

Report on Annual & Financial Reports 2001-2002

Report No 3

Standing Committee on Public Accounts

February 2003

Legislative Assembly for the Australian Capital Territory



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Standing Committee on Public Accounts

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Resolution of appointment

On 11 December 2001 the Legislative Assembly agreed to the following resolution.

(1) The following general purpose standing committees be established and each committee to inquire into and report on matters referred to it by the Assembly or matters that are considered by the committee to be of concern to the community:

(a) a Standing Committee on Public Accounts to:

(i) examine:

(A) the accounts of the receipts and expenditure of the Australian Capital Territory;

(B) the financial affairs of authorities of the Australian Capital Territory; and

(C) all reports of the Auditor-General which have been presented to the Assembly;

(ii) report to the Assembly, with such comments as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Assembly should be directed;

(iii) inquire into any question in connection with the public accounts which is referred to it by the Assembly and to report to the Assembly on that question; and

(iv) examine matters relating to economic and business development, small business, tourism, market and regulatory reform, public sector management, taxation and revenue and sustainability.

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Summary of recommendations

2.12. The committee recommends that, in future, this information be provided on the basis of the area managing the consultancy or contract, not alphabetically by supplier, and that the total value of contracts and consultancies managed by each output category be provided.

2.15. The committee recommends that, where the Annual Report reports by sub-categories of output classes, the financial statements present revenue and expenditure statements for those sub-categories.

2.16. The committee recommends that the total amount expended on individual consultancies and contracts below the reporting limit be reported by output category be included in the report.

2.22. The committee recommends that the Auditor General's proposal for the layout of financial statements to use a 'net costs of outputs' presentation be adopted.

2.41. The committee recommends that the Chief Minister's Directions be amended to include requirements:

that annual reports have internal cross referencing between the text and any related appendices and the relevant part of the financial statements;

that departmental annual reports, where relevant, refer the reader to separate agency reports; and

that alphabetical indexes refer to financial statements and appendices containing substantive information about an agencies performance.

2.42 The committee also recommends that departments and agencies be reminded of the requirements of the Chief Minister's Directions to limit descriptions of activities and focus '...on achievements of objectives and results...'

2.46. The committee recommends that agencies should look at the purpose, and use being made, of their annual reports and remove the content that would be better included in an promotional brochure or handbook produced for that clear purpose.

3.9. The committee recommends that the Commissioner for Public Administration consider the option of producing an annual report as a separate document from the State of the Service report.

1. Introduction

1.1. The Annual Reports of all ACT Government agencies are referred to the Standing Committees of the ACT Legislative Assembly for examination and report. This committee's report considers both the general compliance of the annual reports with the reporting directions issued by the ACT executive and the legislative requirements with regard to reporting and specific issues raised in the reports.

1.2. The Annual reports referred to this committee are:

- ACT Cleaning Industry Long Service Leave Board
- ACT Construction Industry Long Service Leave Board
- ACT Gambling and Racing Commission.
- ACT Government Procurement Board
- ACT Insurance Authority
- ACTEW Corporation
- ACTTAB
- Australian International Hotel School
- Canberra Tourism and Events Corporation
- Chief Minister's Department
- Commissioner for Occupational Health and Safety
- Commissioner for Public Administration
- Exhibition Park in Canberra
- Independent Competition and Regulatory Commission
- Stadiums Authority
- Totalcare Industries
- Treasury Department

1.3. The committee considered the reports at public hearings on Friday 22 November and Wednesday 27 November 2002.

2. Presentation of Information

2.1. Accountability of the executive to the Legislative Assembly (and to the public) is a key principle of our system of government. For that process to work effectively executive agencies must accept that responsibility and take it seriously. They must also provide material to the Assembly and the public which is accessible.

