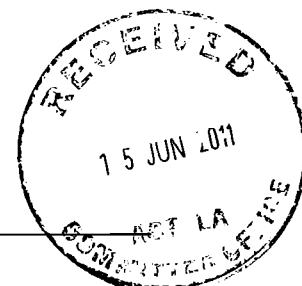




LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (No E11-101)



BRENDAN SMYTH MLA: To ask the Minister for Economic Development:

Reference: Economic Development, Canberra BusinessPoint Program

In relation to: Canberra BusinessPoint Program

1. Does the current Canberra BusinessPoint Program have a focus on any particular industries; if so, what are these industries.
2. The Report, prepared by GJ Wall & Associates and McKeon Consulting found that the former Canberra BusinessPoint Program was not 'connecting' with other parts of the business support system [refer: Wall, p 17]: how was the program redesigned to overcome that problem and enhance interaction with other business advisory entities.
3. The Wall Report found that the former Canberra BusinessPoint Program performed relatively poorly when compared to the former CANBAS Program [refer: Wall, pp 20-21]: what action has the Government taken to ensure that the performance of the current Program is increased to the levels which were achieved by CANBAS.

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

1. No. It is not sector focused.
2. Participants in the tender process were asked to provide a collaboration strategy as part of their proposals, which were then assessed through the evaluation process. The successful tenders for Canberra BusinessPoint going forward are the Canberra Business Council and Lighthouse Business Innovation Centre. Both entities have well developed networks across the business community and they also have working relationships with ACT Government business programs, with avenues to Commonwealth support, and also to local private sector deliverers of specialist advisory support.
3. The Department is not able to verify the accuracy of activity reporting under the former CanBAS program. Unlike the Deloitte delivered service it was not externally reviewed. The findings of the Wall Report in this area are therefore open to interpretation and CanBAS activity levels are not viewed as reference points in future activity reporting. However, there are characteristics of the new service and the deliverers which are likely to improve overall engagement levels. These include two more accessible 'shopfronts'

(Fyshwick and Northbourne Avenue); a new website; dedicated resources for marketing and promotion; and active involvement with sector associations through CBC membership networks and Lighthouse client networks.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 12.6.11

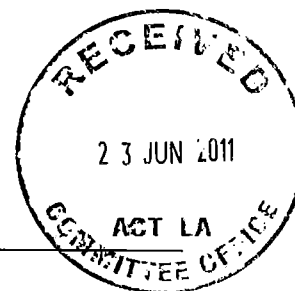
By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (No E11-102)



BRENDAN SMYTH: To ask the Minister for Economic Development:

Reference: Economic Development, Budget Paper 4, Accountability Indicators, page 125

1. How does the Directorate determine when it has satisfied Accountability Indicator a; how effective is this analysis in quantifying the performance of the Directorate.
2. How does the Directorate determine when it has satisfied Accountability Indicator b; how effective is this analysis in quantifying the performance of the Directorate.
3. How does the Directorate determine when it has satisfied Accountability Indicator c; how effective is this analysis in quantifying the performance of the Directorate.
4. How does the Directorate determine when it has satisfied Accountability Indicator d; how effective is this analysis in quantifying the performance of the Directorate.
5. How does the Directorate determine when it has satisfied Accountability Indicator e; how effective is this analysis in quantifying the performance of the Directorate.

ANDREW BARR: The answer to the Member's question is as follows:-

1. Performance against indicator (a) is assessed against the delivery of ACT Government funded innovation focused business programs and activities. These programs currently include enterprise focused InnovationConnect, TradeConnect, ACT Investment Facilitation Program, Lighthouse Business Innovation Centre and the Canberra Business Development Fund and also broader innovation programs such as NICTA. BID programs are actively managed for effectiveness and fit with target client groups. Individual program effectiveness reviews are conducted through internal and external processes. I am satisfied that this is an appropriate way of determining the Directorate's performance in this area.
2. Performance against indicator (b) is assessed against the ability to achieve stakeholder partnership involvement in programs, through either joint delivery arrangements or funding contributions. Canberra BusinessPoint Module 2 Services, ACT Industry Capability Network, ACT Exporters' Network, Chief Minister's Export Awards, ScreenACT, CollabIT and the ACT Screen Investment Fund are programs that have partner involvement through funding or joint delivery. Further, these programs are

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actively managed for effectiveness and fit with target client groups. Individual program effectiveness reviews are conducted through internal and external processes. I am satisfied that this is an appropriate way of determining the Directorate's performance in this area.

3. Performance against indicator (c) is assessed against the delivery of specific ACT Government funded information and advisory services to the business community. These currently include Canberra BusinessPoint Module 1 services, Business Licence Information Service, Business Online Services Project and the communication and learning opportunities available through Business in Focus Month. Further, these programs are actively managed for effectiveness and fit with target client groups. Individual program effectiveness reviews are conducted through internal and external processes. I am satisfied that this is an appropriate way of determining the Directorate's performance in this area.
4. Performance against indicator (d) is assessed against the delivery of the ACT Government's Skilled and Business Migration Program (SBM) and the International Student Ambassador Program. The SBM Program is a Commonwealth approved Regional Certifying Body and provides sponsorship/nomination of certain skilled and migration visas and it validates labour market conditions and certification of specified employer-sponsored visa applications. The SBM Program is also delivered under a State Migration Plan Framework agreement with the Australian Government. Further, these programs are actively managed for effectiveness and fit with target client groups. Individual program effectiveness reviews are conducted through internal and external processes including reporting arrangements for the SBM Program with the Australian Government. I am satisfied that this is an appropriate way of determining the Directorate's performance in this area.
5. Performance against indicator (e) captures the Directorate's work and participation in State/Territory Commonwealth forums that have a business, trade or enterprise development focus. These include the National Investment Advisory Board, the National Trade Development Working Group, and the Commonwealth State Territory Advisory Council on Innovation. Active participation in these forums is important to ensure best practice approaches to policy and program delivery. I am satisfied that this is an appropriate way of determining the Directorate's performance in this area.

Note: Reporting on delivery against Accountability Indicators is subject to review by the Auditor-General's Office.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:



Date: 22.6.11

By the Minister for Economic Development, Andrew Barr MLA

Accountability Indicators

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output Class 1: Economic Development			
Output 1.1: Land Policy and Infrastructure Delivery¹			
a. Amount of affordable residential dwellings in Greenfield releases ²	n/a	n/a	20%
b. Median House Price/Income Multiple ³	n/a	n/a	7.0
c. Median Unit Price/Income Multiple ³	n/a	n/a	5.2
d. Number of Direct Sales Applications Finalised	n/a	n/a	15
e. Number of Residential Dwellings released	n/a	n/a	5,500
f. Number of Forests Planted at the National Arboretum Canberra	n/a	n/a	18
g. Average Square Meters of Office Accommodation per Employee	n/a	n/a	16.9

Notes:

1. This is a new output with new accountability indicators.
2. Where affordable is the figure expressed in house and land costs, as at July 2011 the value is \$338,000.
3. Median house price is the RP Data/Rismark monthly survey result, the income multiple is derived from ABS annualised weekly earnings.

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output 1.2: Business and Industry Development¹			
a. Support business innovation and the commercialisation of wealth generating ideas and research through program approaches	n/a	n/a	1
b. Establish and deliver collaboration-based industry development strategies	n/a	n/a	1
c. Deliver information and advisory services to the general small business community	n/a	n/a	1
d. Work within Australia and the ACT Government policy settings to attract and facilitate business and skilled migration to the Territory	n/a	n/a	1
e. Collaborate with the relevant Commonwealth Government entities to support economic development in the Territory and the broader Capital Region ²	n/a	n/a	1

Note:

1. These accountability indicators were transferred to the Directorate from the Chief Minister's Department.



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY
SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



Mr Smyth :

[Ref: Economic Development, Commonwealth Budget Paper 3, page 98]

In relation to : the National Partnership Agreement to deliver a Seamless National Economy.

1. How did the ACT perform under the earlier component of the National Partnership Program (NPP) to deliver a seamless national economy.
2. What reforms will the ACT deliver under this NPP in return for the provision of \$7.2 million from the Commonwealth Government.
3. What timelines have been set for providing deliverables under this NPP.

Treasurer : The answer to the Member's question is as follows:-

1. The Council of Australian Governments (COAG) Reform Council (CRC) report *National Partnership Agreement to Deliver a Seamless National Economy: Performance report for 2009-10* indicates that the ACT has been generally successful in implementing reforms.

The CRC Report showed good progress on regulatory reform, with seven reforms completed. In terms of overall progress, the ACT was assessed as completing 28 applicable milestones in 2009-10. The ACT, along with all other jurisdictions, was assessed as missing milestones for Food and Directors' Liability reforms, due to delays with COAG and the Ministerial Council for Corporations respectively.

The ACT, along with Western Australia and Tasmania, is yet to meet a 2008-09 milestone for Regulation-making and Review. Treasury is developing a package of regulation-making and review reforms for Government consideration in 2011.

Subsequent to the CRC Report, a further six reforms have been completed.

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2. The Seamless National Economy (SNE) National Partnership Agreement (NPA) comprises of 27 deregulation reform areas, eight competition reform areas and three additional regulatory reform areas. The provision of \$7.2 million from the Commonwealth Government in reward payments relates only to the deregulation reforms.


Details of the reforms and the timelines for milestones are provided in the attached implementation plans for the SNE NPA, which can be found on the COAG website (<http://www.coag.gov.au/>).

Links to the implementation plans.

- Deregulation reform:
http://www.federalfinancialrelations.gov.au/content/national_partnership_agreements/Other/seamless_national_economy/Seamless_National_Economy_Part_1_110213.pdf
- Competition reform:
http://www.federalfinancialrelations.gov.au/content/national_partnership_agreements/Other/seamless_national_economy/Seamless_National_Economy_Part_2_110213.pdf
- Regulation making and review:
http://www.federalfinancialrelations.gov.au/content/national_partnership_agreements/Other/seamless_national_economy/Seamless_National_Economy_IP_Part_3.pdf

3. See question two.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 21. 6. 11

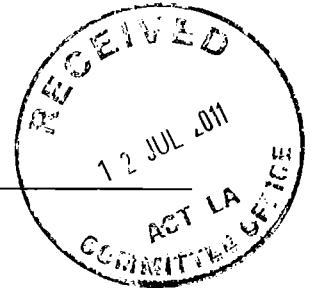
By the Treasurer, Katy Gallagher MLA.



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (No E11-104)



BRENDAN SMYTH: To ask the Minister for Economic Development:

Reference: Economic Development, Budget Paper 4, page 128

1. What are the objectives of providing the additional funding to the InnovationConnect Program.
2. Was any evaluation undertaken to ensure that there is no overlap with existing venture capital or similar programs which are offered by the private sector.
3. Were any consultations undertaken with the Australian National University (ANU) about the Discovery Translational Fund which was launched by ANU on 3 May 2011 and, if so, what were the results of those consultations.

ANDREW BARR MLA: The answer to the Member's question is as follows:-

1. InnovationConnect was originally funded in the 2008-09 Budget for a period of three years. The Government has committed to funding the program for a further four years. It provides grant funding to support the development of innovation/commercialisation skills in young companies and for proof of concept support and related projects.
2. InnovationConnect is not a venture capital program. The program provides grant funding as outlined to in (1) above. Private sector funding is largely in the form of equity, not grant support. A program evaluation has been conducted. In broad terms it found the program to be achieving its objectives, and that the program was strongly supported by the ACT business community and related stakeholders.
3. Consultations were undertaken with the Australian National University about the Discovery Translation Fund and expressed a position that the Fund should operate in synch with ACT Government programs and Commonwealth Programs. In the main, the Discovery Translation Fund has been structured to provide proof of concept support at points and levels above the parameters of InnovationConnect and below the parameters of Commonwealth program support.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 11. 7. 11

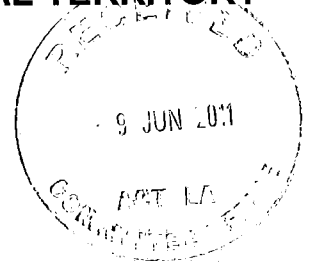
By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



Ms Amanda Bresnan MLA: To ask the Attorney-General, Mr Simon Corbell MLA

Ref: Justice and Corrective Services, BP 4, p.259, Output 2.1

In relation to : Crisis Support Unit

- (1) The Hamburger Report recommended that an urgent holistic review of the Crisis Support Unit be conducted by ACT Corrective Services, Mental Health ACT and Corrections Health Program. Will any of the new funds allocated in the Budget be used for this review, and if so, how much will be used?
- (2) How soon is this review likely to be undertaken?
- (3) What changes to the CSU have already been made as a result of the Hamburger Report?

