



STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

JEREMY HANSON MLA (CHAIR), MICHAEL PETERSSON MLA (DEPUTY CHAIR), MARK PARTON MLA,
SUZANNE ORR MLA

**Inquiry into referred 2016–17 Annual and Financial Reports
ANSWER TO QUESTION ON NOTICE**



Asked by MR COE MLA:

Chief Minister, Treasurer and Economic Development Directorate 2016/17 Annual Report, Economic Development Strategy and Program Design

In relation to Financials:

1. In relation to Output class 9, please outline what was included under 'Other Expenses' that significantly contributed to the operating deficit.
2. Why was there such a discrepancy between the Budget and Actual Figures in regards to revenue?

CHIEF MINISTER: The answer to the Member's question is as follows:–

1. The \$72.4 million lower than budgeted other expenses is mainly due to the transfer of completed capital works projects to the Transport Canberra and City Services (TCCS) Directorate, including the:
 - John Gorton Drive Extension to Molonglo 2 and Group Centre (\$56.6 million); and
 - Horse Park Drive Water Quality Control pond (\$3.5 million).
2. Total revenue was \$18 million lower than the budget of \$280 million, mainly due to the net impact of rollovers of funding associated with the Urban Renewal Programs (\$29.3 million) from 2015-16 to 2016-17 and 2016-17 to future years, partially offset by:
 - an increase in rental charges relating to additional leases to enable Macarthur House to be vacated in preparation for sale, and the establishment of the new Access Canberra office in Woden; and
 - the transfer of several properties to the ACT Property Group during the year.

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature: *Andrew Barr*

Date: 24.11.2017

By the Chief Minister, Andrew Barr MLA

