



**Government Response
to the Report of the
Standing Committee on Public Accounts
on the inquiry into the
Appropriation Bill 2008-2009 (No.3)**

March 2009
Katy Gallagher MLA
Treasurer

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INTRODUCTION

The Standing Committee on Public Accounts tabled its Report on the Appropriation Bill 2008-2009 (No.3) in the Legislative Assembly on Tuesday, 24 March 2009.

The Committee made 16 recommendations in its Report. The Government has responded to all of the recommendations.

The Government thanks the Committee, and its support staff, for the Report on the Appropriation Bill 2008-2009 (No.3).

RESPONSE TO RECOMMENDATIONS

Recommendation 1

2.21 The Committee recommends that the ACT Government consider detailed statistics, such as unemployment, by industry sector before framing any further stimulus packages or the 2009-10 ACT Budget.

Government Response

Noted

The Local Initiatives Package is primarily about supporting jobs moving forward, based on wide-ranging advice from industry. The Package will ensure a continued level of activity over the next two years by providing employers with confidence to retain a level resources which may have otherwise been let go.

Recommendation 2

2.41 The Committee recommends that the ACT Government ensure that future spending plans have a clear basis on how spending proposals may be evaluated.

Government Response

Noted

The Local Initiatives Package was put together with the aim of boosting business confidence in the ACT, particularly in areas of uncertainty where emerging capacity was expected, such as the building and construction industry.

The Government developed the Package within a range of six criteria. The focus was on projects that would:

- provide some measure of jobs support to the local industry;
- extend the useful lives of the Territory's asset base;
- address or utilise potential emerging capacity in the building and construction sector;
- be at a mature stage of design and procurement, with works to commence as soon as possible;
- once commenced, be able to be undertaken and completed on time and budget; and,
- not add additional burden to the Territory's operating budget.

Recommendation 3

2.47 The Committee recommends that the Treasurer provides to the Legislative Assembly an update of the estimated outcome of the ACT Budget for 2008-09 and the out years.

Government Response

Agreed

An update to the 2008-09 Estimated Outcome will be presented to the Legislative Assembly as part of the 2009-10 Budget Papers.

Recommendation 4

2.51 The Committee recommends that the Treasurer provides to the Legislative Assembly a breakdown of the proportion of spending that is proposed in Appropriation Bill 2008-09 (No. 3) that will be directed towards labour, plant and materials.

Government Response

Not agreed

Capital works projects are not tendered or contracted in a way that would enable this information to be extracted prior to the receipt of detailed quotations for these works. The range of projects in the Local Initiatives Package vary considerably in the amount of labour, plant and materials that are likely required.

Recommendation 5

2.57 The Committee recommends that any further stimulus packages should consider one-off service provision as well as capital expenditure.

Government Response

Noted

Recommendation 6

2.62 The Committee recommends that the ACT Government explore the feasibility of providing tax incentives, or other forms of incentives and related education programs, to encourage private landlords to make energy efficient modifications to their rental properties.

Government Response

Noted

Recommendation 7

2.76 The Committee recommends that the Department of Treasury, as part of the Asset Management Plan Refresh, ensure that ecologically sustainable development (ESD) is aligned with standardised agency asset management plans.

Government Response

Noted

Updates of Asset Management Plans is primarily the responsibility of the relevant agency. Treasury will work with agencies as necessary.

Recommendation 8

2.80 The Committee recommends, to the extent that work is not already taking place, that the Department of Territory and Municipal Services ensure that the procurement improvements, as announced in the 2008-09 ACT Budget, support and facilitate – quickly and productively – the works proposed under the Local Initiatives Package.

Government Response

Agreed

The Government has published a Call Tender schedule to provide early information to prospective contractors on up-coming tenders. A review of procurement documentation is well underway. The Prequalification Scheme has been reviewed and recommendations have been largely implemented. Additional changes are underway in relation to streamlining low value, low risk procurement.

Recommendation 9

2.84 The Committee recommends that the Treasurer provide the Legislative Assembly by the last sitting day in June 2009 a detailed project report on the delivery of projects under the Appropriation Bill 2008-09 (No. 3).

Government Response

Agreed

Recommendation 10

3.8 The Committee recommends that the Legislative Assembly Secretariat, in addition to the replacement of the chiller, also give consideration to the implementation of less energy intensive building cooling options.

Government Response

Noted

This is a matter for the Legislative Assembly Secretariat.

Recommendation 11

3.15 The Committee recommends that the Chief Minister's Department prioritise the progression of a Canberra International Arboretum and Gardens (CIAG) Access Strategy to ensure that the various types of recreational opportunities provided by the CIAG are open and accessible to all Canberrans.

Government Response

Noted

The Government will look to provide appropriate access to the Canberra International Arboretum and Gardens through the Access Strategy.

Initial access via a major loop road around the Arboretum site, which connects to the site to the external road system, has been completed.

More generally, the access arrangements will have to take into consideration the future development of the Molonglo Valley.

Recommendation 12

3.22 The Committee recommends that the Department of Territory and Municipal Services be appropriately funded in the 2009-10 ACT Budget to prioritise work under the stormwater augmentation program for all 40 sites at extreme risk of stormwater damage as long as it is within the Department's capability to supervise the expenditure.

Government Response

Noted

Additional funding allocations will be considered by the Government along with all other competing priorities.

Recommendation 13

3.26 The Committee recommends that the Department of Territory and Municipal Services should ensure that the expenditure for the proposed construction of the bill poster silos is: (a) informed by the report of the Standing Committee on Planning, Public Works and Territory and Municipal Services' inquiry on this issue; and (b) expedited once this has occurred.

Government Response

Noted

Considerable work has already been undertaken to ensure the proposed new silos are located in highly visible, high pedestrian traffic sites in Canberra where bill posting is already evident. There is some urgency to commence installation of appropriate facilities to provide opportunities for the promotion of events. While the general locations for the silos have been identified, the final sites will be determined in consultation with the adjacent property owners/business operators. The silos will provide authorised sites for poster advertisements and help reduce the costs and litter associated with illegal bill posting.

Recommendation 14

3.59 The Committee recommends that the 2009-10 ACT Budget provide funds for the planning of relocation and construction of the Tidbinbilla Rural Fire Service (RFS).

Government Response

Noted

The planning and construction in relation to the Tidbinbilla Rural Fire Service will be considered in the wider context of overall planning for ESA facilities.

Additional funding allocations will be considered by the Government along with all other competing priorities.

Recommendation 15

4.4 The Committee recommends that all outstanding questions taken on notice be provided to the Standing Committee on Public Accounts prior to debate of the third Appropriation Bill.

Government Response

Noted

Recommendation 16

5.2 The Committee recommends that the Legislative Assembly pass Appropriation Bill 2008-09 (No. 3).

Government Response

Noted