Mr Corbell : The answer to the Member's question is as follows:–

All recommendations of the Knowledge Consulting review are being considered by the AMC Taskforce, including those relating to the operation of the Crisis Support Unit. The Government will await the advice of the Taskforce and table a formal response to the review by the end of June 2011.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:

Date: 6.6.11

By the Attorney General, Simon Corbell MLA

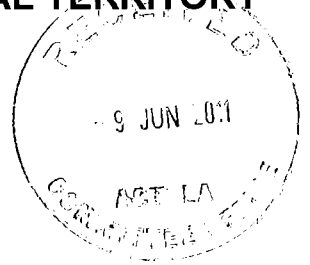
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LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012



ANSWER TO QUESTION ON NOTICE

Ms Amanda Bresnan MLA: To ask the Attorney-General, Mr Simon Corbell MLA

Ref: Justice and Corrective Services, Budget Paper 4, p. 259, Output class 2.1

In relation to : the Secure Mental Health Facility

- (1) Given that ACT Health have decided to delay the establishment of the secure mental health facility, what are the likely impacts on the Alexander Maconochie Centre?

Mr Corbell : The answer to the Member's question is as follows:—

ACT Corrective Services will continue to manage those detainees with acute mental health concerns at the Alexander Maconochie Centre consistent with its policies and procedures. Custodial officers work closely with health professionals from ACT Health to manage all detainees' health needs.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:

Date: 6.6.11

By the Attorney General, Simon Corbell MLA

PLEASE NOTE

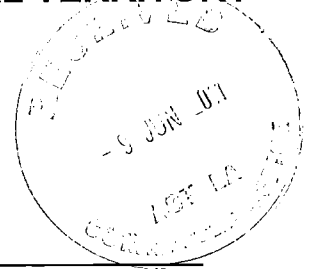
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LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



Ms Amanda Bresnan MLA: To ask the Attorney-General, Mr Simon Corbell MLA

Ref: Justice and Community Safety, Budget paper no 3, page number 100, output class 1.8

In relation to : Wheelchair Accessible Taxi Service Improvements

- (1) What is the total sum of the subsidies and financial assistance that the ACT Government will provide for providers and users of the Wheelchair Accessible Taxi Service in 2011-12, and what is the breakdown and funding components of that sum?
- (2) On what basis does the Government think it is appropriate to allow an interstate organisation to tender for the centralised booking service given some consumers will require greater than normal levels of assistance from the booking service in identifying sites around Canberra?
- (3) Under the new system will one person be able to hold more than one wheelchair taxi licence?

Mr Corbell : The answer to the Member's question is as follows:—

- (1) The total sum of subsidies and financial assistance that the ACT Government will provide for providers and users of Wheelchair Accessible Taxi (WAT) services in 2011-12 is expected to be up to \$673,000 from the Justice and Community Safety Directorate (JACSD) plus a portion of \$1,380,000 from Community Services Directorate (CSD) for the Taxi Subsidy Scheme (TSS). This figure covers subsidies for all users including wheelchair users.

The funding (administered by JACSD) covers:

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- (a) contracted provision of a WAT centralised booking service (WCBS) – to be determined when the tender process to select the provider is finalised;
- (b) an amount for the payment of WAT driver incentives to improve performance;
- (c) an amount for the payment of a booking service performance incentive;
- (d) an amount to provide a subsidy to assist WAT operators to purchase and modify new WAT vehicles;
- (e) an amount for the WAT incentive scheme for operators and drivers to have their vehicles available for hire on ten specified days throughout the year (New Years Eve and New Years day, Good Friday, Easter Sunday, Anzac Day, Mothers Day, Fathers day, Christmas Eve and Christmas Day and Boxing Day); and
- (f) an amount for the increased WAT lift fee which applies on the above-mentioned days and for a wheelchair hiring between 9.00pm and 6.00am Monday to Sunday.

In relation to items (a) to (d) the 2011-12 Budget has allocated a total of \$536,000. Actual expenditure will be influenced by the cost of the WCBS contract, the performance of taxi drivers and the WCBS and the number of operators replacing WAT vehicles.

In relation to items (e) and (f) a budget allocation of \$137,000 has been made. Actual expenditure against that allocation will be influenced by demand for WAT journeys, which may increase with the introduction of a WCBS.

- (2) Any provider of a WCBS, irrespective of where based, will be required to demonstrate it will meet the needs of the users and providers of WAT services. This will include demonstrating that the WCBS operator will be sufficiently familiar with ACT locations and landmarks. It is not proposed that non-ACT based entities be precluded from tendering to provide WCBS services, given that such entities may be able to satisfy this requirement. Precluding such entities from consideration would potentially limit competition and prevent the Government obtaining the best value for money in procuring service at the standard required.

- (3) Yes.

The Government agreed to a recommendation of the recent Taxi Review that future WAT taxi licence ballots will exclude operators who already hold more than one WAT licence.

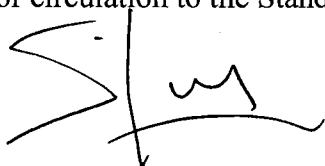
Under this arrangement, an existing operator who holds more than two licences (currently there is one operator with seven WAT licences) will be able to continue to hold their licences, but will not be able to enter future taxi licence ballots for additional licences. Other existing, or new operators will not be able to acquire more than two WAT licences.

The benefits in limiting the number of licences that can be held to two include:

- greater competition – it is expected that having more WAT operators in the industry will generate service quality improvements; and
- an increase in operator-drivers – these operators tend to provide a better quality of service than casual drivers.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:



Date: 6.6.11

By the Attorney General, Simon Corbell MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

MS BRESNAN: To ask the Minister for Health

Ref: Health, BP 4, p 228, Output 1.1

In relation to: Mental health funding

- (1) In 2011-12, how much funding has the ACT Health allocated for:
- (a) Hospital based acute mental health services in total?
 - (i) capital works relating to hospital based acute mental health services?
 - (i) non-capital related hospital based acute mental health services?
 - (b) ACT Health community based mental health services in total?
 - (i) capital works relating to ACT Health community based mental health services?
 - (i) non-capital related ACT Health community based mental health services?
 - (c) Mental health services provided by the community sector in total?
 - (i) capital works relating to mental health services provided by the community sector?
 - (ii) non-capital related mental health services provided by the community sector?
- (2) In relation to whole of government funding for mental health services, can you please identify what money is coming through Directorates other than ACT Health that will be allocated towards improving access or providing services or assistance to people affected by mental illness? What are these services and what is the level of ACT Government funding for each of these services?

Minister for Health: The answer to the Member's question is as follows:-

- (1) (a)
- (i) There is no new capital works funding related to hospital based mental health services for 2011-12 however there is cash flow allocation for prior year projects as follows:
 - a. Adolescent and Young Persons Mental Health Inpatient Unit Project total allocation in 2011-12 is \$589,000.
 - b. Acute Adult Mental Health Inpatient Unit total allocation for 2011-12 is \$13.267 million.
 - (ii) In 2011-12, the non-capital related hospital based acute mental health services within the Health Directorate is estimated to be \$14.6 million. In addition, Calvary Public Hospital are allocated approximately \$5.9 million for Mental Health Inpatient services.
- (b)
- (i) Facilities to accommodate Mental Health Community Based Services have been incorporated into Community Health Centres at Gungahlin, Tuggeranong and Belconnen.
 - (ii) The Health Directorate non-capital related community based mental health services funding is estimated to be \$41.5 million in 2011-12.
- (c) (i) Funding of \$1.13 million has been allocated to build a new Mental Health Step Up, Step Down facility for young adults, aged 18 – 25 years. This is from Commonwealth funds provided in 2010-11 and is subject to Commonwealth and is subject to Commonwealth approval of the relevant Implementation Plan.
- (ii) Funding of \$13.044 million has been allocated to mental health services provided by the community sector.

Note: in addition to the direct non-capital expenditure identified above, corporate overheads of approximately \$15 million can be attributed to Mental Health services. Corporate overheads relate to business and infrastructure, financial services, human resources, information technology, pathology, policy and government relations, special purpose accounts, quality and safety, service and capital planning and the Executive. This brings the total estimated level of Mental Health expenditure across the Health Directorate to \$90 million per year.

- (2) Outside of the Health Directorate, it is estimated that approximately \$22.444 million was spent in 2009-10 by other Directorates across ACT Government towards improving access or provide mental health services or assistance to people affected by mental illness.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *K. Gallagher*

Date: 30.6.11

By the Minister for Health, Katy Gallagher MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



MS BRESNAN: To ask the Minister for Health

Ref: Health, BP 4, p 228, Output 1.1

In relation to: Meal supplies to Hospitals

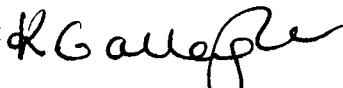
- (1) What is the annual value and terms of the contract between the ACT Government and Food Services for the provision of meals to The Canberra Hospital and any other sites?
- (2) How long now has Food Services had that contract?
- (3) When did that contract for meal provision last go out for re-tender?
- (4) What is the method and location for the preparation and delivery of food?
(We have received advise that meals are cooked in Goulburn, put into plastic sealed packs, transported to Canberra and then microwaved before feeding to patients.)

Minister for Health: The answer to the Member's question is as follows:-

- (1) Food Services at the Canberra Hospital is an internal business unit within Business & Infrastructure, the Health Directorate.
The Food Services Department produces 1.2 million meal equivalents annually for patients, staff and clients.
The operating budget of the Food Services Department is \$11.262m and generates \$2.670m revenue.
Clients of the Health Directorate include the National Capital Private Hospital and the Australian Red Cross Meals on Wheels
- (2) As referred to in question (1) Food Services at the Canberra Hospital is an internal business unit within Business & Infrastructure, the Health Directorate.
- (3) Refer (2) above.

- (4) All meals are prepared fresh on site at the Canberra Hospital using the traditional bulk commercial cookery methods. The meals are prepared using fresh ingredients and either served straight away; or chilled to be served later; or frozen for external clients.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 28.11

By the Minister for Health, Katy Gallagher MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



MS BRESNAN: To ask the Minister for Health

Ref: Health, BP 4, p 230, Output 1.4

In relation to: Care co-ordinators

- (1) Is the Government providing additional funds through this budget for more care coordinators to service people with more intransigent cancers, such as brain tumours?

Minister for Health: The answer to the Member's question is as follows:—

I am very pleased to advise that the Government has provided additional funding in this budget to enhance the current number of Cancer Care Coordinators, with the announcement of a Prostate Cancer Care Coordinator position.

This brings the total number of Cancer Care Coordinators to 9.

This new position will enhance the Cancer Care Coordination services already provided, giving support to people with urological cancers, lung cancers & mesothelioma, gastrointestinal cancers, breast cancer, malignant haematological cancers such as leukaemia, head & neck cancers, and adolescents and young adults with cancer. An additional short-term position, funded through the CanNet project, provides support for people with gynaecological and testicular cancer.

The Capital Region Cancer Service has also allocated funds in 2011-12 to map brain tumour patient care coordination in the ACT, recognising the complexity of need for this patient group. This work will enable CRCS to review the capacity to allocate current resources to address the identified needs of these patients and their carers.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *K. Gallagher*

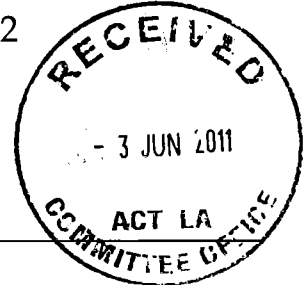
Date: 26-6

By the Minister for Health, Katy Gallagher MLA

**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



MS BRESNAN: To ask the Minister for Health

Ref: Health, BP 4, p 230, Output 1.3

In relation to: Solaria regulations

- (1) Are the new solaria regulations being implemented within existing funds or were new funds allocated for this purpose? And if so how much was allocated?
- (2) What has been the progress in implementing the regulations to date?
- (3) Have all businesses been in compliance thus far? And if not, how many businesses have not been compliant and with which part of the regulations have they not complied?

Minister for Health: The answer to the Member's question is as follows:–

- (1) The *Radiation Protection (Tanning Unit) Amendment Regulation 2010 (No 1)* (the regulation) commenced on 17 November 2010. The regulation is being implemented within existing funding.
- (2) Prior to the regulation commencing there were 17 known businesses in the ACT operating solarium units. Site visits were conducted at all 17 businesses prior to the regulation commencing, and businesses were provided with a 'Solarium Information Pack' which outlined regulation changes, the need for registration of equipment and the need for operators to be licensed. As of May 2011, 12 businesses have either removed their solarium units or submitted a notice of 'cessation of trade as a solarium'.

