Legislative Assembly for the Australian Capital Territory

Standing Committee on Public Accounts and Administration

Inquiry into Annual and Financial Reports 2023–24

Legislative Assembly for the Australian Capital Territory
Standing Committee on Public Accounts and Administration

Approved for publication

Report 2
11th Assembly
April 2025

About the committee

Establishing resolution

The Assembly established the Standing Committee on Public Accounts and Administration on 3 December 2024.

The Committee is responsible for the following areas:

- Accounts of the receipts and expenditure of the ACT and its authorities
- All reports of the Auditor-General which have been presented to the Assembly
- ACT Public Service
- Procurement Policy
- Insurance Policy
- Chief Digital Officer
- Digital and Data Strategy
- Finance
- Treasury (including taxation and revenue

You can read the full establishing resolution on our website.

Committee members

Mr James Milligan MLA, Chair

Ms Fiona Carrick MLA, Deputy Chair

Ms Caitlin Tough MLA

Secretariat

Ms Sophie Milne, Committee Secretary

Ms Cherelyn Brearley, Assistant Secretary

Ms Teena Palanivel, Administrative Officer

Contact us

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About this inquiry

The 2023–24 Annual and Financial Reports were presented in the Assembly on 3 December 2024. Clause 4 of the establishing resolution refers all calendar and financial year annual and financial reports to the relevant standing committee for inquiry and report by 12 May of the year after the presentation of the report to the Assembly pursuant to the *Annual Reports (Government Agencies) Act 2004*.

Contents

Acronyms & Abbreviations

Acronym or Abbreviation	Long form
ACT	Australian Capital Territory
CIT	Canberra Institute of Technology
CMTEDD	Chief Minister, Treasury and Economic Development Directorate
MLA	Member of the Legislative Assembly
QON	Question on notice – a question asked by a committee member or visiting member after a hearing
QTON	Question taken on notice – a question asked during a hearing which a witness undertakes to provide an answer to within five days

Recommendations

Recommendation 1

The Committee recommends that, where ABS data is only available at the Territory level, the ACT Government collect data at the district level for the Wellbeing Framework to inform decision-making.

Recommendation 2

The Committee recommends that the ACT Government improves the financial reporting from the budget papers to the annual reports to enable consistency and clarity in tracking program expenditure, by:

- introducing program reporting across budgets and annual reports; and
- requiring a lead agency to maintain records of budget and actual expenditure for programs delivered by multiple Directorates.

Recommendation 3

The Committee recommends that the ACT Government improve budget forecasting and planning by enhancing forecasting models to reduce the need for shifting expenditures between financial years and to increase transparency on the rationale behind reprofiling expenditures, ensuring consistency across government departments.

Recommendation 4

The Committee recommends that the ACT Government clarify the timeline for Stamp Duty Abolition by providing a definitive roadmap to the completion of the 20-year tax reform program, including key milestones and expected phases.

Recommendation 5

The Committee recommends that the ACT Government:

- maintain the integrity of the superannuation provision fund by implementing formal protections so it is used exclusively for its intended purpose and not diverted to general government purposes or debt serving, and
- consider introducing legislative safeguards to prevent any potential reallocation of the fund.

Recommendation 6

The Committee recommends that the ACT Government reintroduce a clear breakdown of the Territory's debt financing structure, including the proportion of interest-only versus principle-and-interest repayments.

Recommendation 7

The Committee recommends that the ACT Government:

- establish clear criteria for agency use of the Capital Works Reserve to maintain fiscal discipline, and
- conduct periodic reviews of access to the Capital Works Reserve to ensure funds are allocated efficiently.

Recommendation 8

The Committee recommends that the ACT Government streamline and strengthen the conveyance duty concession assessment process by:

- enhancing the ACT Revenue website with clearer guidelines and an improved user interface;
- implementing a preliminary verification process for concession applications; and
- require individuals to complete the self-assessment checks for exemptions with data collected for verification by the Revenue Office.

Recommendation 9

The Committee recommends that the ACT Government strengthen debt management strategies by reporting to the Legislative Assembly on the reasons for and factors driving the high level of residential and commercial rates debt.

Recommendation 10

The Committee recommends that the ACT Government conduct a review of:

- the Taxation Administration Act 1999 to assess whether current provisions for interest rates, garnishes powers and debt collection align with best practices,
- interest rates and penalties on reassessed debts, including considering limiting the circumstances in which historical debt calculations are applied so that individuals who act in good faith are not penalised, and
- whether debt collection practices comply with section 28 of the Public Sector Code of Conduct in relation to procedural fairness and transparency.

Recommendation 11

The Committee recommends that the ACT Government introduce amendments to section 105 of the *Taxation Administration Act 1999* to the Legislative Assembly, to pause debt collection on assessments that are undergoing the assessment process.

Recommendation 12

The Committee recommends that the ACT Government provides clarity about which Minister is responsible for the social and economic development of the commercial hubs across Canberra.

Recommendation 13

The Committee recommends that the ACT Government release and utilise updated population forecasts, which include the impact of government policy, to provide better information for decision making.

Recommendation 14

The Committee recommends that the ACT Government's infrastructure planning and the pipeline of projects better reflect the investment required in the social and economic development of town centres across the ACT.