2.2. Annual reports are essential accountability documents. An annual report is a report by an agency to the responsible minister on the operations of that agency. The *Chief Minister's Annual Reports Directions* (May 2002) make it clear that '... the report should link the outputs described in detail ... with the achievement of Government outcomes', and 'Descriptions of activities should be limited, focusing instead on achievements of objectives and results and the impact of the agency's activities ...'.¹

2.3. In practice, annual reports have far too much narrative. They are often records of activity and aspiration not of actual achievement. In addition, all too often, their content and layout does not provide a ready and comprehensible description of what a department or agency has done in the previous financial year.

2.4. The annual Report of the Chief Minister's Department comes in two volumes. Volume 1 describes the functions of the department, reports on activity, describes the resources used and provides information required by statute. There are also appendices listing membership of boards and committees, service purchasing and community grants, community consultation, etc. Volume 2 contains the department's financial statements and supporting notes.

2.5. This committee looked at the Chief Minister's Department, output class 1.1 – Public Service Management – as a case study to measure the usefulness of the documentation provided. Public service management is important. It provides an insight into the cost of providing services, the quality of the public service and the objectives of that service.

2.6. It should also enable the Assembly or any other interested party to examine questions such as the impact of contracting out of services on the skills base of that service and, more generally, what sort of public service do we have? Is it a provider of services or a purchaser of services? Does it have the expertise to manage the contracts for the purchase of services? How is it facing up to issues such as the ageing population, the retirement of the 'baby boomers' and its long term superannuation liabilities?

2.7. A summary of activity under the heading of Public Service Management appears on page 13 to 17 of volume 1 of the Annual report. It is largely descriptive and does not discuss issues in any depth. For example, the reader is told on page 15 that a '... review of the ACT Public Service Graduate Program was completed in

¹ *Chief Minister's Annual Reports Directions* (May 2002), p.14

September 2001' and that many recommendations of the review have been implemented and more will be implemented in 2003.

2.8. There is no indication of what the review found and what that might tell the reader about the state of graduate recruitment into the public service. Nor is there any effort to link the review to an outcome. Does the public service have a target for graduate recruitment or retention? To what extent did the review and the implementation of its recommendations contribute to achieving those targets?

2.9. On page 17 the reader will find reference to the *State of the Service Report* produced by the Commissioner for Public Administration. This is a totally separate document presented to the Chief Minister and tabled in the Assembly. It does discuss issues with regard to graduate and other recruitment but again it is largely descriptive. Under the heading *Workforce Planning* it identifies areas of concern in general terms and describes strategies to address recruitment issues. However there is no indication of the size of the problem or the impact of remedial measures.

2.10. To return to the annual report of the Chief Minister's Department, information on matters relevant to Public Service Management is to be found in various places throughout the report. However insufficient detail is provided to enable the reader to identify whether activities or initiatives described are actually part of output 1.1.

2.11. Pages 76 to 82 provide lists of consultancies and contractual services purchased by the Department. These are presented alphabetically by the name of the service provider. Neither list provides a total for the services purchased by the Public Sector Management and Labour Policy Group. Nor do they enable the reader to ascertain easily the total value and type of services being purchased by individual units or groups including the Public Sector Management and Labour Policy Group.

2.12. The committee recommends that, in future, this information be provided on the basis of the area managing the consultancy or contract, not alphabetically by supplier, and that the total value of contracts and consultancies managed by each output category be provided.

2.13. It is important, in assessing the performance and the role of an area to be able to ascertain what proportion of the services it provides or consumes is provided internally and what proportion is purchased externally. The capacity of units within the public sector to manage the contractual arrangements for which they are responsible is a recurring issue. If a very high proportion of services is purchased externally questions inevitably arise about the in-house capabilities of a unit to provide policy advice, manage the contracts or assess the outcomes, value and quality of the service provided.

2.14. The total value of consultancies and contracts managed by the Public Sector Management and Labour Policy Group is \$828 624.² Unfortunately the committee is not able to identify what proportion of the total administrative expenses of Output category 1.1 this represents since the administrative expenses are presented as a

² Total of costs identified on pages 76 to 82 of volume one of the Annual Report 2001-2002 of the Chief Minister's Department.

consolidated figure for the whole of output category 1, which includes two other units.