17 third party compliance tests of units and audits of facilities have been performed since the regulation commenced. As a result of these audits two non-compliant facilities chose to remove their units and cease trade rather than become fully compliant with the regulation.

There are currently four businesses operating as a solarium in the ACT, with one business pending approval. There are a total of 14 solarium units registered in the ACT, with one unit pending approval.

Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) have developed an online training course for solarium operators. This course was originally intended to be operational before the regulation commenced. However, delays in the online hosting and implementation meant that the course only became available to operators on 18 May 2011.

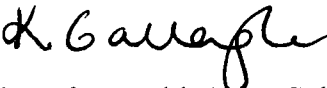
As a consequence of this delay, section 21 of the regulation remains as an uncommenced amendment. ACT Health is advising all solarium operators of the requirement to complete the ARPANSA online training course to ensure that they are compliant with the regulation once section 21 is commenced.

- (3) As previously noted, only four businesses are operating as a solarium in the ACT. All four of these businesses are compliant with the regulation. 12 other businesses were either non-compliant, and ceased trade as a solarium, or ceased trade as a solarium before the regulation commenced.

One solarium business is currently awaiting approval for the registration of their solarium unit. Registration approval will be granted by the Radiation Council once a compliant third party audit report and compliance test is supplied.

There have been no compliance issues with operators obtaining a radiation licence to operate solarium.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 3.6.11

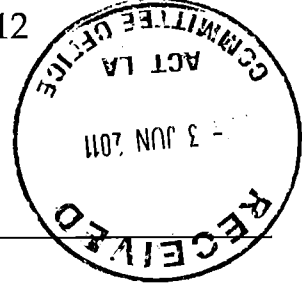
By the Minister for Health, Katy Gallagher MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



MS BRESNAN: To ask the Minister for Health

Ref: Health, BP 4, p 230, Output 1.3


In relation to: Boarding Houses

- (1) Since July 2010, when ACT Health was significantly involved with the closure of five properties due to health and safety, has ACT Health found any other properties of concern? And if yes, how many, and what action has been taken?

Minister for Health: The answer to the Member's question is as follows:--

- (1) ACT Health investigated a number of complaints involving alleged overcrowding conditions and breaches of the Public Health Risk (Boarding Houses) Declaration 2000. Enforcement actions in relation to four of these investigations have been, or are being taken.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 2.6.11

By the Minister for Health, Katy Gallagher MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

Amanda Bresnan : To ask the Minister for Territory and Municipal Services

Ref: Office of Transport, Budget Paper 3, p151

In relation to : Majura Parkway freight

1. Please provide data on the amount of freight and heavy vehicle traffic that is travelling on Majura Road, and that is bypassing Majura Road and travelling through urban Canberra instead.
2. Please provide data (or at least estimations) on the origins and destinations of these vehicles.
3. Do you have details (or estimations) on how many of the vehicles that are passing through urban Canberra to reach destinations to the south are travelling from the Melbourne direction (and entering via the Barton Highway) compared to those that are travelling from the Sydney direction (and entering via the Federal Highway)?

SIMON CORBELL MLA : The answer to the Member's question is as follows:-

1. The most recent traffic survey of Majura Road in November 2010 indicated that 16% of the 17,500 vehicles that use the road on a daily weekday were commercial/heavy vehicles. It is forecast that the volume of traffic on Majura Road (Parkway) will increase by 80% in the next 10 years and by a further 50% in the period 2021 – 2031.
2. No data available for this request.
3. No.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:

Date:

6.6.11

By the Minister for Territory and Municipal Services, Mr Simon Corbell MLA

PLEASE NOTE

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- 2: Where an answer provides a referral to sources of information in published documents, the answer should include the exact name of the document, the author and agency publishing the document, the specific page numbers and an electronic link to the document.



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

Amanda Bresnan : To ask the Minister for TAMS

Ref: Office of Transport, Budget Paper 3, p151

In relation to : Majura Parkway, Road Safety and Road Accidents

1. Is any of the \$144million dedicated to Majura Parkway set aside for a feasibility study or any other transport study, or is all of this money committed to the building of the Parkway?
2. What is the Government's position on the concept of 'induced traffic' or 'generated traffic', which says that building a new major freeway actually increases the amount of travel and the amount of traffic, which creates an overall increase in fuel and emissions, and it fails to reduce commuters' travel times?
3. How has the Government taken into account 'induced traffic' in its planning for Majura Parkway?
4. Does the Government agree with the induced traffic concept and that building a new Majura Parkway will increase emissions and will not reduce commuters' travel times? If it does not agree, please explain why.
5. What comparisons and modelling has the Government done of the improvements in travel for residents of Gungahlin that would result from building Majura Parkway, compared to building high quality, fast public transport routes from Gungahlin, including light rail?
6. Please provide the most recent accident statistics for major roads in Canberra. (including Majura Road, Canberra Avenue, Horse Park Drive, Gungahlin Drive, Northbourne Drive, Drakeford Drive, Melrose Drive, Caswell Drive, William Hovel Drive, Monaro Highway, Tuggeranong Parkway, Fairbarin Avenue, Hindmarsh Drive). If possible, please break this data down into different sections of the road.

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7. Does the ACT Government collect congestion data for roads in Canberra, and how does it do this?
8. Please provide congestion data speed for the roads referred to above (or whichever of the above roads on which the Government has data).
9. Please provide data on the average travel speed for the roads referred to above (or whichever of the above roads on which the Government has data).

SIMON CORBELL MLA: The answer to the Member's question is as follows:—⁵

1. No, all the funds have been identified to construct the Majura Parkway.
2. It is generally accepted that the construction of a new road will induce some additional traffic, but the Government considers that providing additional arterial road capacity (as will be the case with the Majura Parkway) will accommodate the growth in traffic over time, will assist in redistributing traffic from residential streets in North Canberra and will cater for any new or induced traffic. The Majura Parkway will also reduce the number of heavy vehicles using Northbourne Avenue by providing a heavy vehicle by pass route of the City.

As a high capacity, high speed road, more efficient travel will result in reduced emissions and fuel usage per vehicle. Given the Majura Parkway will ultimately carry up to 40,000 vehicles a day, compared to the existing 18,000 vehicles a day on the Majura Road, there will be a nett increase in both total emissions and fuel consumption over time. This, however, will be offset by less traffic using local residential streets in North Canberra. Travel speeds on the Majura Parkway during commuter peak periods will be greater than 60 km/h compared to 10-15km/h currently experienced on Majura Road.

3. The planning for Majura Parkway has sought to accommodate additional traffic redistributed from residential streets in North Canberra, any new traffic that may be induced as a consequence of providing the new road and future traffic growth over the next twenty years. This planning has resulted in the proposal to construct a high standard dual carriageway road with flyovers at Fairbairn Avenue and Pialligo Avenue. As proposed, the Majura Parkway will provide a heavy vehicle by-pass route of the City and reduce the number of heavy vehicles using Northbourne Avenue.
4. New transport infrastructure does result in an induced demand however, the planning for the Majura Parkway indicated that it will reduce fuel consumption and emission per vehicle using the road, while increasing the travel speeds during the commuter peak periods from 10-15 km/h to above 60km/h.
5. None.

6. Crash statistics over the period 2006 -2010 (including fatalities, injuries and properties damages) as follow (a more detailed breakdown by section of these roads is included as Attachment 1):

ROAD	Crash Statistics
Majura Road	96
Canberra Avenue	125
Horse Park	33
Gungahlin Drive	108
Northbourne Avenue	232
Drakeford Drive	64
Melrose Drive	31
Caswell Drive	31
William Hovell Drive	167
Monaro Highway	219
Tuggeranong Parkway	448
Fairbairn Avenue	26
Hindmarsh Drive	128

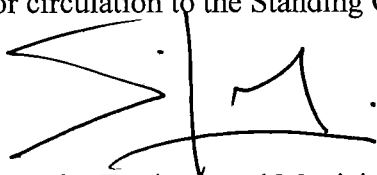
7. Roads ACT collect traffic volume and speed data at various locations on the road network on a regular basis. With appropriate analysis, this data can be used to determine the congestion level of different sections of the road network.

For example, Majura Road carries 1750 vehicles in the peak direction during an average weekday. The capacity of a single lane mid block is typically 1800 vehicles an hour so the volume to capacity ratio, or the level of congestion is 1750 divided by 1800 or 97 percent.

8. The analysis has not been undertaken to establish congestion data speeds on these roads, other than for Majura Road. In the case of Majura Road, survey data and observations indicates travel speeds in peak times average between 10-15 km /hour in the southern section of Majura Road.
9. The analysis has not been undertaken to establish average travel speeds on these roads, other than for Majura Road. In the case of Majura Road, survey data and observations indicates that average travel speed outside the peak periods is greater than 60 km/hr.

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Signature:



Date: 8.6.11

By the Minister for Territory and Municipal Services, Mr Simon Corbell MLA

MIDBLOCK LOCATIONS - CRASH STAT
1.01.2006 – 31.12.2010

ROAD	FATAL	INJURY	PROPERTY DAMAGE	TOTAL
Majura Rd between Avonley Rd and Mount Majura Rd	1	6	41	48
Majura Rd between Fairbairn Ave and Spitfire Rd	0	2	28	30
Majura Rd between Mustang Rd and Avonley Rd	0	2	16	18
Canberra Ave between Empire Cct and Manuka Cir	0	1	11	12
Canberra Ave between Geelong St and Ipswich St	0	1	17	18
Canberra Ave between Newcastle St and Woods Ln	0	3	75	78
Canberra Ave between Mildura St and Monaro Hwy	0	1	16	17
Horse Park between Anthony Rolfe Ave and Gundaroo Dr	0	0	8	8
Horse Park between Katherine Ave and Gundaroo Rd	0	0	7	7
Horse Park between Anthony Rolfe Ave and Federal Hwy	1	6	11	18
Gungahlin Dr between Belconnen Way and Ginninderra Dr	0	4	45	49
Gungahlin Dr between Ginninderra Dr and Barton	0	2	23	25
Gungahlin Dr between Barton Hwy and Sandford St	0	1	33	34
Northbourne Ave between Swinden St and Muat St. Antill St	0	3	44	47
Northbourne Ave between Morphett St and Macarthur Ave	0	2	44	46
Northbourne Ave between Macarthur Ave and Condamine St. Ipiuna St	1	6	68	75
Northbourne Ave between Girrahween St and Elouera St	0	1	31	32
Northbourne Ave between Bunda St and Alinga St	0	2	30	32
Drakeford Dr between Boddington Cr and Sulwood Dr	0	3	32	35
Drakeford Dr between Boddington Cr and O'Halloran Cct	0	1	15	16
Drakeford Dr between O'Halloran Cct and O'Halloran Cct	1	0	12	13
Melrose Dr between Botany St and Hindmarsh Dr	0	0	17	17
Melrose Dr between Brewer St and Hindmarsh Dr	0	0	14	14
Caswell Dr between William Hovell Dr and Banjalong Cr	0	1	39	40
Caswell Dr between Banjalong Cr and Belconnen Way	0	0	21	21
William Hovell Dr between Bindubi St and Caswell Dr	0	2	46	48

William Hovell Dr between Bindubi St and Coulter Dr	0	5	52	57
William Hovell Dr between Coppins Crossing Rd and Drake Brockman Dr	0	5	57	62
Monaro Hwy between Hindmarsh Dr and Canberra Ave	0	2	22	24
Monaro Hwy between Hindmarsh Dr and Lanyon Dr	0	9	74	83
Monaro Hwy between Lanyon Dr and Sheppard St	0	2	41	43
Monaro Hwy between Mugga Ln and Isabella Dr	0	3	38	41
Monaro Hwy between Isabella Dr and Old Tuggeranong Rd	0	1	27	28
Tuggeranong Pwy between Cotter Rd and Lakeside Int.	0	13	84	97
Tuggeranong Pwy between Hindmarsh Dr and Cotter Rd	0	9	128	137
Tuggeranong Pwy between Hindmarsh Dr and Sulwood Dr	0	11	120	131
Tuggeranong Pwy between Glenloch Int and Lakeside Int	0	4	79	83
Fairbairn Ave between Morshead Dr and Addison Rd	0	2	24	26
Hindmarsh Dr between Ainsworth St and Athillon Dr	0	2	27	29
Hindmarsh Dr between Dalrymple St and Jerrabomberra Ave	0	0	26	26
Hindmarsh Dr between Dalrymple St and Tamar St	0	3	20	23
Hindmarsh Dr between Tyagarah St and Tamar St	0	4	29	33
Hindmarsh Dr between Eggleston Cr and Melrose Dr	0	1	16	17



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-115)

MR SESELJA MLA: To ask the Minister for Economic Development

Ref: Economic Development Directorate, BP4, pg588-598

In relation to: The Government Office Block Reports

1. The Wilde and Woollard Cost Plan (attached to the Cox Financial Analysis) states that numerous costs are excluded from the estimate provided. This includes temporary facilities while works are constructed, relocation costs of personnel and personal equipment, IT and office equipment.
 - a) What are these costs expected to be? Please provide a breakdown of these costs per year from 2011-12 to 2016-17.
2. The model in the Cox Financial Analysis assumes no growth in the ACT Public Service. How would steady growth in the Public Service impact on the savings that have been identified by the Government?
 - a) Does this mean that the Government will cap growth in the Directorate's that will be located in this new building?
3. The Cox Financial Analysis notes that on expiration of current leases, agencies will occupy generic space in the market.
 - a) What will this cost be per agency per year?
 - b) Is there a guarantee that these lease payments for temporary accommodation will not be higher than rent for current premises?
 - c) If there is an increase in rent for the temporary accommodation, will this be absorbed by each agency?