1. Introduction

Presentation of 2023–24 annual and financial reports

1.1. Annual and financial reports for the territory were tabled on 3 December 2024. A collated list of annual and financial reports is available online. [1]

1.2. During its inquiry the Standing Committee on Public Accounts and Administration was required to examine all or part of the following annual and financial reports for 2023–24:

- ACT Insurance Authority;
- ACT Public Service—State of the Service Report;
- Chief Minister, Treasury and Economic Development Directorate (CMTEDD) chapters:
  - ACT Executive;
  - ACT Government Procurement Board;
  - Default Insurance Fund;
  - Director of Territory Records;
  - Lifetime Care and Support Fund;
  - Motor Accident Injuries Commission;
  - Office of the Nominal Defendant of the ACT;
  - Public Service Workers Compensation Fund;
  - CMTEDD;
  - Territory Banking account; and
  - Superannuation Provision account;
- Icon Water Limited;
- Independent Competition and Regulatory Commission; and
- Major Projects Canberra (now renamed Infrastructure Canberra).

Public Hearings

1.3. The Committee held public hearings on Wednesday 12 February 2025, Thursday 13 February 2025 and Monday 17 February 2025. At the hearings the Committee heard from ACT Government ministers and each of their respective accompanying officials.

1.4. The Committee held public hearings on Wednesday 12 February 2025, Thursday 13 February 2025 and Monday 17 February 2025. At the hearings the Committee heard from ACT Government ministers and each of their respective accompanying officials.

[1] Chief Minister, Treasury, and Economic Development Directorate, *Annual Reports 2023-24 Volume 1*, pp iv - v.

1.5. Witnesses who appeared before the Committee are listed at **Appendix A**. Transcripts of the hearings are available on the Assembly website. Footage of the hearings is available via video on demand on the Assembly website.

1.6. Committees began collecting information on the gender of witnesses in April 2023, in response to an audit by the Commonwealth Parliamentary Association. The aim is to determine whether committee inquiries are meeting the needs of, and allowing the participation of, a range of genders in the community. Participation is voluntary and there are no set responses. A table showing the distribution of witness gender is in **Appendix C**.

Questions taken on notice at hearings and questions placed on notice

1.7. A total of 106 questions were lodged during the inquiry: 46 questions were taken on notice (QTONs) by Ministers and statutory office holders during the hearings and 60 questions on notice (QONs) were submitted by Committee members and visiting MLAs following the hearings.

1.8. The answers to questions, and a list of questions (by subject, submitter, recipient) are available in **Appendix B**, and on the inquiry webpage.

Acknowledgements

1.9. The Committee thanks everyone who participated in, or otherwise assisted, this inquiry. This includes the ACT Government ministers, Directorate officials, and statutory officers. The Committee extends particular thanks to the Hansard and Broadcasting staff of the Office of the Legislative Assembly.

2. Chief Minister, Treasury and Economic Development

2.1. As a central agency, CMTEDD provides strategic advice and support to the Chief Minister, the Directorate's Ministers and the Cabinet on policy, economic and financial matters, service delivery, whole of government issues and intergovernmental relations. The Directorate facilitates the implementation of government priorities, drives initiatives as well as leads the strategic direction for the ACT Public Service (ACTPS), to ensure that it is well positioned to perform its role.' [2]

Matters considered

2.2. During the Chief Minister's appearance before the Committee on 12 February 2025 the following matters were considered:

- employment and conditions for the ACT public sector including a review of staff numbers, executive staffing budgets and enhancing opportunities for people with disability;
- State of Budget and when the ACT Government Executive knew of the overspend;
- Commissioner for International Engagement travel and engagement;
- government program reporting and tracking when multiple directorates involved in program administration and financial spend;
- flexible work arrangements for Members of Parliament, Members of Parliament staff and ACT public sector staff (including Hubs); and
- use of wellbeing data and the ability to report on physical locations (districts).[3]

2.3. During the Treasurer's appearance before the Committee on 13 February 2025 the following matters were considered:

- Treasurer's Advance use;
- increase in expenditure for Health for 2023-2024;
- the expected timing of the return to Budget surplus;
- the repayment of net debt as outlined in the 2023-2024 budget papers;
- population forecast data and its use for ACT Government policy decisions;
- the labor market in ACT and its impact on the economy, including wage growth and payroll tax;
- calculations in modelling on the proposed levy on short-term rentals, and the impact on housing supply and prices;

[2] CMTEDD, About Us, https://www.cmtedd.act.gov.au/functions/about, (accessed 15 April 2025).
[3] *Committee Hansard*, 12 February 2025, pp 1-17.

- Commonwealth healthcare funding including through the National Health Reform Agreement and the impacts on the ACT health budget;
- debt funding program, including new and total call on borrowings;
- treasury Directorate mechanisms to ensure compliance with the ACT Aboriginal and Torres Strait Islander Agreement;
- inflation figures for ACT and their comparison with other Australian jurisdictions;
- free school camps at Birrigai;
- funding decisions and processes that are considered in the context of the zero-emissions target;
- interest applied to overdue Conveyancing, Stamp Duty, Residential and Commercial Rates;
- tax reform including the gradual phase-out of conveyance duties;
- previous supplementary appropriation bills; and
- the need to update ACT population forecasts utilised in the development of government policy and decisions.[4]

2.4. During the Minister for Finance's appearance before the Committee on 17 February 2025 the following matters were considered:

