhouses and 4 one-bedroom units.

Housing ACT also built a 25 unit development in Phillip as part of the Intentional Communities Project to house people with a disability in a supportive housing development. The development consisted of 20 two-bedroom units and 3 three-bedroom units for the three young men with a disability.

In addition, Housing ACT has purchased three developments with more than 20 units over the past 13 years. These are:

- a 20 unit complex in Fisher consisting of 15 two-bedroom units and 5 one-bedroom units, most of which were for housing older people;
- a 28 unit complex in Turner consisting of 22 two-bedroom units and 6 one-bedroom units, all of which are for older persons; and
- a 22 unit complex in Braddon consisting of 14 two-bedroom flats and 8 one-bedroom flats.

Approved for circulation to the Standing Committee on Public Accounts

Signature: 

Date: 12.12.14

By the Minister for Housing, Andrew Barr MLA

MS PORTER: On page 21 it talks about two things I would like to have you discuss with us further. One is the portable housing action plan phase III at the top of page 21, the first dot point. And then the last dot point in that section talks about expanding the land acquisition policy framework.

Mr Barr: Just to recap on the affordable housing action plan, phase III was released in the middle of 2012, together with the 2012-13 budget, and had 14 actions focused on improving affordability for low income households. There were four primary objectives from phase III: to increase the supply of rental accommodation, to make better use of existing land sites within the territory, to cut some red tape

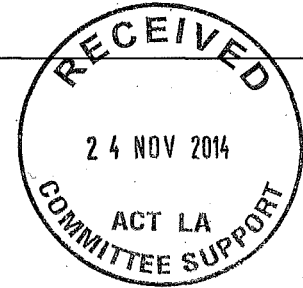


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Wednesday, 12 November 2014



Asked by Mr Smyth:

In relation to: Skilled Migration

THE CHAIR: Rather than take up the time here, could you give us a snapshot over the last four years of the data that you have had, how many were nominated, how many arrived in the covered period and the economic benefit they generated?

Ms Hartley: I can take that on notice, because it is a huge numbers game. Yes, I can take that on notice.

MINISTER BARR: The answer to the Member's question is as follows:—

Table A provides a four year snapshot over the period July 2010 to June 2014 of the number of skilled independents nominated by the ACT to migrate to Canberra to work in occupations in demand, the number of skilled independents that arrived and the potential economic benefit.

Table A

Skilled Independent	TOTAL ACT nominated	TOTAL arrivals in Canberra - monitored	\$\$\$ benefit (potential Settlement funds of ACT arrivals)
2010 - 2011	369	166	\$30,268,682
2011 - 2012	416	271	\$21,135,823
2012 - 2013	695	378	\$48,865,595
2013 - 2014	846	346	\$42,060,960
Total	2326	1161	\$142,331,060

Note: Facilitated nominations are not directly related to arrivals. Once the visa is granted, the migrant has up to five years to make their permanent entry into Australia.

Table B provides a four year snap shot for the period July 2010 to June 2014 of the number of employer sponsored workers nominated by local employers for a permanent work visa where skills could not be sourced from the local labour market.

Table B

Employer Sponsored	Total ACT Nominated	Total employee nominated annual salary
2010 - 2011	494	\$30.9m
2011 - 2012	793	\$48.2m
2012 - 2013	434	\$28.2m
2013 - 2014	364	\$21.98m
Total	2085	\$129.28 million

Below provides a summary of the total economic benefit to the ACT over the past four years, noting that economic benefit can only be measured as potential.

- In Table A the economic benefit is measured by the financial assets the skilled independent applicant declares as available to fund their migration and settlement in Canberra. These assets can include cash, property and investments. The date of transfer of this potential economic benefit depends on the personal situation of each migrant and may be influenced by such things as exchange rates, sale of overseas assets (eg. property).
- The economic benefit of the employer sponsored stream in Table B is measured by the annual salary nominated to be paid by the employer to the nominee.
- The demographic feature of skilled migrants is also important to the economy. Together with their partners/dependents, they account for approximately 40 per cent of the ACT population growth over the last five years.
- Skilled migrants are generally 'established career age' which helps offset the impacts of population and labour force ageing for the economy. Along with this, high partnering rates is adding to population stability and growth.
- The skilled migrants arriving in Canberra may also have young children requiring education which is also an important contributor to the economy and increased demand for housing.
- In addition skilled migration is contributing important skill sets to growth oriented private sector companies; skills that are not readily in supply from local sources or through training pathways at present. Without these skills, business growth and the development of strategically important companies can be restrained.