4. The Cox Financing and Delivery report, while exploring different financing and delivery options states that the cost of capital for a developer is estimated at roughly 10%, compared to the ACT Treasury's present cost of 7%. What are the rates currently?
- a) Do these new rates continue to support the Government's argument that the private sector capital market remains tight and capital funding is not readily available?

Mr Andrew Barr MLA: The answer to the Member's question is as follows:-

1. The Wilde and Woollard cost plan includes for costs directly associated with the construction of the new building. The exclusions list is standard industry practice so that clients can allow any additional project costs elsewhere in the project budget if deemed necessary.
- temporary facilities while works are constructed relates to any extension of leases or alternative accommodation if owned buildings sold prior to occupancy of new building. All costs associated with building sales and lease extensions are included in the CBRE Cost Analysis and Budget Impact Analysis for each of the scenarios and are not costs attributable to the construction of the new building.
 - relocation costs of personnel and personal equipment relates to the cost for relocation of staff and their personal effects from existing buildings to the new building. These costs are included in the CBRE Cost Analysis and Budget Impact Analysis for each of the scenarios and are not costs attributable to the construction of the new building.
 - the costs associated with IT and communication services are included in the sum allowed for Fitout. Costs associated with the provision of computers, printers and office equipment is deemed to be business as usual due to the short term redundancy of these items and provision for normal ICT refreshes.
- a) There are no additional costs associated with these items other than normal costs incurred by business as usual practices.
2. The space budget and head counts included in Attachments 7 and 8 of the Statement of Requirements identify 4,068 candidates for the new building representing all departments. The latest concept design provides a building that has the capacity to accommodate approximately 3,500 staff at a density of 15m²/person. It is proposed that the shortfall be accommodated in Nara House which has been re-leased until 2020, and other leased accommodation.

Any growth in the public service will not impact on the savings nominated, as the savings relate only to the 3,500 staff in the new building.

- a) No – a purpose built office complex will provide greater flexibility in meeting growth and organizational changes.
3. Generic spaces leases under all scenarios are estimated to be rented at the market rates those rates are incorporate in the CBRE cost analysis.
- a) the CBRE cost analysis has a rental cost of \$420/m² for generic office space rated at 4.5 Star NABERS. The costs to agencies moving into this space will be the difference from what is currently paid. This difference will vary from building to building, and will vary depending on lease expiry dates.
 - b) it is not proposed to move agencies in to temporary accommodation prior to moving into the new building.
 - c) it is not proposed to move agencies in to temporary accommodation prior to moving into the new building, however under some Scenarios in the CBRE cost analysis it will be necessary to decant people in to generic space whilst existing buildings are being renovated. These costs are included in the modelling.
4. The current borrowing rate for the Government is around 5.7% - 6% depending on the timeframe of the loan.
- a) Refer to answer 4 above

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 15.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-116)

ZED SESELJA MLA : To ask the Minister for Economic Development

Ref: Economic Development, BP4, pg588-598

In relation to : Costing of the Government Office Block Savings

Operating savings of \$19.3 million per annum

1. How much rent is saved on a yearly basis from each agency that will be relocating into the new Government Office?
2. Why is there a 1.2% reduction in staff when the Cox Financial Analysis report assumes a 1% reduction?
3. Has the one off costs of 46 redundancies been calculated?
 - a) How much will this cost?
 - b) What year will this occur in?
4. What is the method for costing office churn?
 - a) How does this equate to \$2 million per annum?

Efficiencies of \$15.2 million per annum

5. What is the reasoning behind a 10% reduction in office consumables occurring?
6. What is the total office consumable budget?
 - a) Which report is this saving cited in?
 - b) How is this total budget calculated?
 - c) What is the office consumable budget comprised of?
 - d) Where can this data be sourced?
7. What is the reasoning behind a 5% IT Budget reduction and which report is this cited in?

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8. How is the total IT Budget calculated?
 - a) Where can this data be sourced?
9. How are local travel costs calculated?
 - a) Where can this data be sourced?
 - b) What is the rationale behind an 80% reduction?
10. How is the saving of \$2 million in energy and water costs calculated?
 - a) What data and assumptions are used in this calculation?
 - b) Where can this data be sourced?
11. Why has the Government calculate attrition to cost \$13,600 per person, when the Cox Financial Analysis costs this at \$5,000 per person?
 - a) Can you please provide detail of how \$13,600 was calculated?
12. What is the method for estimating a 1% reduction in absenteeism due to improved workplace amenity and morale?
13. How does a 1% productivity benefit for reduced absenteeism and morale equate to 1 day per annum?
 - a) Is this 1 day overall or 1 day per person?
 - b) How is this 1% productivity benefit converted into a dollar amount of \$4 million?
14. What is the method for estimating a 1% productivity benefit from increased coordination?
15. How does a 1% productivity benefit from increased coordination equate to 20 minutes per day.
 - a) Is this 20 minutes overall or 20 minutes per person?
 - b) How is this 1% converted into a dollar amount of \$4 million?
16. What is the method and rationale for estimating a 0.5% productivity benefit from better technology utilisation?
17. How does a 0.5% productivity benefit from technology utilisation equate to 20 minutes per day?
 - a) How is this 0.5% converted into a dollar amount of \$2 million?
18. What is the method and rationale for estimating a 0.25% productivity benefit from reduced inter-agency travel time?
19. How does a 0.25% productivity benefit equate to 20 minutes per day?

Note: The Cox Financial Analysis report assumes 10% of workforce spend 1 hour per week undertaking travel that will be eliminated through collocation. This would equate to 12 minutes per day.

 - a) How is this 0.25% converted to a dollar amount of \$1 million?

MR BARR MLA: The answers to the Member's questions are as follows:—

1. Based on the rents paid in 2010, it is estimated that \$12.72 million of the total \$19.3 million savings would be related to the reduction in rent.

2. The 1% estimated reduction in workforce figure, as detailed in the CBRE Cost Analysis, is a rounded down estimate of the 1.2% figure. The estimated saving of \$4.6m is the same in both instances.
3. a) It is anticipated that the reduction in workforce will be achieved through workforce planning and natural attrition as part of a detailed Change Management Program. This plan will be initiated over the next five years to manage the transition into the new building.

b) The workforce reduction will occur over a five year period prior to agency relocation to the new building expected to be in 2017.
4. a) Office churn relates to the on-going cost of agency relocation and refits. The \$2m per annum estimated is a net figure. It is based on the historical average annual churn costs of the agencies moving into the new building, minus the expected cost of churn within the overall accommodation portfolio once the new building is completed.
5. The 10% reduction in office consumables was based on information received from a number of Australian organisations who had recently relocated dispersed work places into a new single location. These organisations had observed office consumable savings in excess of 10%.
6. a) Annual expenditure, managed under a single-supplier procurement contract, on office consumables for all ACT Government agencies is estimated at \$6 million.

b) The office consumables relating to the ACT Government office was based on a proportion of total annual expenditure for those agencies/functions earmarked for collocation within the new building.

c) The expenditure on office consumables comprises stationary, minor office equipment, paper, toner and other sundry items.

d) The contract for the acquisition of office consumables is managed centrally by Procurement Solutions. Expenditure data is reported in the Whole of Government Contracts Six Monthly Status Report produced by Procurement Solutions.
7. The 5% reduction in Information, Communications Technology (ICT) costs was based on information received from a number of Australian organisations who had recently relocated dispersed work places into a new single location. These organisations had observed ICT cost savings in excess of 5%.
8. The ICT Budget was based on InTACT's ICT expenditure of \$127m. The ICT savings for the new ACT Government office was based on the proportion of total ICT expenditure that relates to those agencies/functions identified for collocation.

a) The ACT Government's ICT Budget is managed by InTACT and is available in the 2011-12 Budget Paper 4, pg 184.
9. The reduction in local travel costs are based on two components. The first component is a reduction in taxi costs between agencies. This saving is estimated at \$110,000 per annum across all affected agencies.

The second component relates to an estimated 3% reduction in the size of the ACT vehicle fleet. This savings is estimated at \$290,000 per annum based on the current fleet size and average annual vehicle costs of approximately \$8,600 per vehicle (procurement and running costs).

a) The ACT Government's vehicle fleet is managed through at a whole of Government level, by Procurement Solutions and expenditure data is reported in the Whole of Government Contracts Six Monthly Status Report produced by Procurement Solutions.

Expenditure on Taxis is not reported separately at the aggregate level.

b) The 80% reduction in local travel costs was based on information received from a number of Australian organisations who had recently relocated dispersed work elements into a new single location. These organisations had observed taxi cost savings in excess of 80%. It should be noted that there is expected to be a significant increase in availability of Executive vehicles due to collocation, and an increased ability to use buses which will also reduce demand for taxi services.

10. The reduction in electricity, gas and water costs are based on current energy and water consumption across owned buildings minus the estimated costs associated with energy and water consumption for the new building.

a) The current energy and water costs in buildings that will be vacated are approximately \$1.8 m per annum in owned buildings and approximately \$1 m per annum in rented buildings.

The equivalent costs in the new building are estimated to be \$1.1 m in 2010 prices resulting in a saving of around \$1.7m per annum.

b) Data on current energy and water costs associated with ACT Government Owned buildings is managed by the Property Group. Projected energy and consumable savings are detailed in the ARUP report released on 13 May 2011.

11. The Cox Analysis contained a conservative estimate of attrition costs that was later replaced by a more detailed analysis.

a) The estimated attrition cost of \$13,600 for the ACT is a conservative estimate based on the Australian National Audit Office Report No 31 2007-08, Management of Recruitment in the Australian Public Service which states that Human Management Resource literature suggests that direct recruitment costs typically amount to 15 to 25 per cent of the salary of the position being filled. In addition the report states that the indirect costs of staff turnover may be of a similar magnitude.

12. The saving relates to a 1 percent improvement in productivity due to reduced absenteeism. This estimate is based in the experience of other organisations who have recently collocated into improved office accommodation.

The organisations observed a significant reduction in absenteeism rates which resulted in an overall 2% increase in productivity. The 1% rate used for the ACT Government Office is considered to be conservative.

The first component of this figure relates to the reduction in sick days due to more healthy building. This is expected to account for 75% of the productivity benefit and

the ARUPs report specifically highlighted the health benefits of an underfloor displacement system.

The second component estimated to deliver 25 per cent of the productivity benefit relates to a reduction on unexplained absenteeism within the workforce due to improved workplace conditions / morale.