- review of ACT Government programs and functions including how they fit into the financial framework;
- loan capital invested in the Sustainable Household Scheme;
- ACT Health budget allocations;
- debt recovery and accrual of interest amount for people who are unable to meet a debt;
- Stamp Duty concession/exemption assessment process;
- taxation law, the Public Sector Code of Conduct and the recovery of debts by the Revenue Office; and
- 2024-25 and 2023-24 Treasurer's Advances.[5]

2.5. During the Minister for the Public Services' appearance before the Committee on 17 February 2025 the following matters were considered:

- ACT Health employment positions based in Woden;
- The ACT Public Service Graduate program, attraction and recruitment of talent, demographic of applicants;

[4] *Committee Hansard*, 13 February 2025, pp 18-80.
[5] *Committee Hansard*, 17 February 2025, pp 81-127.

- The average time for a request to be processed under the *Territory Records Act 2002;*
- Ministerial administration arrangements for ACT Public Service;
- Bullying and Harassment statistics in the *State of Service Report 2023-24*; and
- Whole of ACT Government ICT – centralised service.[6]

Key Issues

Wellbeing Framework data collection

2.6. The Wellbeing Framework was designed in 2020 to provide a more holistic assessment of the performance of the ACT, beyond only economic measures. It captures both objectives measurements such as labour market growth, as well as subjective measurements such as perception of neighbourhood safety.[7]

2.7. The data used to populate the Wellbeing Framework is often populated by ABS statistics, which are collected at differing levels of detail, as explained by the Chief Minister at the hearing:

> In some instances, datasets are collected at a whole-of-territory level. There might be some that are even done by federal electorate.[8]

Recommendation 1

The Committee recommends that, where ABS data is only available at the Territory level, the ACT Government collect data at the district level for the Wellbeing Framework to inform decision-making.

Public service fluctuations

2.8. The Australian Public Service (APS) is the largest employer in the ACT, therefore fluctuations in APS employment practices can impact the Territory's economy in significant ways.

2.9. This financial year, payroll tax will contribute $839,903,000 of total general tax revenue of $1,857,467,000 according to 2024-2025 budget review.[9] As the ACT cannot charge the APS payroll tax, recent APS insourcing is different to expected payroll revenue over 2023-2024 by $68.8 million.[10]

2.10. The Treasurer also identified potential APS job cuts as 'biggest potential economic shock' that could have 'a massive impact on the ACT'. [11]

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[6] *Committee Hansard*, 17 February 2025, pp 81-127.
[7] ACT Government, https://www.act.gov.au/wellbeing/wellbeing-framework/what-is-the-wellbeing-framework (accessed 15 April 2025).
[8] Mr Andrew Barr MLA, Chief Minister and Minister for Economic Development, Tourism and Trade, *Committee Hansard*, 12 February 2025, p 17.
[9] ACT Government, *Australian Capital Territory Budget 2024-2025—Budget Review*, p 62.
[10] Mr Chris Steel MLA, answer to QTON 15, 13 February 2025 (received 7 March 2025).
[11] Mr Chris Steel MLA, Treasurer, *Committee Hansard*, 13 February 2025 p 19.

Expenditure tracking

2.11. Goods and services provided by Territory entities are identified under ‘outputs’ in government reporting. Outputs are grouped in output classes and are assigned accountability indicators which are also reported against in the budget papers and annual reports.[12] However, the expenditure on programs (including programs delivered by multiple Directorates, for example the ACT Women’s Plan 2012-2026), lack transparency between the budget and the annual reports. [13]

> ### Recommendation 2
>
> The Committee recommends that the ACT Government improves the financial reporting from the budget papers to the annual reports to enable consistency and clarity in tracking program expenditure, by:
>
> - introducing program reporting across budgets and annual reports; and
> - requiring a lead agency to maintain records of budget and actual expenditure for programs delivered by multiple Directorates.

Forecasting

2.12. During the public hearings, the process of budget forecasting was discussed.

2.13. Although the directorates monitor their monthly spending, this information is not necessarily received by Treasury.[14] Instead, the financial information that Treasury uses to determine its budgets is collected ‘at various points throughout the year’ from the Government Budget Management System (GBMS). Another system called the Treasury Actual Reporting System (TARS) collects agency level actuals more regularly, however this is typically only used twice a year to ‘allow reporting of year-to-date actuals against year-to-date budgets.’ [15]

2.14. The analysis of directorate expenditure also takes time to be processed. As explained by the Acting Under Treasurer, Mr Russ Campbell, for example, it can take over a month to determine the cost of providing health services:

> They [CHS] turn their presentations data into activity and clinical linked data, which then allows you to generate the financial implications of it, because you cannot distinguish just purely on presentations what the actual activity is. That coding can take between 60 and 90 days to land.[16]

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[12] ACT Treasury, *Readers Guide to the 2024-25 Budget*, p 12, accessed 15 April 2025.
[13] Ms Fiona Carrick MLA, *Committee Hansard*, 13 February 2025 p 47.
[14] Mr Russ Campbell, Acting Under Treasurer, ACT Treasury, *Committee Hansard*, 13 February 2025 p 46.
[15] Mr Chris Steel MLA, Treasurer, answer to QTON 21, 13 February 202 (received 4 March 2025).
[16] Mr Russ Campbell, Acting Under Treasurer, *Committee Hansard*, 13 February 2025 p 33.