Approved for circulation to the Standing Committee on Public Accounts

Signature: 

Date: 23.11.2014

By the Minister for Economic Development, Andrew Barr MLA

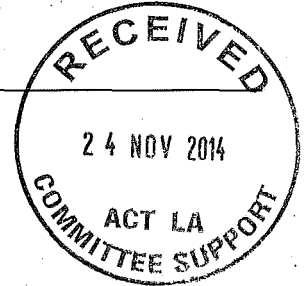


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Wednesday, 12 November 2014



Asked by Ms Porter:

In relation to: Indigenous Business Development

MS PORTER: On page 30, under "Indigenous Business Development", the third block on that page, it says:

The Directorate continued to work with the Aboriginal and Torres Strait Islander Elected Body ... to identify opportunities to support indigenous enterprise development.

Mr Cox: In the briefs that I have run, we have a range of business programs. They are principally loaded towards early stage advisory services. They move through various layers of development into small funding processes, to larger venture capital processes. Around Indigenous business development we have looked at trying to bridge Indigenous business opportunity into the early stage program framework. What that means is that we try to connect an Indigenous enterprise or someone with a particular idea around a business to come in through the Canberra BusinessPoint process or framework and try to do that in an assisted way.

MS PORTER: Do we have some idea of how many enterprises might have emerged from that?

Mr Cox: The numbers are quite small. There have been, for example, I think, through Innovation Connect, a small number of Indigenous businesses that have received grant funding to develop particular ideas, products, streams or services, and Canberra BusinessPoint, I believe, also collect data. But in aggregate, my sense is that the figure is probably something less than a dozen annually.

MS PORTER: The Indigenous population is quite small in the ACT as well. Is it too early to find out whether these enterprises have been successful or not, or do you not measure that in your area?

Mr Cox: We know on an individual basis. I think Darkies Design went through a process through Innovation Connect and was a recipient of the Indigenous business award this year. On an anecdotal, company-by-company basis, we understand what is going on, but I would have to backtrack and get some data for you on that.

MINISTER BARR: The answer to the Member's question is as follows:—

All business support programs provided by the ACT Government are open to applicants from within the indigenous community. It should be noted however that not all applicants with an indigenous association identify themselves as such.

The ACT Government's Innovation Connect program has directly assisted two businesses associated with indigenous culture during 2013-14:

- Dilkara Hair - the commercialisation of an indigenous professional salon hair range with specific botanical ingredients consisting of unique natural Aboriginal and Torres Strait Islander blends; and
- Paramodic Pty Ltd - development of a second-stage prototype for curating and augmenting a narrative of indigenous cultural sites, artefacts and intangible heritage using smart devices.

Quantifiable success of these businesses is yet to be determined as the enterprises are still in their development stage towards commercialisation, however Dilkara Hair is showing very promising early signs of strong market take-up and we are facilitating links with Supply Nation and ACT Government export programs. A former ICon grant recipient, Yuk-to-Kids, has successfully commercialised the Yuk to Kids labelling initiative designed to help children identify key poisons and danger areas around the home to prevent potential harm. The business owner is of indigenous heritage and was nominated for a 2012 Ethnic Business Award in the Indigenous Australians category, however the business itself and the product are not readily identified as an indigenous business.

Indigenous Business Australia (IBA), a statutory authority of the Australian Government, delivers an Indigenous Business Development Program. Economic Development has and will continue to work with the IBA and with the Aboriginal and Torres Strait Islander Elected Body (ATSIEB) to identify opportunities to support indigenous enterprise development as articulated in *Growth, Diversification and Jobs - A Business Development Strategy for the ACT*.

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Signature: 

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