2.15. The committee recommends that, where the Annual Report reports by sub-categories of output classes, the financial statements present revenue and expenditure statements for those sub-categories.

2.16. In passing the committee draws attention to the lower limits of \$5 000 and \$15 000 for consultancies and contracts respectively below which they need not be listed. While the committee does not wish to identify each of these small purchases individually it **recommends that the total amount expended on individual consultancies and contracts below the reporting limit be reported by output category be included in the report.**

Auditor General's comments

2.17. The committee has also been considering the 7th report of the ACT Auditor General³ and will report on that consideration separately. However there is one matter of immediate relevance to the consideration of annual reports.

2.18. The Auditor comments that:

... the presentation of the Statements of Financial Performance of agencies whose primary objective is to deliver outputs rather than make profits, would be significantly improved by using the 'Net cost of outputs' format.

2.19. This would have the effect of removing government payments for outputs from the "Revenue" of agencies and presenting it as a separate item properly identified as government contributions. There are two advantages in this

- By offsetting the revenue generated by an agency against the expenditure, i.e. the actual cost of the services it provided there would be net cost of outputs figure readily available to the reader; and
- The amount of the government contributions would be clearly identified as such and not included as 'revenue', giving a much clearer picture of the amount the government was actually paying for the services provided.

2.20. The CTEC report (see below) and the Stadiums Authority Annual Reports are excellent illustrations of this problem. The latter report, at page 24 shows an operating profit of \$679 000 on revenue of \$5 849 000. Payments from the ACT government totalled \$3 647 000, or 62% of 'revenue'.

2.20. It would be a much clearer statement of the Canberra Stadium's financial performance if revenue was identified as \$2 202 000, expenses as \$5 170 000. The role of the ACT government's payment in subsidising a significant operating loss would then be clear.

³ ACT Auditor General, *Report No 7, 2002 - Financial Audits with years ending to 30 June 2002* (Canberra 2002)

2.21. An added benefit of this approach is that the two key figures – net cost of outputs and government contributions – are easily presented over time, allowing the reader to gain a much clearer picture of movements in this figures over time.

2.22. The committee recommends that the Auditor General’s proposal for the layout of financial statements to use a ‘net costs of outputs’ presentation be adopted.

Layout of annual reports

2.23. The committee found it difficult to navigate its way round the report of the Chief Minister’s Department. The lack of uniformity in the way in which information was presented between the two volumes is not helpful. We have mentioned above activity reporting by sub-categories in volume 1 and financial reporting by output class in volume two.

2.24. There is no cross-referencing between the text of volume 1 and its appendices. Nor is there any systematic referencing in volume 1 to the financial statements in volume 2. The utility of volume 2 is not improved by three different sets of page numbering on the early pages and then no numbering at all for the actual departmental Financial Statements which comprise 75% of volume 2.

2.25. More generally, reporting by output class does not enable the reader to find the costs of specific programs or activities. For example, the ACT Academy of Sport is presumably a discrete and identifiable institution. Its activities are reported on in volume one of the Annual report at pages 57 to 59. However the costs of operating the Academy are subsumed into Output class six.

2.26. The committee is not questioning the quality of the services provided by the Academy but should it wish to pursue any issues in relation to the Academy or compare its costs with other educational institutions or similar institutions interstate the Annual Report would be no help.

2.27. A reader wishing to pursue the government’s involvement with the Canberra Tourism and Events Corporation, and the V8 car race particularly, would find the report unhelpful. The index will direct the reader to page 97, which provides the membership of the board. The assiduous reader will find in output 3.1, Office of Business and Tourism, on page 45, an acknowledgement that the Office ‘...monitors the provision of tourism services from the Canberra Tourism and Events Corporation’ (CTEC).

2.28. At page 113, in an unnumbered appendix, the obsessive reader might discover that, in fact, the Office of Business and Tourism purchased \$16 584 000 of services from CTEC for activities including the car race, the rally of Canberra and Floriade.