13. It is estimated that on average ACT Government employees take 10 personal leave days per annum. Each 0.5 per cent improvement in productive work equates to approximately 1 additional working day per annum.
 - a) 1 day per person per annum.
 - b) The calculation is based on 1% multiplied by the number of employees in the new building multiplied by average annual cost per FTE of \$112,000.
14. The 1% productivity saving from increased coordination was based on information received from a number of Australian organisations who had recently relocated dispersed work places into a new single location. The organisations observed a significant improvement in productivity due to increased coordination and interaction across work areas, estimated at between 2% to 3%.
15. The 1% productivity benefit for increased coordination relates to 20 minutes per day per employee for 22% of senior employees (manager and above) who meet with other agencies on a regular basis.
 - a) This figure is 20 minutes per person for senior managers (i.e., 22% of all employees) per day.
 - b) The calculation is based on 1% multiplied by the number of employees in the new building multiplied by average annual cost per FTE of \$112,000.
16. The 0.5% productivity saving from better technology utilisation was based on information received from a number of Australian organisations who had recently co-located. The organisations observed a significant improvement in productivity (estimated at over 1%) due to better utilisation of technology and office equipment made possible through the adoption of best practice technology use in their new building.
17. The 0.5% productivity benefit from technology utilisation equates to 2.25 minutes per day per employee. This equates to 1.05 days per employee per annum.
 - a) The calculation is 0.5% multiplied by the number of employees in the new building multiplied by average annual salary cost.
18. The 0.25% productivity saving from reduced interagency travel time reflects the amount of time currently spent travelling between buildings to attend meetings. The estimate of 0.25% was based on analysis of senior officers' diaries over a three month period. This indicated that on average 10 minutes was lost every day due to senior executive travel between agencies. Based on a senior manager workforce of approximately 11%, the 10 min per day loss of productive time due to travel equates to 0.25% lost productivity per annum.

19. The estimate of 0.25% productivity benefit from reduced travel time equates to 10 minutes per day for 11% of senior managers. In essence 11% of the workforce travelling 50 minutes per week.

a) The calculation is 0.25% multiplied by the number of employees in the new building multiplied by average annual salary cost of \$112,000.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 15.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-117)

ZED SESELJA MLA : To ask the Minister for Economic Development

Ref: Economic LDA, Budget Paper 4, page 491

In relation to : Dump Sites

1. Can you provide an update on what has been happening at the sites in the Molonglo North Weston Pond and Eastlake?
2. For the Eastlake development, will the Government be going ahead with this development – after it had committed to funding the relocation of the Canberra train station and approximately \$40 million to move an electricity substation?
 - a) This project is an ACT Government and CSIRO partnership, is the CSIRO still committed to this development?
 - b) What is the nature of this partnership?
 - c) Did the ACT Government not leverage off the expertise of the CSIRO with regards to the environmental conditions of this site?
3. Will the Government be proceeding with the North Weston Pond feature? How much will it cost to go ahead?
4. Molonglo's North Weston Pond involved 90,000 tonnes of toxic soil and Eastlake 600,000 cubic metres of toxic soil, what is the extent of the cleanup work at the Yarralumla Brickworks?
5. As these sites were established before self-government, what is the ACT Government doing to get the Federal Government to clean up these sites?
6. What has the ACT Government Solicitor initiated in the courts, and through its representations to the Commonwealth Grants Commission to seek compensation?

Andrew Barr MLA : The answer to the Member's question is as follows:–

It should be noted that this matter falls, for the most part, under the portfolio responsibilities of the Minister for Environment and Sustainable Development. To avoid wasting the Committee's time in seeking a redirection, I have provided the following response.

1. The Molonglo North Weston Ponds have been the subject of redesign for the purpose of recommencing work on this significant stormwater quality control pond. The 2011/12 budget provides an estimate for the additional construction costs.

A Planning and Design Framework with a range of sustainability indicators and performance measures continues to be prepared for East Lake, whilst at the same time the Government seeks to engage with the Federal Government about how it may contribute to remediation of a site that was used for land fill – principally building material – whilst under the control of Federal Government agencies. This largely non-hazardous material was discovered by ACTPLA during site investigations for the future development of the site.

2. Whilst the Government is yet to make a decision to proceed with development following the discovery of large quantities of contaminated material, urban infill in this location is still highly desirable and it is my expectation that ways will be found to deal with the site contamination in order to enable the project to proceed.
 - a) The partnership arrangement with the CSIRO was never a development arrangement, such as a joint venture partner, but rather as an exclusive research organisation.
 - b) As per response to a) above.
 - c) This is not an area of expertise that the CSIRO was engaged to participate in, nor did it form part of its partnership agreement. The CSIRO is not a contaminated site auditor. A range of expert consultancies were engaged through various tender processes to conduct the various site investigations needed for this site.
3. It is the Government's intention to proceed with this important piece of stormwater quality control infrastructure, however, this is still subject to final redesign and costs estimates being provided and agreed. At this stage \$22.6m has been forecast in addition to the \$20.8m originally budgeted.
4. The ACT Government has undertaken preliminary investigations into the presence of asbestos containing waste located in land on the western edge of the Yarralumla Brickworks. The exact quantum is unknown at this stage, however, based on investigations it is estimated to be in the vicinity of 500 cubic meters. The contaminated land is stable and not publically accessible. More detailed investigations will be undertaken prior to the proposed redevelopment of the site.
5. The former Chief Minister wrote to the Prime Minister seeking engagement of the Federal Government in helping remediate sites that have been contaminated whilst under the jurisdiction of the Federal Government.
6. The ACT Government Solicitor has not been instructed to commence any legal proceeding and has no role in dealing with the Commonwealth Grants Commission.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 18.6.11

By the Minister for Economic Development Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



ZED SESELJA MLA : To ask the Minister for Economic Development

Ref: Land Development Agency, Budget paper 3, Page number 134

In relation to : Land Release Program

1. How many residential blocks expected to be released in 2010-11 have actually been released?
2. How many of these released blocks were actually ready to be built on at the release date?
3. How many of these residential blocks in 2010-11 were sold to builders?
 - a) What is the split for each residential area?
4. Are there any mechanisms for industry to track the stage of development of residential blocks and target dates of when they are ready for development?
5. Are you aware of cases whereby people purchased a block of land but are not able to access the block up until 6 months later?
6. In the development at Molonglo, what is the percentage of new blocks that are under the Government's Land Rent Scheme?
 - a) What is the forgone revenue to the Government for not selling these blocks?
 - b) Are you aware of any
7. In the Molonglo development, are you aware of any blocks of land that were returned to the Government?
 - a) If yes, how many?
 - b) What is the value of these returns?
 - c) What are the reasons for these returns?
8. What is the total cost per year to clear land ready for release?
 - a) What is the cost per block?
 - b) What is the breakdown of these costs factors?
9. There is a significant increase in the LDA dividends from 2010-11 to 2011-12 due to 'a higher level of operating profit from the accelerated Land Release Program'

Why is there such a significant increase in the dividend from 2010-11 to 2011-12 when the indicative land release program numbers indicate more land to be released in 2010-11?

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

1. As at 21 June 2011, sites for 4,962 dwellings have been released. Advertising has commenced for the release of sites for a further 744 dwellings, which will be counted as released on the date of the relevant auction or block selection event in June 2011. In addition, during June 2011 the release of a number of other sites by the Forde and Crace joint ventures and by the LDA by public tenders will result in achievement of the residential land release target for 2010-11 of sites for 5,000 dwellings.
2. Dwelling sites have been released and serviced throughout the year. Over recent years, the land release program has approached a situation where the release numbers are approximately equivalent to the number of sites for dwellings for which servicing has been completed and dwelling construction can commence.

In relation to greenfield estates, released blocks are ready to be built on once asset acceptance for infrastructure has been received by the developer. In relation to multi-unit sites, "build ready" is often at the point of sale, noting the purchaser subsequently will need to obtain building approvals.

To date servicing has been completed and settlement achieved on sites for 1800 dwellings. Sites for a further 1105 dwellings have been serviced and are expected to settle this financial year. In addition sites for another 1025 dwellings were released on development ready land in 2010/11 and are scheduled to settle in the 2011/12 financial year. This figure does not include releases from Joint Venture estates.

3. These statistics are not maintained as land generally is balloted, auctioned and tendered through public processes and with some exceptions, for example related to contractual commitments arising from participation in a display village, sites are not sold exclusively for builders or developers. Multi-unit sites are generally sold to builders or developers through public processes, however other people or firms could and sometimes do participate in these public processes.
4. LDA sales contracts have settlement date ranges specified in the contracts. These dates are published with the individual sales releases. This provides a clear indication of when the blocks will be serviced and house construction could commence. Where the individual site is serviced at the time of release, this will be known to potential purchasers through the sales documents.
5. Yes, noting that other than the deposit, the balance of the purchase price is not payable until the block is serviced and therefore house construction can commence. This factor is made clear at the point of sale and identified in the land sale contract.
6. To date, 50% of the blocks which is equivalent to 35% of the dwellings that have been released in Molonglo have been exchanged on Land Rent contracts.
 - (a) The LDA receives revenue for selling land rent blocks and as a result revenue is not foregone.
 - (b) Response not provided - question incomplete.

7. There have been some instances where exchanged sales contracts have been rescinded and also where potential purchasers have not proceeded with land rent purchases. In no cases has this involved the return of blocks of land as sales processes have not been concluded and ownership of the land had not transferred from the ACT Government.
8. The Land Development Agency (LDA) and Economic Development Directorate do not hold any information on the costs to other agencies of activities to enable issue of the various necessary environmental and other clearances to enable land development and release to occur.
9. The LDA generally accounts for revenue on a settlement basis. The forecast level of settlements in 2011-12 is anticipated to be substantially higher than the expected outcome in 2010-11. As a result, the 2011-12 operating profit and dividends are forecast to be significantly higher than in 2010-11.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 22. 6. 11

By the Minister for Economic Development, Andrew Barr MLA

**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-119)

MR SESELJA MLA: To ask the Minister for Economic Development

Ref: Economic Development Directorate, BP4, page 588-598

In relation to: Government Office Building Financing

1. Given the Government's preference to borrow to fund this new building, how will this be funded?
 - a) Please detail the mechanism, interest rate, maturity, denominations and any other details that are relevant to this type of borrowing.
 - b) What will be the yearly interest payments for this borrowed amount?

Mr Andrew Barr MLA: The answer to the Member's question is as follows:

1. The premise of the question is incorrect. The Government has not indicated a preference to borrow for the new building. Budget estimates indicate that sufficient cash will be available to fund its construction.
 - a) Refer to answer 1 above.
 - b) Refer to answer 1 above.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:

Date: 17.6.11

By the Minister for Economic Development, Mr Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-120)

MR SESELJA MLA : To ask the Minister for Economic Development

Ref: Economic Development Directorate, BP4, page 588-598

In relation to : Office Vacancy Rates

1. A current CBRE Market View of Canberra's Property Market found that the vacancy rate for A Stock buildings to be 11% as at January 2011.
 - a) What guarantee can the Government give that the office vacancy rates will not be significantly high once the new Government Office Building is completed?
 - b) What impact do you expect the movement of 3,500 staff from leased premises to a new location will have on the office vacancy rate?
 - c) What impacts do you envisage the new Government Office Building to have on private sector investment in the ACT, particularly in terms of commercial property development?
 - d) Has there been any modeling completed for the above questions? If yes, please detail the findings.

MR BARR MLA: The answer to the Member's questions are as follows:-

- 1 The CBRE Market View states that the vacancy rate is 11% for A Grade buildings at January 2011, a reduction from 13.7% from the corresponding period of the previous year. The Knight Frank market overview of April 2011 states that 64,000 m² of A Grade office space was absorbed into the market in the year to January 2011, Further, the report states that whilst A Grade vacancy measures 11%, the vacancy is a much tighter 6.5% excluding the airport precinct. With little or no A Grade office space coming in to the market, it is likely that all A Grade space in Civic will be fully absorbed within the next 12 months.
 - a) The Government cannot make guarantees regarding vacancy rates that might occur market when the building is ready for occupation in 2017. This will depend on how much speculative development occurs and how much of the secondary market is withdrawn from the commercial office sector.

- b) The 3,500 staff currently earmarked for the new building come from a mix of owned and leased properties. The leased properties involved total a net lettable area of approximately 30,000m², of which 50% is in the CBD. It is not possible to forecast the effect of vacating this space on office vacancy rates in 2017.
- c) The ACT Government is not a major occupier of leased accommodation. It currently leases less than 2% of the leased property portfolio in Canberra and the development of the new building will only marginally affect this percentage, regardless of whether the building is owned or leased. The Commonwealth Government is the major occupier of leased office accommodation in Canberra, occupying over 50% of the market, and as such their policies relating to accommodation requirements have a large impact on private sector investment.
- d) There has been no modelling done with respect to the above questions.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.2011

By the Minister for Economic Development, Mr Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

Mr Seselja: To ask the Chief Minister

Ref: CMD, BP4, pg 33-34, Output Class 1


In relation to : Government Office Block Tenants

1. Please provide a list of agencies that will be moving into the Government Office Block and corresponding numbers of staff for each agency.
2. Please provide a list of all Shared Services roles and staff numbers currently at Eclipse House.
3. Please provide a list of all agencies, functions, and staff numbers currently at Nara House.