Committee comment

2.15. The Committee is concerned that, because Treasury does not have an up-to-date overview of government spending, it cannot perform accurate budget forecasting and this is driving the need for regular significant budget adjustments such as the recent supplementary appropriation. [17]

> **Recommendation 3**
>
> The Committee recommends that the ACT Government improve budget forecasting and planning by enhancing forecasting models to reduce the need for shifting expenditures between financial years and to increase transparency on the rationale behind reprofiling expenditures, ensuring consistency across government departments.

Stamp Duty Abolition

2.16. Started in 2012, the ACT Government is undertaking a tax reform program to phase out conveyancing, insurance duty and other 'inefficient and unfair' taxes, and increase general rates revenue to maintain revenue neutrality. This is being done over 20 years with 4 phases, and the current phase is phase 3. [18]

2.17. Details of past achievement of the reform program are available online[19] and each upcoming financial year's activity is announced during the budget.[20]

2.18. However, the Committee notes that a complete timeline of the program, including future changes and forecasts, does not appear to be available.

2.19. This caused the special budget advisor for the 2024-2025 budget to question whether general rates were increasing quickly enough to replace the declining tax revenue:

> [The Government] is not being transparent as to its future intentions in relation to stage 4 of the tax reform even though two years from stage 4 are now supposedly included in the forward estimates.[21][22]

> **Recommendation 4**
>
> The Committee recommends that the ACT Government clarify the timeline for Stamp Duty Abolition by providing a definitive roadmap to the completion of the 20-year tax reform program, including key milestones and expected phases.

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[17] See PAA *Inquiry into Appropriation Bill 2024-2025 (No 2*) for more information.
[18] ACT Revenue Office, https://www.revenue.act.gov.au/tax-reform, (accessed 15 April 2025).
[19] ACT Treasury, https://www.treasury.act.gov.au/budget/budget-2019-20/budget-papers/act-tax-reform-program-on-track, (accessed 15 April 2025).
[20] Mr Chris Steel MLA. Treasurer, answer to QTON 32, 13 February 2025 (received 4 March 2025).
[21] Pegasus Economics, *Review of the ACT Budget 2024-25*, July 2024 p 25.
[22] Pegasus Economics, *Review of the ACT Budget 2024-25,* July 2024 p 25.

Superannuation provision fund integrity

2.20. The ACT maintains a Superannuation Provision Account which 'reimburses the Commonwealth Superannuation Corporation for the Territory's employer share of the superannuation benefits paid by the Commonwealth Superannuation Corporation.'[23] The ACT Government plans to build the fund, which is invested, until it is self-sufficient and no longer requires yearly appropriations by June 2030. [24]

2.21. At the public hearing on 13 February 2025, the Treasurer was asked whether the Government would commit to not use the superannuation provision fund to fund capital expenditure, government services or pay down debt. The Treasurer replied that:

> No decisions have been taken along those lines for the next budget process.[25]

Recommendation 5

The Committee recommends that the ACT Government:

- maintain the integrity of the superannuation provision fund by implementing formal protections so it is used exclusively for its intended purpose and not diverted to general government purposes or debt serving, and
- consider introducing legislative safeguards to prevent any potential reallocation of the fund.

Interest repayments

2.22. During the hearings, the Committee expressed concern at the level of interest the Territory is paying on borrowings.[26] According to question on notice 17, approximately twenty percent of total territory taxation revenue was spent on interest expenses in the 2024-2025 financial year.[27]

Recommendation 6

The Committee recommends that the ACT Government reintroduce a clear breakdown of the Territory's debt financing structure, including the proportion of interest-only versus principle-and-interest repayments.

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[23] Mr Chris Steel MLA, Treasurer, answer to QTON 11, 13 February 2025 (received 7 March 2025).
[24] CMTEDD, *Annual Report 2023-24*: *Volume 2.1* p 211.
[25] Mr Chris Steel MLA, Treasurer, *Committee Hansard*, 13 February 2025, p 45.
[26] E.g. see discussion, *Committee Hansard*, 13 February 2025 pp 41-42.
[27] Mr Chris Steel MLA, Treasurer, answer to QTON 17, 13 February 2025 (received 14 March 2025).

Capital works reserve

2.23. The ACT Government maintains a capital works program which invests in the delivery of new infrastructure projects across the Territory. These projects include small investments such as refurbishing local playgrounds, up to significant investments such as raising London Circuit to prepare for light rail construction. [28]

2.24. Under section 18 of the *Financial Management Act 1996*, an appropriation for a capital works reserve may be made for an amount not exceeding twenty percent of the total amount appropriated for the capital works program over that financial year. Funds from the reserve are authorised by the Treasurer if they are satisfied that it is 'immediately required.'[29]

Recommendation 7

The Committee recommends that the ACT Government:

- establish clear criteria for agency use of the Capital Works Reserve to maintain fiscal discipline, and
- conduct periodic reviews of access to the Capital Works Reserve to ensure funds are allocated efficiently.