2.29. The committee finds the use of the word ‘monitor’ to be an inadequate description of the purchase of more than \$16m of services from CTEC. The payment to CTEC represents 60% of the expenditure under output class 3 - Economic Development, Business & Tourism – on Grants and Purchased Services and 53% of

the total for Grants and Purchased Services for the whole Chief Minister's Department.

2.30. In fact the reader must go to the CTEC annual report to find details of public expenditure on the V8 race. Where a public agency such as CTEC is attached to a department, receives a significant proportion of its funding through that department and presents its own annual report to the Minister then it is reasonable to expect the annual report of the department to direct the reader to the annual report of the agency.

2.31. Annual reports should present a balanced overview of an agency's performance against its objectives. Unfortunately too many reports are promotional documents. While the ones under review by this committee are not bad examples of the *genre* there is a large measure of Panglossian 'everything is for the best' in their reporting.⁴

2.32. CTEC's reporting of the V8 car race is an excellent example. The innocent reader would believe that the event was a triumph. The organisation was impeccable and promotion was comprehensive and successful. Total attendance of 85 000 in a city of 320 000 sounds good. Eighty-four percent of attendees were satisfied or very satisfied. Industry and community participation was extensive. The economic benefit to the ACT was \$2.7 million.⁵

2.33. After two and a half pages of good news the report concludes with a brief statement that '... in the face of the significant reduction in crowd figures [and] the increasing cost of hosting the event ...' the contract had been terminated.

2.34. A reader seeking more information must go to note 15 – Events, at page 76 (no cross-reference) in the financial statements where he or she will be directed to the supplementary statements (no cross-reference) at page 95. Only at this point does the reader find that the operating result of the 2002 event was a loss of \$7.3m which, after a government contribution of \$7.15m, was reduced to a loss of \$164 000.

2.35. Unfortunately even the index was wrong. While it leads the reader through the text of the report adequately it has an incorrect reference to the financial statements and no reference at all to the supplementary statement where the actual financial position of the event is to be found.

2.36. In summary, although CTEC may have performed well in the actual organisation of the event, the overall commercial context was one of a considerable, and accumulating, financial loss, underwritten by a public subsidy which the government considered unsupportable. The reader would have to persist in his or her efforts to discover this.

2.37. In the Chief Minister's Department annual report at page 41 there is a description of the ACT's involvement in the National Information Communications Technology Australia (NICTA). The committee has no criticism of this initiative.

⁴ Voltaire, *Candide*, Master Pangloss, "It is demonstrable that things cannot be otherwise than as they are; for as all things have been created for some end they must necessarily be created for the best end."

⁵ Canberra Tourism and Events Corporation, *Annual Report 2001-2002*, pages 23-25.

However the way it is presented in the annual report is questionable. An annual report is a report against objectives for the financial year.

2.38. The reader is told that the project will receive approximately \$125m of Commonwealth funding over five years. There is no indication of what the ACT government's contribution to the project will be. Nor is there any detail of what proportion of the Commonwealth's contribution will come to the ACT – the organisation's headquarters will be in Sydney. The reader is then provided with estimates of the number of researchers, students and support staff and some speculation on expected benefits to the region.

2.39. In terms of reporting against objectives in the financial year 2001-2002 this is virtually useless. It is, unfortunately, typical of the section of the CMD annual report dealing with the Office of Business and Tourism which reads like a promotional brochure rather than a report against clear objectives.

2.40. The committee does not wish to go through every report before it in this sort of detail. The examples above should be sufficient to suggest that annual reports have serious shortcomings as usable accountability documents.

2.41. The committee recommends that the Chief Minister's Directions be amended to include requirements:

that annual reports have internal cross referencing between the text and any related appendices and the relevant part of the financial statements;

that departmental annual reports, where relevant, refer the reader to separate agency reports; and

that alphabetical indexes refer to financial statements and appendices containing substantive information about an agencies performance.

2.42. The committee also recommends that departments and agencies be reminded of the requirements of the Chief Minister's Directions to limit descriptions of activities and focus '...on achievements of objectives and results...'