Ms Gallagher: The answer to the Member's questions are as follows:-

The information is contained in QON E11-88 asked of the Chief Minister.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 17.6.11

By the Chief Minister, Katy Gallagher



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-122)

ZED SESELJA MLA : To ask the Minister for Economic Development

Ref: Economic Development Directorate, BP4, pg588-598

In relation to : Government Office Block

1. Taking account of capital expenditure outlay, rent payments, fitout, removal costs and all other associated accommodation costs; please provide the overall financial impact the Government Office building will have in the years 2011-12 to 2016-17. Please provide a yearly breakdown.
2. Can you provide these figures again, taking account of debt financing and depreciation costs?

Zed Seselja MLA
23 May 2011

TREASURER: The answer to the Member's question is as follows:

1. The budget impact of each of the options is detailed in the Treasury Report – Government Office Accommodation – Budget Impact Analysis provided to the Committee on Monday 30 May 2011.
2. The budget impact analysis takes account of the cost of capital and depreciation under each scenario considered.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *K. Gallagher*
By the Treasurer, Ms Katy Gallagher

Date: 6.6.11



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-123)

MR SESELJA MLA : To ask the Minister for Economic Development

Ref: Economic Development, BP4, pg588-598

In relation to: Government Office Block Costs

1. What is the breakdown of the \$63 million that has been identified for costs including project management fees and contingencies?
2. What is the expected asset life of the building?
 - a) What are the expected depreciation costs per year?
 - b) What year will the building and fitout need a major refurbishment?
 - c) What are the expected costs of this refurbishment?
3. What will be the maintenance costs of the building per year?

MR BARR MLA: The answer to the Member's questions are as follows:–

1. The allowances for project management fees and project contingencies is \$32m, \$1.5 million in preliminaries and the cost for escalation in construction costs is \$29m.
2. While the building would be depreciated over a useful life of 40 years, consistent with accounting practice, the expected asset life would be far beyond this with appropriate maintenance and refurbishment.
 - a) The expected depreciation costs have been provided by ACT Treasury in the Budget Impact Analysis.
 - b) In the CBRE modelling a partial refurbishment of the new building is undertaken at year 15.
 - c) In the CBRE modelling an allowance of \$112 million after 15 years of occupation.
3. In the CBRE modelling an allowance of \$2.7 million in 2010 dollars per annum escalated is allowed for which will be confirmed through the DCOM tender process.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.2011

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-12

QUESTION ON NOTICE (E11-124)

MR SESELJA MLA : To ask the Minister for Economic Development

Ref: Economic Development, BP4, pg588-598

In relation to: Government Office Block Rent

1. Will the Directorates occupying space in the new Government Office pay rent?
 - a) If so, will this be a market based rent?
 - b) How does this rate compare to the rent paid in the offices currently occupied per agency?
 - c) Has the rent that will be paid in the new Government Office Block been factored into the total savings?

MR BARR MLA: The answer to the Member's questions is as follows:-

1. The current model for owned buildings is to charge agencies rent.

The member should note that charging rent for owned buildings is budget neutral. It is implemented to encourage efficient usage. Any charging regime applied will depend on the transaction costs and benefits of the arrangement.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.2011

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

ZED SESELJA MLA : To ask the Minister for Territory and Municipal Services

Ref: LAPS, Budget paper 4, page 589

In relation to : Government Rent

1. How much is the ACT Government paying for rent in total for the years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15?
2. What is the total rent paid per square meter of office space?
3. What is the total rent paid by each directorate for the years 2010-11 to 2014-15.

Can these numbers please be provided at a whole-of-directorate level and at by location for each directorate.

4. What are the building grades of all office space currently occupied by the ACT Public Service?
5. What is the breakdown of office grade per square meter occupied?

SIMON CORBELL MLA: The answer to the Member's question is as follows:-

Year	Actual	Estimate
2010-11	\$20.505m	
2011-12		\$23.793m
2012-13		\$22.571m
2013-14		\$20.248m
2014-15		\$19.236m

The estimates are based on rental commitments under existing subleases and licences and include rent and any storage and parking costs. Estimates have not been made for periods after individual subleases expire during the periods requested. All amounts are GST exclusive and are based on payments that have been or will be made by ACT

PLEASE NOTE

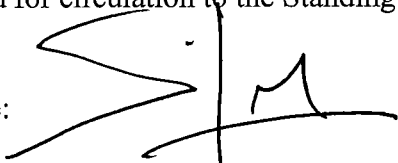
- 1: Answers to questions on notice must be lodged electronically and in hard copy with the Committee Office within 5 **working days** of receipt of the question.
- 2: Where an answer provides a referral to sources of information in published documents, the answer should include the exact name of the document, the author and agency publishing the document, the specific page numbers and an electronic link to the document.

Property Group to owners of non-government office space. The actual figure for 2010-11 is known as rents are always paid a month in advance.

2. The rent per square metre paid by ACT Property Group to owners of non-government office space in 2010-11 is \$384.
3. A break down by Directorate is not able to be provided as a formal allocation of space for each Directorate has not been made.
4. ACT Property Group considers that the owned office space is predominantly C and D grade accommodation. The leased office portfolio is considered to be B and C grade. The exceptions would be 11 Moore Street and a small tenancy at Brindabella Business Park which are both considered to be A grade.
5. Data is not available at this level.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:



Date:

28.6.11

By the Minister for Territory and Municipal Services, Mr Simon Corbell MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MR SESELJA MLA: To ask the Minister for Economic Development

Ref: Economic Development, BP4, pg588-598

In relation to : Government Office Block Reports

1. Of the 16 reports regarding the Government Office Block that were produced for the CMD and LAPS, please identify the report(s) and page(s) where the \$19.3 million in operational savings is mentioned.
2. Of the 16 reports regarding the Government Office Block that were produced for the CMD and LAPS, please identify the report(s) and page(s) where the \$15.2 million in Total Efficiency/Productivity Savings are mentioned.
3. How much will finance costs of the proposed building add to the project's overall cost per annum?
4. What does the Cox Financial Analysis report conclude about the five options considered?
 - a. Does the table on page 11 of that report refer to whole-of-life costs?
 - b. Does the table show a \$19.3m operational saving per annum? If not, what does it conclude about the net savings/costs of the various options over the life of the project and on a per annum basis?
5. What assumptions have been used by the Government regarding green energy in the cost modelling of the Government Office Block?
 - a. Please identify the report(s) and pages(s) that the Government has used in its calculations.

MR BARR MLA: The answers to the Member's questions are as follows:—

1. The financial analysis undertaken by CBRE is a 25 year net present value analysis from which it is not possible to derive annual savings. The annual savings calculated by the Economic Development Directorate cannot therefore be identified in the analysis.

The assumptions included in the 2009 financial analysis can be found in Appendix 1 of the CBRE report *Net Present Value Model Description* April 2009. The assumptions included in the 2010 financial analysis can be found in Appendix 2 of the CBRE Report *Cost Analysis* 20 October 2010.

2. Refer to answer 1.
3. Please refer to the Budget Impact Analysis which provides an estimate of the costs of finance. This however, does not imply that the project will be financed by borrowings.
4. The conclusion is on page 40 of the report which states that:
“the results of the financial modelling undertaken show that co-located offices for ACT Government agencies in a new building complex offers the lowest cost office accommodation option. However, the cost advantage is marginal given complexities involved in both modelling and estimating the future cost streams for office accommodation”.
This conclusion was based on cost modelling that did not include the significant workforce efficiency and productivity gains that could also be derived through co-location.
 - a. The table presents a Net Present Cost for each of the 5 scenarios based on a 25 year period.
 - b. Savings relating to rental, churn, improved utilisation and operating costs are embedded within the CBRE Financial Analysis.
5. At the time it was assumed that the ACT Government currently purchased 30% green power and will progressively move to 100% by the year 2016, in line with the commitment under the Parliamentary Agreement.

Refer to page 12 of CBRE report “Net Present Value Model Description”, April 2009. This report is presented at Appendix 1 to COX report “Financial Analysis”, May 2009.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 15. 6. 2011

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MR SESELJA MLA: To ask the Minister for Economic Development

Ref: Government Office Block Cost Savings Sheet

In relation to: Government Office Block Efficiency Savings

1. Of the 16 reports regarding the Government Office Block that were produced for the CMD and LAPS, please identify the report(s) and page(s) where the exact assumptions for the following are found:
 - a. 10% of Office consumable budget
 - b. 5% of IT Budget
 - c. 80% of local travel costs
 - d. Differential between current energy/water costs and that associated with larger 5 NABERS Government Office Building
 - e. 1% per annum (from 10% to 9%) = \$13,600 per person not lost
2. If not from the 16 reports, where were they extrapolated from?

MR BARR MLA: The answer to the Member's questions are as follows:—

Please refer to answers to QoN No. E11-090.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MR SESELJA MLA: To ask the Minister for Economic Development

Ref: Government Office Block Cost Savings Sheet

In relation to: Government Office Block Operational Savings

1. Of the 16 reports regarding the Government Office Block that were produced for the CMD and LAPS, please identify the report(s) and page(s) where the exact assumptions for the following are found:
 - a. Reduction/abolishment of rental payments on currently leased building
 - b. 1.2% workforce reduction (admin, shopfront services, security, facilities management, mail, etc) = 42 staff x \$110,000 = \$4.6m
 - c. Estimated at \$2m + per annum based on current Property Group costs over past five years
2. If not from the 16 reports, where were they extrapolated from?

MR BARR MLA: The answer to the Member's question is as follows:

Refer to answers to QoN No. E11 – 091.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE (E11-129)

MR SESELJA MLA: To ask the Minister for Economic Development

Ref: Government Office Block Cost Saving Sheet

In relation to: Government Office Block Productivity Savings

1. Of the 16 reports regarding the Government Office Block that were produced for the CMD and LAPS, please identify the report(s) and page(s) where the exact assumptions for the following are found:
 - a. 1% productivity benefit = estimated at 1 day per annum
 - b. 1% productivity benefit = 20 mins per day
 - c. 0.5% productivity benefit = 20 mins per day
 - d. 0.25% productivity benefit = 20 mins per day
2. If not from the 16 reports, where were they extrapolated from?

MR BARR MLA: The answer to the Member's question is as follows:

Refer to answers to E11-092.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.2011

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE



ZED SESELJA MLA : To ask the Minister for Economic Development

Ref: Land Development Agency, Budget paper 3, Page number 64

In relation to : Estimate Methodology

1. How are the forward year estimates of LDA dividends paid to Government calculated?

Please include assumptions, data and the source of the data.

2. Are these the same assumptions used to calculate the forward estimates of LDA goods and services sold and LDA land revenue figures?
3. If no, please detail how they are estimated.

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

1. The Land Development Agency (LDA) operates in the context of the National Tax Equivalent Regime and a 100 per cent dividend policy, whereby LDA's operating profit is paid to the ACT Government in totality as a combination of tax equivalents and dividends.

The LDA revenue estimates are derived from a detailed evaluation of the likely timing of settlement of sales contracts for land on the land release programs and sales price estimates derived from advice by external valuation firms, the application of the GST margin scheme and the exercise of professional judgement by the LDA Board and staff, in consultation with officers of ACT Treasury and the LDA's portfolio agency.

Expenditure estimates are based on forecast construction, consultancy, staffing and marketing costs for the development, release and sale of the land in the land release program.

It should be noted that for any Budget year, a significant proportion of costs and revenues are effectively already locked in through existing construction and consultancy contracts and exchanged sales contracts respectively.

It should also be noted that as detailed at Budget Paper 3, page 65, LDA's 'nominal' surplus is not fully recognised in the General Government Sector Net Operating Balance with proceeds from asset sales effectively treated as capital distributions.

The key assumptions underpinning the forward estimates are that the land on the land release program will sell in accordance with the estimated timeframe for the aggregate of the estimated prices and construction activities will be completed in the estimated timeframes.

2. Yes
3. Not applicable

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 12.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

ZED SESELJA MLA : To ask the Minister for Economic Development

Ref: Land Development Agency, Budget paper 4, Page number 493

In relation to : Financial Statements

Why does the LDA hold such high amounts in cash and cash equivalents?

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

The closing balance of cash and cash equivalents at the end of each period (financial year) includes funds that will be paid to the ACT Government in the following months for dividends and income tax equivalents in respect of that financial year's operations. In addition, payments for land are generally made 30 days in arrears with payments during July in any year being related to settlements of sales contracts in the preceding month.