Conveyance duty concession assessments

2.25. A number of conveyance duty concessions are available to property buyers, such as transactions relating to farmland being transferred to young generations. It is generally the responsibility of the buyers to assess whether they are eligible for a concession, and they must self-declare that they meet the eligibility criteria.[30]

Recommendation 8

The Committee recommends that the ACT Government streamline and strengthen the conveyance duty concession assessment process by:

- enhancing the ACT Revenue website with clearer guidelines and an improved user interface;
- implementing a preliminary verification process for concession applications; and
- require individuals to complete the self-assessment checks for exemptions with data collected for verification by the Revenue Office.

[28] ACT Treasury,https://www.treasury.act.gov.au/budget/budget-2022-23/budget-2022-23/capital-works-program, (accessed 15 April 2025).

[29] *Financial Management Act 1996*, s18.

[30] ACT Revenue Office, https://www.revenue.act.gov.au/duties/conveyance-duty/conveyance-duty-exemptions, (accessed 15 April 2025).

Debt management

2.26. According to a question taken on notice from the hearing of 13 February 2025, the total debt owed to the Territory for unpaid taxes equals $179m, as seen in the below table:

Tax line	Total debt (as of 14 February 2025)
Rates	$99m ($69m residential, $$39m commercial)
Payroll tax	$33m
Land tax	$26m
Duty	$21m ($11m residential, $10m commercial)

Table 1: Overdue collectable debt – Response to Question Taken on Notice 24, recieved 4 March 2025.

Recommendation 9

The Committee recommends that the ACT Government strengthen debt management strategies by reporting to the Legislative Assembly on the reasons for and factors driving the high level of residential and commercial rates debt.

Debt collection practices

2.27. The ACT Government charges a standard 12.42 percent interest rate on overdue taxes, which is a legislated rate which comprises the 90-day bank bill rate plus a premium eight percent. [31]

2.28. If required, the Government has the powers to pursue outstanding tax debt such as garnishee powers.[32] These powers are provided for under section 105 of the *Taxation Administration Act 1999*, which states that they can be used even if the debt is currently under appeal:

> **105 Recovery of tax pending objection or review**
>
> The fact that an objection or review is pending does not affect the assessment or decision to which the objection or review relates, and tax may be recovered as if no objection or review were pending.[33]

[31] Mr Kim Salisbury, Executive Group Manager, Revenue Management, Treasury, *Committee Hansard,* 13 February 2025 p 55.
[32] Mr Kim Salisbury, Executive Group Manager, Revenue Management, Treasury, *Committee Hansard,* 13 February 2025 p 55.
[33] *Taxation Administration Act 1999*, s 105.

Recommendation 10

The Committee recommends that the ACT Government conduct a review of:

- the Taxation Administration Act 1999 to assess whether current provisions for interest rates, garnishes powers and debt collection align with best practices,
- interest rates and penalties on reassessed debts, including considering limiting the circumstances in which historical debt calculations are applied so that individuals who act in good faith are not penalised, and
- whether debt collection practices comply with section 28 of the Public Sector Code of Conduct in relation to procedural fairness and transparency.

Recommendation 11

The Committee recommends that the ACT Government introduce amendments to section 105 of the *Taxation Administration Act 1999* to the Legislative Assembly, to pause debt collection on assessments that are undergoing the assessment process.

Town centres

2.29. During the public hearings, the Committee had difficulty clarifying which Minister was responsible for the development of town centres.

2.30. The Minister for the Public Service stated:

> It is a frustrating answer. It probably depends on exactly what you are talking about.[34]

Recommendation 12

The Committee recommends that the ACT Government provides clarity about which Minister is responsible for the social and economic development of the commercial hubs across Canberra.

Population forecasts

2.31. The ACT Government is currently updating the methodology it uses to forecast district level populations in Canberra, in order to account for zoning changes:

> There has been a piece of work the Treasury has been undertaking, consulting with EPSDD, on population forecasting, based on what is predicted out of the

[34] Ms Stephen-Smith MLA, Minister for the Public Service, *Committee Hansard*, 17 February 2025, p 116.

> district strategy work. Quite a bit of work was done to look at where new houses will be built.[35]

Committee comment

2.32. The Committee believes that use of older population data may be compromising planning decisions, and would like to see the new data published as soon as possible.

Recommendation 13

The Committee recommends that the ACT Government release and utilise updated population forecasts, which include the impact of government policy, to provide better information for decision making.

Recommendation 14

The Committee recommends that the ACT Government's infrastructure planning and the pipeline of projects better reflect the investment required in the social and economic development of town centres across the ACT.

[35] Mr Chris Steel MLA, Treasurer, *Committee Hansard*, 13 February 2025, p 22.

3. Independent Competition and Regulatory Commission

3.1. The Independent Competition and Regulatory Commission is a statutory body set up to regulate prices, access to infrastructure services and other matters in relation to regulated industries and to investigate competitive neutrality complaints and government-regulated activities. The Commission also have responsibility for licensing utility services and ensuring compliance with licence conditions.[36]

Matters considered

3.2. During the Treasurer's appearance before the Committee on 13 February 2025 the following matter was considered:

- competitive neutrality issues involving private and public pools.

[36] Independent Competition and Regulatory Commission, https://www.icrc.act.gov.au/about-us (accessed 16 April 2025).

4. Icon Water Limited

Icon Water Limited is the ACT's supplier of essential water and sewerage services. [37]

Matters considered

4.1. During the Minister for Finance's appearance before the Committee on 17 February 2025 the following matter was considered:

- project updates from the Icon Water Limited Circular Economy Plan;
- recycling of resource streams;
- Climate Transition Plan 2025 and transition to electrification from gas networks; and
- electrification of residential towers.