2.43. The committee notes that the Chief Minister's Directions require certain standards with regard to printing and publication. Those standards are aimed at avoiding unnecessary expenditure on the production of reports. Among the requirements are that 'covers *must* not exceed three colours', that 'multiple colour *must* be avoided', [emphasis added] and that no full colour photography is to be used.

2.44. Two of the reports considered by this committee that of the Commissioner for Public Administration and the Australian International Hotel School use full colour photographs involving multiple colours on their covers. The commissioner's report and that of the ACT Gambling and Racing Commission use multiple colours throughout their reports in graphs, tables and, in the latter case, photographs. While in some cases the use of colour does add to the clarity of the table or graph in many cases it adds nothing to their legibility.

2.45. This small example does point to a larger problem which agencies should consider. Many annual reports have serious shortcomings as accountability documents because agencies view their annual reports as promotional documents. To fill this role reports are 'overproduced' with glossy photographs and multi-coloured content but, more importantly, with too much descriptive content that is not related to performance reporting or the year in question.

2.46. The committee recommends that agencies should look at the purpose, and use being made, of their annual reports and remove the content that would be better included in an promotional brochure or handbook produced for that clear purpose.

3. Compliance with legislative requirements and ministerial directions

3.1. The committee has identified in chapter 2 areas where it believes annual reporting to be deficient. In this chapter the committee will consider the broad compliance of annual reports with the statutory requirements and ministerial directions.

3.2. Reports are required to include:

- an overview of the agency and its major achievements for the year;
- financial and performance statements;
- reporting against performance with regard to whole of government issues such as fraud prevention, equity and diversity, training and staff development, consultancy and contractor services and the agency's asset management strategy;
- reporting against statutory requirements including occupational health and safety, freedom of information and ecologically sustainable development;
- a range of appendices summarising such matters as reports by the Auditor General or a Legislative Assembly Committee relevant to the agency; service purchasing arrangements and community consultation.

3.3. Reports are also directed to include a compliance index pointing the reader to each of the matters referred to above. This is a very useful inclusion. Most of the departments and agencies included such an index in their reports.

3.4. The Office of the Community Advocate had a compliance statement in the form of a list of matters. However it was of limited use since it had no page numbers. For the majority of matters the reader is referred to the annual report of the Department of Justice and Community Safety. The remaining matters are described as 'being reported on independently in the OCA Annual Report' and must be found in the general index.

3.5. The ACT Construction Industry Long Service Leave and Cleaning Industry Long Service Leave Boards, the ACT Gambling and Racing Commission and the Stadiums Authority had clear and comprehensive contents pages which provided the necessary information and Totalcare identified some of the required information. The committee would prefer to see compliance indexes included in the reports in the future.

3.6. Generally, annual reports include all the required information and comply with the Chief Minister's directions. In the case of the two Long Service leave boards they include a statement to the effect that, given the nature of their functions, many of the directions are not relevant to them. They have therefore restricted their reporting only to matters of relevance. The committee acknowledges that this is a sensible approach by those two boards.

3.7. The Commissioner for Public Administration's Annual Report did not include a compliance index. The Commissioner's report combines his Annual Report with a State of the Service Report. This is not wholly satisfactory. The two documents have quite different purposes which leads to some confusion as to where information should properly lie.

3.8. Given the close operational relationship between the Commissioner and the Public Sector Management and Labour Policy Group (Output 1.1 of the Chief Minister's Department) it might be better if the commissioner's annual report was included in the Chief Minister's Department report, leaving the State of the Service Report as a stand alone document.

3.9. The committee recommends that the Commissioner for Public Administration consider the option of producing an annual report as a separate document from the State of the Service report.

4. Comment on the ACTCOSS submission to the committee

4.1. ACTCOSS provided a submission to all the Assembly committees as part of their consideration of annual reports. The committees have considered ACTCOSS's recommendations. This committee offers the following comments which refer to all annual reports not just those before the Public Accounts committee.

4.2. ACTCOSS has described annual reports throughout its submission as 'general purpose documents'. The committee would disagree; they are quite specific accountability documents whose primary purpose is to report to a minister on an agency's work in a given financial year.