LDA also maintains adequate cash reserves for working capital.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 12.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

Caroline Le Couteur : To ask the Minister for Economic Development

Table 4.2.2 Recurrent Initiatives Budget paper 3, page number 78 Economic Development Directorate

In relation to : University of Canberra Student accommodation

Can you clarify what the grant of \$6M over 9 years is to be spent on?

Mr Andrew Barr MLA: The answer to the Member's question is as follows:—

Financial assistance of \$6 million has been granted to the University to enable and support the ongoing provision of affordable accommodation of Wing 5 of Cameron Offices in Belconnen for approximately 210 student accommodation places.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:

Handwritten signature of Andrew Barr in cursive script.

Date: 28.6.11

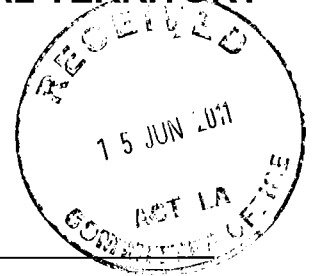
By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page numbers 128, 130,131, Land Development Agency

In relation to : Wright Outer Asset Protection Zone – Stromlo

I see that there are 2 sets of financing for ‘Wright Outer Asset Protection Zone – Stromlo Forest Park’ – what work is being done, and how does it fit with the proposed recreation strategy for the area?

MINISTER BARR MLA: The answer to the Member’s question is as follows:

As part of the planning for the Molonglo suburbs of Wright and Coombs, a requirement for a 400 metre- wide bushfire protection zone (Outer Asset Protection Zone) was identified to protect the suburbs from the possibility of bushfire ember attack. The zone includes 50 metres within the Uriarra Road reserve, and a 350 metre wide strip within the eastern boundary of Stromlo Forest Park.

Currently, the land is unable to be mowed due to its previous use as a pine plantation. The works will provide a mowable surface to allow for the control of fire fuel. Works will also include the selective thinning of existing trees within the zone to provide a clumped forest landscape. The southern part of the zone includes the site for the proposed Molonglo District Playing Fields. The funding will assist in the delivery of the first stage of this work through the preparation of the site for future construction.

The proposed works are consistent with the draft Stromlo Forest Park Master Plan and subsequent recreational planning for this part of the park. The landscape works will also deliver improved access to the park for the residents of Wright and Coombs, particularly with the new entry to the park under the John Gorton Drive bridge at the north-eastern corner of the site. This entry will link Stromlo Forest Park with the Molonglo Valley through cycle, pedestrian and equestrian trails.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 12.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

Ms Caroline Le Couteur MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 125, Government accommodation and Property Services

In relation to : accountability indicators – greenpower purchase

In the previous set of LAPS indicators, there was one which reflected the purchase of greenpower (p.589) – this is now not in the current indicators – is there a reason for this?

Mr Andrew Barr MLA: The answer to the Member's question is as follows:–

As stated in note 2 on p.589, this measure has transferred to the Territory and Municipal Services Directorate. It can be located in 2011/12 Budget Paper 4 on p.75.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:

Handwritten signature of Andrew Barr in cursive script.

Date: 28.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

Ms Caroline Le Couteur MLA: To ask the Minister for Economic Development

Ref: Economic Development, BP 4, p 125, Output 1.1

In relation to: Government's Building Energy Efficiency Program

1. Is Property Services managing the Government's Building Energy Efficiency Program?
2. How has the take-up been?
3. Has there been analysis of how much energy use has been reduced as a result of this fund?

Mr Andrew Barr MLA: The answer to the Member's question is as follows:—

- (1) Property Services is not managing the Government's Building Energy Efficiency Program. The Government's Resource Management Fund is being managed by the Environment and Sustainable Development Directorate
- (2) Refer to response to Question (1).
- (3) Refer to response to Question (1).

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: *29.6.11*

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA : To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 131, Land Development Agency

In relation to : John Gorton Drive Extension

1. \$34M has been put forward for the John Gorton Drive Extension to Molonglo 2 and the Group Centre. Has the alignment for the road now been finalised?
2. What advice has there been from the Federal Environment Department on the road alignment?
3. Could you please make this advice available?
4. How will this road enable Molonglo to be more sustainable than other Greenfield developments?

Andrew Barr MLA : The answer to the Member's question is as follows:—

1. The John Gorton Drive alignment to Molonglo 2 and the Group Centre has been defined and endorsed by the relevant Government agencies but its final alignment is still subject to the Commonwealth decision on the Strategic Assessment for Molonglo Valley.
2. Discussions with the Federal Department of Sustainability, Environment, Water, Population and Communities are still in progress. Significant changes to the road alignment have been made to minimise or eliminate impact on matters of national environmental significance under the Environment Protection and Biodiversity Conservation (EPBC) Act 1999.

3. The Department of Sustainability, Environment, Water, Population and Communities has not provided any formal written advice regarding the road alignment, as its consideration will be part of its formal assessment of the MNES Plan that the Government submits to the Federal Minister for his consideration.
4. The John Gorton Drive Extension to Molonglo 2 is consistent with the design philosophy embedded in the design concept for the entirety of this road.

This includes the provision for public transport lanes from an early stage of the development, on-road cycling and the network of off-road shared paths to facilitate the transport mode shift. The road corridor has been designed to accommodate an Inter-town Public Transport (IPT) route including a rapid bus transit or a light rail option.

In addition, the adopted road gradients are generally under 5% which are extremely challenging in very steep terrain, but will contribute to the carbon emission reduction. The road design adopts, as far as practicable, the latest water sensitive urban design approach which will contribute to meeting the regional targets for stormwater quality in Molonglo Valley.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 22.6.11

By the Minister for Economic Development Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA : To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 130, Business and Industry Development

In relation to: Canberra Business Event Centre Equipment

There is \$150,000 for Canberra Business Event Centre Equipment in this year's budget – what is this for?

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

The funds will be used to replace existing carpet; replace existing display computers; replace five in-roof projectors; installation of large screen and video conferencing equipment; replace existing audio equipment; replace existing refrigerator, installation of ice machine; purchase of portable conference chairs and tables; and remove and replacement Canberra promotional signage.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 12.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 128, Business and Industry Development

In relation to: Advisory Services Support for High Growth Firms

Is the funding for 'Advisory Services Support for High Growth Firms' related to the funding for the new and improved Canberra Business Point?

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

Yes. This initiative provides \$760,000 over four years for specialist advisory services to ACT firms and entrepreneurs by the Lighthouse Business Innovation Centre. Lighthouse will also receive \$280,000 per annum over four years separately through a Canberra BusinessPoint appropriation source.

Lighthouse is one of two co-deliverers of the Canberra BusinessPoint program. Canberra Business Council (CBC) delivers services to early-stage and intender businesses.

Lighthouse focuses on delivering specialist mentoring and advisory services to more established businesses with the capacity for accelerated growth.

The final form of the delivery arrangements will be subject to a contract negotiation with Lighthouse, which has now commenced. It is intended that contractual arrangements will be in place by the end of June 2011.

Services provided by Lighthouse include company preparation for venture financing, specialist training related to innovation and commercialisation strategy, support for the development of high level entrepreneur skills, business sustainability and company value realisation strategies.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 12.6.11

By the Minister for Economic Development, Andrew Barr MLA



QoN-11/76

A handwritten signature in black ink, appearing to be 'M. Barr'.

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

Caroline Le Couteur : To ask the Minister for Economic Development, Andrew Barr MLA

Ref: Land and Property Services, Budget paper 4, page number 128, Business and Industry Development

In relation to : Women's microcredit program

The women's microcredit program has been very successful – are there plans for the ACT Government to put additional funds into this project?

(Is this now funded through Capital Angels?)

Caroline Le Couteur MLA

24 May 2011

Minister Burch : The answer to the Member's question is as follows:-

As this question sits within my portfolio, I will provide the answer on behalf of the Minister for Economic Development.

The ACT Women's Micro-credit Program administered through the Lighthouse Innovation Business Centre has been very successful with 19 no interest loans approved since the program commenced on 12 March 2010. There are no plans to provide additional funding for this program at this stage.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature:

A handwritten signature in black ink, appearing to be 'Joy Burch'.

Date: 6.6.11

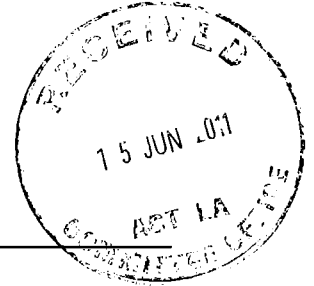
By the Minister for Community Services, Joy Burch MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 128, Business and Industry Development

In relation to : Innovation Connect (ICON)

I note the ongoing funding to ICON, and I would like to know whether any of this funding will be directed towards supporting:

- a business incubator,
- a demonstration site for new businesses,
- further funding for Lighthouse?

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

The ongoing funding for ICON will not be directed towards a business incubator, a demonstration site for new businesses or further funding for Lighthouse. The initiative will provide grant funding in the \$5,000 to \$50,000 range to support the development of innovation/commercialization skills in young companies and grant funding for proof of concept support and related projects.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 12.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE

Caroline Le Couteur:

Ref: Land and Property Services, Budget paper 4, page number 44, Business and Industry Development

In relation to : Seamless National Economy

1. What is the funding for 'Seamless National Economy – Business Online Services'?
2. Why is the funding coming into CMD, not into the Economic Development Directorate?

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

1. The funding relates to the ACT's implementation of the Business Online Services (BOS) Project. The BOS Project will improve ongoing online interaction between governments and business via the Australian Business Account (ABA) and introduce a new whole of government online service to deliver tailored information to businesses about their regulatory requirements such as licences, registrations and permits. This service will be known as the Australian Business Licence and Information Service (ABLIS). ABLIS will replace the nine separate services currently delivered by the Commonwealth, State and Territory governments with one service. This service will replace the ACT Business Licence Information System.

The BOS Project is a component of the Council of Australian Governments national partnership agreement to deliver a Seamless National Economy and to reduce the regulatory burden on business.

2. Prior to the Administrative Arrangements dated 17 May 2011, the funding for the Seamless National Economy – Business Online Services was appropriated to the Chief Minister's Department.

PLEASE NOTE

- 1: Answers to questions on notice must be lodged electronically and in hard copy with the Committee Office within **5 working days** of receipt of the question.
- 2: Where an answer provides a referral to sources of information in published documents, the answer should include the exact name of the document, the author and agency publishing the document, the specific page numbers and an electronic link to the document.

As a result of the Administrative Arrangements this function transferred to the Economic Development Directorate (EDD), and the funding associated with the function was also transferred as part of a net transfer of funding to EDD – refer to Budget paper 4, page number 45, 2011-12 Budget Technical Adjustments.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 27.7.10

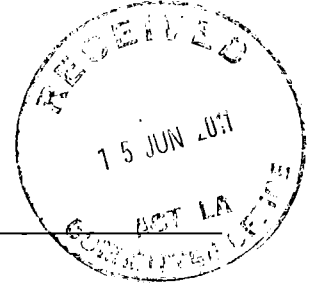
By the Treasurer, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 42, Business and Industry Development

In relation to : National Investment Board (indicator e, note 7)

1. What does the National Investment Australia Board do?
2. What role does the ACT have on the National Investment Australia Board?

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

1. The Board meets twice yearly to focus on key investment issues, including the identification of state and national sector investment priorities. The advisory board progresses joint Commonwealth-State resourcing protocols in relation to state funded investment facilitation positions offshore. Key information sharing and lead generation systems, including the national investment pipeline are also examined.
2. The ACT is a member of the Board, as is each other State and Territory.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 14.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

ANSWER TO QUESTION ON NOTICE (No.E11-143)

CAROLINE LE COUTEUR: To ask the Minister for Economic Development

Reference: Land and Property Services, Budget paper 4, page number 42, Business and Industry Development

In relation to : ACT skills summit

1. Could you please tell us more about the ACT skills summit noted on p. 42 (indicator d):
 - a. What is the purpose of the event?
 - b. When will it be held?
 - c. Who will be invited to attend?
 - d. Will there be just an ACT focus, or will there also be a regional approach?
 - e. Is the demographer in CMD being asked to be involved in the summit at any level?
2. Are you aware that there is a shortage of Building Certifiers with many of them reaching retirement. What succession planning has taken place?
 - a. How will the skills summit address this shortage?

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

1.
 - a. In April of this year the ACT Skills Symposium was convened to take a closer look at the current and future skills landscape and to focus on, and develop a shared understanding of, skills and workforce development issues across the economy.
 - b. The Skills Symposium was held on Thursday 14 April 2011.
 - c. 100 people attended the Symposium including key stakeholders from business, community, government and educational providers.