[37] Icon water, https://www.iconwater.com.au/about-us/who-are-we, (accessed 16 April 2025).

5. Infrastructure Canberra

5.1. Major Projects Canberra (MPC) is now known as Infrastructure Canberra (iCBR). This has expanded responsibilities for the directorate. The new responsibilities position iCBR to lead ACT Government and industry on capital infrastructure. This includes investment in and implementation of the ACT Government infrastructure program and ACT Government property portfolio.

5.2. In coordination with partner directorates and agencies, iCBR is responsible for delivering schools, public housing, health, transport and fire and emergency services facilities. Additionally, Infrastructure Canberra has remit for facilities management, including aquatic and community arts facilities.

5.3. iCBR's core functions are:

- planning, procuring and delivering infrastructure projects with ACT Government directorates;
- leading property management and maintenance services for ACT Government properties;
- developing, procuring and delivering infrastructure programs, projects and precincts;
- coordinating and shaping the ACT Infrastructure Plan and Pipeline; and
- providing strategic advice, expertise and assurance on infrastructure policy, investment, planning, delivery and management.[38]

Matters considered

5.4. In coordination with partner directorates and agencies, iCBR is responsible for delivering schools, public housing, health, transport and fire and emergency services facilities. Additionally, Infrastructure Canberra has remit for facilities management, including aquatic and community arts facilities.

5.5. During the Minister for the Public Service's appearance before the Committee on 17 February 2025 the following matters were considered:

- decommissioning of Callam Offices; and
- licence fees and maintenance costs for Community Service Organisations for Community Centres and Halls.[39]

[38] Infrastructure Canberra, https://www.act.gov.au/infrastructurecanberra/about, (accessed 16 April 2025).
[39] *Committee Hansard*, 17 February 2025, pp .

6. Conclusion

6.1. Th Committee would like to thank the Ministers, statutory officers and directorate staff who participated in this inquiry.

6.2. The Committee makes 14 recommendations.

Mr James Milligan MLA
Chair, Standing Committee on Public Accounts and Administration
April 2025

Appendix A: Witnesses

Wednesday, 12 February 2025

2.25pm to 3.25pm

Mr Andrew Barr MLA, Chief Minister

Chief Minister, Treasury, Economic Development Directorate

- **Ms Kathy Leigh**, Head of Service and Director General
- **Mr Robert Wright**, Deputy Director-General, Office of Industrial Relations and Workforce Strategy
- **Mr Michael Young**, Executive Group Manager, Work Safety Group, Office of Industrial Relations and Workplace Safety, CMTEDD

Thursday, 13 February 2025

2.00pm to 3.45pm and 4:00pm to 5:30pm

Mr Chris Steel MLA, Treasurer

Chief Minister, Treasury, Economic Development Directorate

- **Mr Russ Campbell**, Acting Under Treasurer, Office of the Under Treasurer, Treasury
- **Mr Mitch Pirie**, Acting Deputy Under Treasurer, ERI and Acting Coordinator-General for Housing, Office of the Deputy Under Treasurer, ERI, Treasury
- **Mr Kim Salisbury**, Executive Group Manager, Revenue Management, Treasury
- **Mr Scott Austin,** Acting Deputy Under Treasurer, Budget, Procurement, Investment and Finance, Treasury

Independent Competition and Regulatory Commission

- **Mr Lachlan Phillips**, Chief Executive Officer

Monday, 17 February 2025

1.00pm to 2.30pm

Ms Rachel Stephen-Smith MLA, Minister for Finance

Chief Minister, Treasury, Economic Development Directorate

- **Mr Russ Campbell,** Acting Under Treasurer, Office of the Under Treasurer, Treasury
- **Mr Mitch Pirie**, Acting Deputy Under Treasurer, ERI and Acting Coordinator-General for Housing, Office of the Deputy Under Treasurer, ERI, Treasury
- **Mr Kim Salisbury**, Executive Group Manager, Revenue Management, Treasury

- **Mr Scott Austin**, Acting Deputy Under Treasurer, Budget, Procurement, Investment and Finance, Treasury

Environment, Planning and Sustainable Development Directorate

- **Ms Ros Malouf,** Executive Branch Manager, Climate Change and Energy Programs

Icon Water Limited

- **Mr Ray Hezkial,** Managing Director
- **Ms Alison Pratt,** General Counsel

2.45pm to 4.00pm

Ms Rachel Stephen-Smith MLA, Minister for the Public Service

Chief Minister, Treasury, Economic Development Directorate

- **Mr Scott Austin**, Acting Deputy Under Treasurer, Budget, Procurement, Investment and Finance, Treasury
- **Mr Robert Wright**, Deputy Director-General, OIRWS
- **Mr Michael Young**, Executive Group Manager, Work Safety Group, Office of Industrial Relations and Workplace Safety
- **Ms Leesa Croke,** Deputy Director-General, Policy and Cabinet Division
- **Ms Dani Wickman,** Executive Branch Manager, Territory Records Office & Physical Records Operations, Policy & Cabinet Division
- **Ms Bettina Konti,** Chief Digital Officer, Digital and Data Technology Solutions