4.3. They are also public documents that the Assembly and the community make use of to monitor the work of agencies and their usefulness to the general public will be enhanced if their language is clear and their structure accessible. Annual reports are not designed to give the reader an overall view of a particular area of government activity.

4.4. Recommendation 1 requested that the Chief Minister's directions emphasise that reports should comment fully on all factors having an impact on the reporting agency's work. ACTCOSS cites the impact of the Gallop and Reid reports on the Department of Health and Community Care as an example of matters that should have been summarised in the annual report.

4.5. The committee supports this view where a matter has a direct and specific influence on the work of the agency in that year. However the committee would be concerned if agencies treated such an obligation as an opportunity to include in annual reports general discussions of their very broadly defined operating environment.

4.6. Recommendation 2 calls for clarity and concision in the use of language and the presentation of information. Recommendation 3 calls for proof reading and editing by non-expert to ensure that reports are understandable to general readers.

4.7. As indicated in chapter 2 the committee supports this view. The use of jargon, 'management speak' and unnecessarily convoluted language should be avoided. However it also recognises that in presenting financial statements agencies must comply with accounting standards which require information to be provided in a particular form. That form may be necessary to present complex information in an organised and standard form without necessarily being readily accessible to the general reader.

4.8. Recommendation 4 asks that information be readily available to direct people with disabilities to alternative formats suited to their needs. This is already a requirement of the Chief Minister's directions. The committee will follow-up on the extent of compliance with those directions in future reports.

4.9. Recommendation 5 calls for reports to be 'no-frills' documents reflecting the government's commitment to sustainability while recommendation 6 wants greater emphasis on reports as accountability documents not promotional brochures. The

committee has made its support for both these positions clear in chapters two and three. The Chief Minister's directions also make these priorities clear.

4.10. Recommendations 7 and 8 deal with issues of compliance with legislation and directions. ACTCOSS would like to see some statement of the consequences of failure to comply with the various requirements and a review mechanism to comment on compliance.

4.11. An agency head failing to comply with reporting requirements would, in the case of significant failure, be subject to sanction through his or her contract of employment. Less serious breaches or failures may be brought to light through Assembly or public scrutiny or review by the Auditor General and pursued through the agencies' accountability to the Assembly.

4.12. With regard to review of reports the committee agrees with ACTCOSS that more systematic review of compliance is necessary. This committee is considering possible approaches to the examination of annual reports by Assembly committees which will provide for more systematic and uniform scrutiny.

5. Specific issues arising out of reports

Legislative Assembly staffing

5.1. A review of Legislative Assembly members' staffing arrangements was conducted in 2002. The Chief Minister's Department Annual Report notes that it:

identified a number of short and long term initiatives. The short term initiatives were aimed at reducing workloads and improving employment conditions for staff. The long term initiatives centred on the development of a comprehensive staffing structure ...⁶

5.2. At the committee's hearings it was suggested that staff remain concerned with both the process of the review and the implementation of its proposals.⁷ Members were particularly concerned that the survey of staff workload did not address the actual conditions and demands on staff in particular offices. Concern was also expressed at the length of time being taken to produce responses to the long-term issues.

Sustainability indicators

5.3. The committee discussed the question of the development of appropriate indicators that would enable environmental, economic and social sustainability to be factored into the budget process and reported against in annual reports.

5.4. The Director of the Office of Sustainability noted that the process of developing a draft policy framework for guidance as to what sustainability means and how it can be approached as a policy issue was expected to be completed early in 2003. The Chief Minister also indicated that it was the government's intention '...to ensure that the budget process ... is informed by the work of the Office of Sustainability'⁸.

5.5. Sustainability is of particular interest to the committee. While it is unlikely that the new policy framework will have any significant influence on this year's ACT budget, the committee will follow progress in this area with interest.

Impulse Airlines

5.6. The ACT government entered into a Regional Aviation Loan agreement with Impulse Airlines in April 2000 which included a number of prescribed 'milestones' towards its implementation. Impulse was taken over by QANTAS in November 2001. The ACT government is engaged in continuing negotiations with QANTAS over the extent to which QANTAS has accepted the contractual obligations entered into by Impulse.