- d. The discussion on the day focused mostly on skills issues in the ACT context but regional influences were discussed and representatives from Regional Development Australia (ACT) also participated in the Symposium.
- e. The program for the Symposium included a presentation on related demographic issues by CMD Policy Division which has carriage of demographic research for the ACT Government.

2.

- a. The ACT currently has 61 individually licensed private building certifiers, which is the highest number since private certification was introduced in 1999. It is important to note that the growth in the number of licensed building certifiers has increased in line with the growth of the construction industry over this period.

While it is recognised that a number of private certifiers will be reaching retirement age over the next few years firms have in place internal mechanisms for the training of and recruitment of building certifiers as part of their succession planning within their broader business planning.

The Skills Symposium addressed a number of issues related to skills shortages in the construction industry which will be progressed through further discussions with sector representatives. The specific matter of building certifiers was not raised at the Symposium.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 29.6.11

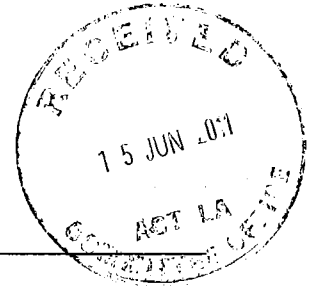
By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 131, Land Development Agency

In relation to : land release capital works

1. Could you please elaborate on what the LDA's role in land release capital works is, as opposed to TAMs' role?
2. And how does the need for the LDA to make a commercial return affect this?

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

1. LDA delivers infrastructure works within any estate it is developing. TAMs' role is limited to asset acceptance.
2. LDA's commercial return is built on works within the development area, which does not include funded capital works.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 12.6.11

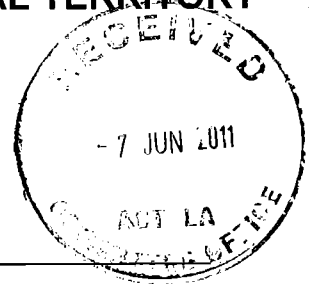
By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE



Caroline Le Couteur MLA : To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 131, Land Development Agency

In relation to : Molonglo water infrastructure

1. \$10M has been put forward for Stage 1 water supply, trunk sewer and stormwater infrastructure – could you please tell us how water infrastructure in Molonglo Stage 2 will be more sustainable than other Greenfield developments?

Andrew Barr MLA : The answer to the Member's question is as follows:-

1. A key sustainability feature of Molonglo Stage 2 and the associated water infrastructure is that it will make use of existing infrastructure nearby thus reducing the extent and cost of new trunk infrastructure. This is especially the case for water supply and sewers where the development will make use of spare capacity in the existing water supply and trunk wastewater pipelines nearby.

Water quality ponds being designed will meet the Water Sensitive Urban Design (WSUD) targets contained in the Government's WSUD Policy for new development areas. These ponds will protect the water quality within the Molonglo River and Murrumbidgee River downstream and will also provide for public amenity and habitat creation immediately adjacent to residential areas.

The ponds will also serve a recreational and public educational role in urban water management. Stormwater harvesting from the larger ponds is also allowed for either initially or in the future. The location of all water and other infrastructure has taken into account the location and needs of protected species to a greater extent than has been the case in the past. In particular, the location of facilities will minimise impacts on Pink Tailed Worm Lizard habitat and Box Gum Woodland communities.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 6.6.2011

By the Minister for Economic Development Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MS LE COUTEUR MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 131, output class 1.1 Major project facilitation.

In relation to: Government office building cost analysis

ACT Government Office Building Cost Analysis 20 October 2010, Page 4.

1. Why didn't the CBRE financial analysis include an analysis of:
 - a. Leased accommodation of comparable size and environmental ratings in the city?
Or
 - b. Purchase of existing building and modification? Or
 - c. A combination?

MR BARR MLA: The answers to the Member's questions are as follows:—

1. The CBRE Financial Analysis dated April 2009 included for a comparison with leased accommodation in the city (scenario 2), and upgrading existing buildings (scenario 4).
 - a. The CBRE updated Financial Analysis dated October 2010 did not include an analysis of leased accommodation because the April 2009 analysis showed no advantage for this option. The recommendation of the Market Sounding process was that Government ownership would provide the best value for money for the Territory.
 - b. Following the CBRE Financial Analysis of October 2010, a study was undertaken of the Finlay Crisp Offices at 1 Constitution Ave to assess whether it would be feasible or possible to adapt the campus of B grade buildings to accommodate the requirements of Government. The conclusion was that the buildings are seriously compromised and that even with major structural modifications the result could not achieve the outcomes of the new building. It must be noted that this building is privately owned and the ACT Government has leased Nara House until 2020.

- c. The member should note that Scenario 1 of the CBRE Cost Analysis includes a combination of the Government Office Complex and leasing generic space of around 14,000m².

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date:

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MS LE COUTEUR: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 128, output class 1.1 Major project facilitation

In relation to : Gungahlin government office building

1. What exactly will the feasibility study entail?
 - a. Will it include examination of:
 - Where Gungahlin people work?
 - Transport patterns of Gungahlin residents?
 - Types of employment/ occupations of residents?
 - What kind of services to offer in Gungahlin?

MR BARR MLA: The answer to the Member's questions are as follows:—

1. The proposed government office at Gungahlin is subject to a feasibility study that has budget funding of \$150,000 for 2011-12. The study will investigate which ACT Government agencies are the most appropriate to be relocated to Gungahlin, including the provision of Canberra Connect shopfront services, the costs associated with the relocation of staff, the impact that such relocation might have on staff, and the consequences resulting from vacating existing office spaces.
 - a. The criteria used in determining the staff composition for the proposed government office at Gungahlin will be developed during the feasibility study.

The feasibility study will draw upon existing research as to the working patterns of Gungahlin residents and take in to consideration proximity to services and transport hubs.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.2011

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MS LE COUTEUR MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 131, output class 1.1 Major project facilitation

In relation to : Government Office Building

The Chief Minister indicated in Treasury estimates that the expected 1% productivity improvement had not been included in the financial cost analysis for the building.

Page 97 of COX DEGW's report states, "Productivity figures have a significant impact on the Net Present Value assessment. As soon as a 1% productivity improvement was included the Net Zero Carbon NPV was found to be reduced by 13% (when compared against 0% productivity).

The COX DEGW report would seem to contradict the statement of the Chief Minister at Treasury Estimates. Could you please clarify what financial impact the productivity improvement of 1% has on the financial analysis and whether it has actually been included?

MR BARR MLA: The answer to the Member's questions are as follows:—

The reference to the 1% productivity improvement on Page 97 of the Statement of Requirements refers to an assessment undertaken by ARUP of a number of design strategies and relates to productivity improvements resulting from improved environmental air quality.

The financial analysis undertaken by CBRE reported in May 2009 states that "*the primary focus of the model is the calculation of operating and capital costs associated with the property portfolio. As an adjunct however the capacity to estimate people costs (in terms of salary or related savings) has been provided.*" (P27)

On Page 29 there is an analysis of the findings related to people costs which notes: "*It is recognised that the basis for these people costs is subjective and so they have been kept separate from the primary part of the model.*"

The impact on the net present values of the various scenarios once the people cost savings are taken into account are then reported.

Productivity savings have not been included in the Budget Impact Analysis, however have appropriately been included in the CBRE modelling as noted above. This recognises the different purposes of the two types of analysis.

There is therefore no conflict between the Chief Minister's statement and the financial analysis.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: 

Date: 15.6.11

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MS LE COUTEUR MLA: To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 131, output class 1.1 Major project facilitation

In relation to : Government office building art component

The Statement of Requirements in the ACT Government Office Statement of Requirements Prepared for ACT Chief Minister's Department Version 12: 4 May 2009 – COX DEG W states that "the budget necessary for the commissioning, acquisition and installation of the project's public art component to ensure the program is capable of having a significant presence within the scale and complexity of the ACT Government Office project is recommended to be 1% of the total project cost, as estimated and revised at each project milestone including this Statement of Requirements and at pre-tender stage."

Does the projected cost for the new office building include a 1% allocation for public art (approximately \$4.3 Million)? If not, is the Government intending on providing additional and separate funding for public art?

MR BARR MLA: The answer to the Member's questions are as follows:—

There is an allowance of \$0.5m for public art in a base building cost of \$281m. This sum is an allowance and is subject to refinement during the Functional Design Briefing phase of the project.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.2011

By the Minister for Economic Development, Andrew Barr MLA



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2011-2012

QUESTION ON NOTICE

MS LE COUTEUR MLA : To ask the Minister for Economic Development

Ref: Land and Property Services, Budget paper 4, page number 131, output class 1.1 Major project facilitation

In relation to : Government office building records management and IT requirements

The Statement of Requirements in the report ACT Government Office Statement of Requirements, Prepared for ACT Chief Minister's Department Version 12: 4 May 2009 – COX DEGW, states that, "for the new workplace to achieve the project objectives established in Section 2, a parallel information technology program must be developed and implemented.the IT program should incorporate the following initiatives:

- Coordinate IT and Infrastructure across the whole of ACT Government;
- Develop an effective records management system;
- Centralise and enhance building security; and
- Provide access to wireless networks.

Key tasks are to:

- Develop workflow processing tools (e.g. Customer Relationship Management (CRM), case management, brand management, processing licensing);
- Create a single intranet that operates on a whole of government basis;
- Offer common tools for the whole of government, expanding the current infrastructure of a single network, single email system and common log ons to include the telephone system and hardware infrastructure (computers, phones, hand held devices etc) that can be managed centrally;
- Rebrand the ACT Government as one integrated unit rather than separate departmental entities, including a single virtual point of entry for all departments and agencies;
- Provide collaborative technologies, such as the ability to book rooms and resources that can be used throughout the campus and even when off-site;

- Provide presencing technology – virtual technology that allows colleagues to know when a particular person is available to communicate, regardless of location;
- Enable mobility, reduce the pressures on office accommodation and parking and accommodating growth in staff numbers by supporting working from outside of the office building.”

Questions:

- How will a new building allow for development of an effective records management system? It will still not be possible to have one consistent records management system given that ACT Health, Education etc will have staff located away from the building and that Shared Services will be located elsewhere. If an effective records management system is a priority why can't it be undertaken under existing arrangements?
- Government Directorates will still retain their own separate identity even after the move into the new office building, so how will savings be achieved?
- How is a single intranet site not feasible now? If it is not feasible under existing arrangements, then how would this be so in a new office building environment given that staff from Health, Education, JACS etc will still be accommodated elsewhere?
- Government already has a common email system so how would this be a task for the new office building?
- Why can't common tools for whole of government be provided now and where have the costs of introducing this been included in the building costs?
- Why couldn't presencing technology be introduced under current arrangements?
- If we are constructing a new building to locate all administrative/policy staff together then why would we need to support staff to work outside of the office building? Doesn't this defeat the purpose of the new building and indicate that there will not be sufficient space to house the employees expected to move to the new premises?
- What are the total costs of the upgraded information technology platforms (including records management)?
- Where have we included the costs for the disposal of existing information technology platforms etc in current office buildings?

MR BARR MLA : The answer to the Member's questions are as follows:–

The Statement of Requirements of May 2009 identifies a number of issues relating to IT platforms and systems and outlines initiatives to improve IT infrastructure on a whole of government basis.

The project team has undertaken a number of workshops with the staff of INTACT, the first to inform the Statement of Requirements which is reflected in Section 10 of that document.

The second workshop was undertaken in June 2010 to address more specific initiatives as they relate to the new building and will inform the specification for the Functional Design Brief which is currently in development. Specific issues include:

- reducing the cost of churn through standardising ICT infrastructure,
- supporting mobility through the building through wireless technology,
- facilitating higher tiers of security eg COAG requirements,
- moving away from paper based records management in to electronic records management systems,
- creating systems and tools which will drive the ACT Government towards knowledge management as distinct from information technology,
- simpler migration to a new common ICT system in the new building as it houses administrative functions that have less specialised systems than operational groups such as Health and Education.

The ICT issues raised by the member apply to a whole of government strategy which includes the new government office. ACT Treasury is currently undertaking a whole of government ICT Strategic Plan, and the matters raised in this Question on Notice will be addressed as part of this work.

Approved for circulation to the Standing Committee on Estimates 2011-2012

Signature: *Andrew Barr*

Date: 15.6.11

By the Minister for Economic Development, Andrew Barr MLA