Infrastructure Canberra

- **Ms Gillian Geraghty,** Director-General
- **Mr Josh Rynehart,** Executive Group Manager, Delivery – Places and Spaces

Appendix B: Questions on Notice and Questions Taken on Notice

Questions on Notice

No.	Date	Asked of	Subject	Response received
1	12/02/25	Andrew Barr MLA	Neighbourhood Democracy	20/02/25
2	12/02/25	Andrew Barr MLA	Strategy and Transformation Office	25/02/25
3	17/02/25	Rachel Stephen-Smith MLA	Disability	04/03/25
4	18/02/25	Rachel Stephen-Smith MLA	Enterprise Bargaining Commencement	24/02/25
5	18/02/25	ACT Insurance Authority	Public Liability Insurance Premiums	03/03/25
6	18/02/25	ACT Insurance Authority	Consequences of LA Fires for Insurance costs	03/03/25
7	18/02/25	ACT Insurance Authority	Builders' Warranty Insurance claims environment	06/03/25
8	18/02/25	Rachel Stephen-Smith MLA	PSM Act Review	24/02/25
9	18/02/25	ACT Insurance Authority	Insurance of Standing Timber	03/03/25
10	20/02/25	Rachel Stephen-Smith MLA	ACT public service	03/03/25
11	20/02/25	Chris Steel MLA	Additional appropriations	07/03/25
12	24/02/25	Rachel Stephen-Smith MLA	Rates Hughes	06/03/25
13	24/02/25	Rachel Stephen-Smith MLA	Rates Isaacs	06/03/25
14	24/02/25	Rachel Stephen-Smith MLA	Rates Fisher	06/03/25
15	24/02/25	Rachel Stephen-Smith MLA	Rates Forrest	06/03/25
16	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Debt Collection Timing	10/03/25
17	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Banks Approached	10/03/25
18	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - ACAT Challenges	10/03/25

No.	Date	Asked of	Subject	Response received
19	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Decisions Taken	10/03/25
20	24/02/25	Rachel Stephen-Smith MLA	Retrospective Assessments of Conveyance Duty Concessions - Debt Collection and Objection Processing	10/03/25
21	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Residential Property Sale	10/03/25
22	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Business Intelligence	10/03/25
23	24/02/25	Rachel Stephen-Smith MLA	Rates Records	06/03/25
24	24/02/25	Rachel Stephen-Smith MLA	Rates Torrens	06/03/25
25	24/02/25	Rachel Stephen-Smith MLA	Rates Phillip	06/03/25
26	24/02/25	Rachel Stephen-Smith MLA	Debt Collection - Stamp Duty	10/03/25
27	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Increase in Reassessments Decisions	10/03/25
28	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Data Sources and Causes	18/03/25
29	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - IT Systems	10/03/25
30	24/02/25	Rachel Stephen-Smith MLA	Debt Collection - Banks - Stamp Duty Exemptions	10/03/25
31	24/02/25	Rachel Stephen-Smith MLA	Debt Collection Revenue - Stamp Duty Exemptions	10/03/25
32	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Reassessment Triggers	10/03/25
33	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Legislative definitions between ACT and Commonwealth	10/03/25
34	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Reassessment and Objection Data	10/03/25
35	24/02/25	Rachel Stephen-Smith MLA	Reassessment Timeframe	10/03/25
36	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Reasonable Care	10/03/25
37	24/02/25	Rachel Stephen-Smith MLA	Debt Collection Costs - Stamp Duty Exemptions	10/03/25

No.	Date	Asked of	Subject	Response received
38	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Exceptional Circumstances	10/03/25
39	24/02/25	Rachel Stephen-Smith MLA	Reassessed Conveyance Duty Concessions - Objection Rate	10/03/25
40	24/02/25	Rachel Stephen-Smith MLA	Rates Coombs	10/03/25
41	24/02/25	Rachel Stephen-Smith MLA	Rates Chapman	10/03/25
42	24/02/25	Rachel Stephen-Smith MLA	Rates Denman Prospect	10/03/25
43	24/02/25	Rachel Stephen-Smith MLA	Rates Chifley	10/03/25
44	24/02/25	Rachel Stephen-Smith MLA	Rates Red Hill	10/03/25
45	24/02/25	Rachel Stephen-Smith MLA	Rates Pearce	10/03/25
46	24/02/25	Rachel Stephen-Smith MLA	Rates Garran	10/03/25
47	24/02/25	Rachel Stephen-Smith MLA	Rates Rivett	10/03/25
48	24/02/25	Rachel Stephen-Smith MLA	Rates Holder	10/03/25
49	24/02/25	Rachel Stephen-Smith MLA	Rates Weston	10/03/25
50	24/02/25	Rachel Stephen-Smith MLA	Rates Deakin	10/03/25
51	24/02/25	Rachel Stephen-Smith MLA	Rates Whitlam	10/03/25
52	24/02/25	Rachel Stephen-Smith MLA	Rates O'Malley	10/03/25
53	24/02/25	Rachel Stephen-Smith MLA	Rates Lyons	10/03/25
54	24/02/25	Rachel Stephen-Smith MLA	Rates Duffy	10/03/25
55	24/02/25	Rachel Stephen-Smith MLA	Rates Stirling	10/03/25
56	24/02/25	Rachel Stephen-Smith MLA	Rates Waramanga	10/03/25
57	24/02/25	Rachel Stephen-Smith MLA	Rates Mawson	10/03/25