⁶ Chief Minister's Department, *Annual Report 2001-2002*, p.16.

⁷ Committee transcript, 27 November 2002, p4-7.

⁸ *ibid.*, pages 9-11.

5.7. The ACT advanced some \$8 million under the agreement and also provided a payroll tax ‘holiday’ equivalent to a further \$2 million. Much of the money was spent developing infrastructure to support aircraft which Impulse intended to use on its Canberra services but which are of a type that QANTAS does not fly into Canberra.

5.8. The committee noted that negotiations to resolve the matter are continuing and that senior officers remain optimistic as to their outcome. However the committee is concerned that the department did not appear to have a clear view of its legal position with regard to the enforceability of the contract and had not sought advice on that question.⁹

5.9. The committee is also concerned that, if the contract is not honoured, then a part of the ACT financial contribution should be recovered. It will continue to follow this matter closely.

Employment of indigenous Australians, those from a culturally or linguistically diverse backgrounds and people with disabilities in the ACT Public Service

5.10. The committee noted the comments of the ACT Public Service Commissioner that information on the backgrounds of employees in the ACT Public Service was not comprehensive. It is, properly, a matter for the individual to choose whether he or she provides such information. Commissioner Moss indicated that 25% of the workforce choose not to provide that information.¹⁰

5.11. With regard to people with disabilities Commissioner Moss suggested that the rate of employment of people with disabilities – approximately 2% of the total - was ‘about average’.

5.12. The commissioner also noted that the competition from large ‘aboriginal specific’ Commonwealth agencies in Canberra provided competition for ACT agencies in the recruitment of appropriately skilled indigenous Australians.

5.13. The committee notes Commissioner Moss’s comments that the ACT, particularly in the areas of indigenous employment and employment of people with disabilities, had ‘some work to do’ and will continue to monitor progress in these areas.

5.14. The committee also notes the government’s commitment to achieving a 50/50 balance of male and female members on government appointed boards and looks forward to the appointment of women members to the board of the Stadiums Authority.¹¹

⁹ *ibid.*, p. 15.

¹⁰ *ibid.*, p. 23.

¹¹ *ibid.*, p. 71.

General Agreement on Trade in Services (GATS)

5.15. Committee members expressed some concern at the implications for the provision of public services in the ACT if Australia joins the GATS agreement. It appeared from questioning that the ACT Treasury was not undertaking any significant research into the impact of the GATS agreement on the ACT.

Canberra Business Advisory Service (CBAS)

5.16. The Canberra Business Advisory Service provides advice to small and micro-businesses seeking to establish or expand in the ACT. The work of this service is contracted out. The committee, noting the establishment of the Office of Sustainability and the priority being given to that subject by the ACT government, sought advice as to whether the advice provided by CBAS included information on the reduction of energy costs.

5.17. Officials advised that it was not an area included in the CBAS contract. However they undertook to examine how sustainability could be included in CBAS's contract.¹²

Answers to Questions on Notice

5.18. A number of questions asked during this committee's hearings were taken on notice by ministers or officials. The committee is concerned that answers to some of those questions have not been provided.

5.19. Specifically, after discussion of the major assistance given through **ACT Business** to such large corporations as IBM, EDS, Raytheon and QANTAS, officials undertook to provide further information on these contracts.¹³

5.20. Other matters on which further information was promised included the cost of **sister city relationships**¹⁴ and, particularly, the nature of the activities being undertaken in Dili, East Timor.¹⁵ The **ACT Procurement Board** also undertook to provide information on environmentally responsible purchasing.

¹² Committee transcript, 27 November 2002, p. 62.

¹³ *ibid.*, pages 56–61.

¹⁴ *ibid.*, pages 42–43.

¹⁵ *ibid.*, page 64.

6. Appendix 1 -

[Insert your Appendix here]

Appendix 2 -

[Insert your Appendix here]

Appendix 3 - Acronyms

[Insert your Appendix here]