No.	Date	Asked of	Subject	Response received
58	24/02/25	Rachel Stephen-Smith MLA	Rates Wright	10/03/25
59	24/02/25	Rachel Stephen-Smith MLA	Rates Farrer	10/03/25
60	24/02/25	Rachel Stephen-Smith MLA	Rates Curtin	10/03/25

Questions Taken on Notice

No.	Date	Asked of	Subject	Response received
1	12/02/25	Andrew Barr MLA	Commissioner for International Engagement – Businesses Assisted	21/02/25
2	12/02/25	Andrew Barr MLA	Commissioner for International Engagement – Trade Missions	21/02/25
3	12/02/25	Andrew Barr MLA	Commissioner for International Engagement – Trade Missions	21/02/25
4	12/02/25	Andrew Barr MLA	Commissioner for International Engagement – Trade Missions	21/02/25
5	12/02/25	Andrew Barr MLA	Flexible Working – Facilitating Staff	27/02/25
6	12/02/25	Andrew Barr MLA	Evaluation of Flexible Work Arrangement	21/02/25
7	12/02/25	Andrew Barr MLA	Flexible Work Hubs	25/02/25
8	12/02/25	Andrew Barr MLA	Executive Staff – Difference in Figures	24/02/25
9	12/02/25	Andrew Barr MLA	Employee Expenses in the Public Service	03/03/25
10	12/02/25	Andrew Barr MLA	Conflict of Interest	25/02/25
11	13/02/25	Russ Campbell	Debt and Super Pensions	04/03/25
12	13/02/25	Russ Campbell	Tracking Expenditure in Programs	04/03/25
13	13/02/25	Chris Steel MLA	Debt Financing	04/03/25
14	13/02/25	Mitch Pirie	Job Growth	04/03/25
15	13/02/25	Chris Steel MLA	Payroll Tax	07/03/25
16	13/02/25	Mitch Pirie	Short-Term Rental Levy	04/03/25
17	13/02/25	Chris Steel MLA	Own Source Revenue – Interest	17/03/25
18	13/02/25	Russ Campbell	ACT Aboriginal and Torres Strait Islander Agreement	04/03/25
19	13/02/25	Chris Steel MLA	Aboriginal and Torres Strait Islander Elected Body	07/03/25

No.	Date	Asked of	Subject	Response received
20	13/02/25	Russ Campbell	Community Sector – Aboriginal and Torres Strait Islander People	04/03/25
21	13/02/25	Russ Campbell	Outputs in Annual Budget	04/03/25
22	13/02/25	Chris Steel MLA	Review – Budget	04/03/25
23	13/02/25	Chris Steel MLA	Zero Emission Targets	04/03/25
24	13/02/25	Russ Campbell	Residential and Commercial Rates – Overdue	04/03/25
25	13/02/25	Chris Steel MLA	Conveyancing Duty Concessions	04/03/25
26	13/02/25	Chris Steel MLA	ACT Police, Fire and Emergency Services	04/03/25
27	13/02/25	Chris Steel MLA	Conveyancing Duty Concessions	04/03/25
28	13/02/25	Russ Campbell	Lease Variation Charges	04/03/25
29	13/02/25	Scott Austin	Treasurer's Advance	04/03/25
30	13/02/25	Scott Austin	Treasurer's Advance – Dates	04/03/25
31	13/02/25	Mitch Pirie	Tax Reform – Stamp Duty/Conveyance Duty	04/03/25
32	13/02/25	Mitch Pirie	Tax Reform – Stamp Duty – Program Outcomes	04/03/25
33	13/02/25	Russ Campbell	Debt Financing – Territory Bank Account	07/03/25
34	13/02/25	Chris Steel MLA	Forward Expenditure	04/03/25
35	17/02/25	Russ Campbell	Annual Reports – Objectives and Funding	03/04/25
36	17/02/25	Rachel Stephen-Smith MLA	Treasurer's Advance	03/04/25
37	17/02/25	Rachel Stephen-Smith MLA	Revenue Management	10/03/25
38	17/02/25	Kim Salisbury	Stamp Duty	06/03/25
39	17/02/25	Russ Campbell	Revenue Office – Recovery of Debt	06/03/25
40	17/02/25	Gillian Geraghty	Callam Offices	07/03/25
41	17/02/25	Gillian Geraghty	Callam Offices – Issues	03/03/25
42	17/02/25	Gillian Geraghty	Callam Offices	04/03/25
43	17/02/25	Rachel Stephen-Smith MLA	QON 131 – Canberra Day Document Release	04/03/25
44	17/02/25	Leesa Croke	Cabinet Submissions – Delay in releasing records	07/03/25
45	17/02/25	Josh Rynehart	Tracking utilisation of shared community facilities	03/03/25
46	17/02/25	Rachel Stephen-Smith MLA	Community facilities	24/02/25

Appendix C: Gender distribution of witnesses

Beginning in April 2023, in response to an audit by the Commonwealth Parliamentary Association, Committees are collecting information on the gender of witnesses. The aim is to determine whether committee inquiries are meeting the needs, and allowing the participation of, a range of genders in the community. Participation is voluntary and there are no set responses.

Gender indication	Total
Female	7
Male	9
Non-binary	0
Gender neutral	0
No data	0