Legislative Assembly for the ACT

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Report on Annual and Financial Reports 2004-2005

MARCH 2006

Report 5

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Resolution of appointment

The Legislative Assembly appointed the Standing Committee on Public Accounts on 7 December 2004 to:

(i) examine:

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

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

(ii) report to the Assembly 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.

Terms of reference

Inquire into the 2004-2005 annual and financial reports of Government departments and agencies according to the schedule determined by the Legislative Assembly as listed at **Appendix A**.

Conduct of inquiry

The Committee held public hearings on 26 October, 8 and 30 November and 1 December 2005 and heard from Ministers and accompanying departmental and agency officers. Witnesses who appeared before the Committee are listed at **Appendix B**.

The Committee met on 21 and 22 March 2006 to discuss the Chair's draft report, which was adopted on 27 March 2006.

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RECOMMENDATION 6

4.34 The Committee recommends quarterly actuarial assessments of the superannuation liability should be conducted and published for the Assembly.

RECOMMENDATION 7

4.43 The Committee recommends, to the extent that work is not already taking place, the Summernats 2005 Review and Cost Benefit Analysis Report's recommendations numbered 2, 3 and 9 be implemented.

RECOMMENDATION 8

4.69 The Committee recommends that ACTTAB explore the feasibility of enhancing its website with pop up information windows highlighting responsible gambling messages and give favourable regard to providing funds for gambling support initiatives.

RECOMMENDATION 9

4.75 The Committee recommends that the Government ensure that ACT Government agency heads are in attendance at annual report hearings or, in their absence, a delegate capable of answering operational questions.

RECOMMENDATION 10

4.103 The Committee recommends that the Secretariat prioritise the design, implementation and evaluation of a formal feedback survey for Members.

1 INTRODUCTION

1.1 On 18 October 2005, the annual and financial reports of all government agencies were referred to relevant Standing Committees of the Legislative Assembly.

1.2 The below listed annual and financial reports for the 2004-2005 financial year were referred to the Standing Committee on Public Accounts.

- ACT Auditor-General
- 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
- ACT Legislative Assembly Secretariat
- ACTEW Corporation
- ACTTAB Ltd
- Australian Capital Tourism Corporation
- Australian International Hotel School
- Chief Minister's Department
- Commissioner for Occupational Health and Safety
- Commissioner for Public Administration
- Department of Economic Development
- Department of Treasury
- Exhibition Park in Canberra
- Independent Competition and Regulatory Commission

- Rhodium Asset Solutions
- Small Business Commissioner
- Stadiums Authority

1.3 Additionally, due to administrative changes in connection with Totalcare Industries ceasing commercial operations, no annual report for the entity was initially tabled.[1] Advice received from the Treasurer stated that the aforementioned report was provided to Treasury in accordance with standard procedure but due to an administrative oversight it was not tabled.[2]

1.4 The report was subsequently tabled on 13 December 2005 and the resolution of the Assembly of 18 October 2005, relating to the referral of Annual and Financial Reports 2004-05, was amended by adding Totalcare Industries to the reports referred to the Standing Committee on Public Accounts with the Treasurer as the responsible Minister.[3]

1.5 The Committee examined annual reports in relation to their compliance, where applicable, with the Chief Minister's Annual Reports Directions, legislative and other requirements as raised in individual agency reports.

1.6 The Committee thanks relevant ACT Government Ministers and accompanying departmental and agency officers, and members of governing boards, for providing their time and expertise as witnesses at its annual reports hearings.

1.7 The Committee sought clarification on a number of issues at public hearings, some of which are expanded upon in the next chapters. The full transcript of public hearings is available on the Assembly website at http://www.hansard.act.gov.au/hansard/2005.

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[1] Legislative Assembly for the ACT, Response to Question taken on Notice No. 66 to the Treasurer, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 66.

[2] Legislative Assembly for the ACT, Response to Question taken on Notice No. 66 to the Treasurer, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 66.

[3] Legislative Assembly for the ACT, Hansard, week 15, 13 December 2005, p. 4716.

2 PURPOSE AND INTENT OF ANNUAL REPORTS

2.1 Accountability of the Executive to the Legislative Assembly (and to the public) is a key principle of responsible government. For that to be achieved executive agencies must be fully committed to both accountability and disclosure of information in a straightforward way that is meaningful and can be easily understood by the average citizen.

2.2 The provision of meaningful operational and financial information by government to parliament and the public is a fundamental component of the accountability process.[4]

2.3 Annual reports are the principal and most authoritative way in which Chief Executives and Chairpersons account to the Legislative Assembly and other stakeholders, including the public, for the ways in which they have discharged their statutory and other responsibilities and utilised public funds over the preceding twelve months.[5]

2.4 As key accountability documents annual reports are:

- the principal way in which agencies account for management performance through Ministers to the Legislative Assembly and the wider community;
- tabled in the Assembly and form a key part of the historical record of government and public administration decisions, actions and outcomes;
- a source of information and reference about the performance of agencies and service providers for other stakeholders, educational and research institutions, the media and the public; and
- key reference documents and documents for internal management.[6]

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[4] Public Accounts Committee, Legislative Assembly of Queensland, December 2001, Report No. 59, *Annual Reporting in the Queensland Public Sector*, p. 1.

[5] Auditor-General's Report No 1 of 2003: *Effectiveness of Annual Reporting*, p. 1.

[6] Chief Minister's *Annual Reports Directions 2004-2005*, p. 3.

2.5 The Committee found broad compliance with the reports as accountability documents for departmental/agency performance and conformance with stated objectives and strategies.

Statutory framework

2.6 The *Annual Reports (Government Agencies) Act 2004* (the Act) sets the framework for annual reports and outlines the deadlines for the provision of reports.[7]

Chief Minister's Annual Reports Directions

2.7 The Chief Minister's *Annual Reports Directions* (the Directions)[8] play a crucial and central role in setting minimum standards for the preparation, form and content of annual reports by departmental Chief Executives and the Chairpersons of public authorities.[9]

2.8 The Directions prescribe a framework for annual reports that seeks to apply consistency in public accountability and statutory reporting requirements across the public sector.[10]

2.9 The Directions, issued under the Act, apply consistent public accountability and statutory reporting requirements across the public sector, so that accountability is enhanced through the presentation of timely and performance-oriented information.[11]

Compliance with Annual Reports Directions

2.10 The Committee found that overall, annual reports generally complied with the Directions. The Committee however, in assessing compliance of referred reports, noted the following errors which could be improved, and requests the Government take note of these issues, including recommendations.

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[7] Chief Minister's *Annual Reports Directions 2004-2005*, p. 3.

[8] Accessible at www.psm.act.gov.au/publications/Annual_Report_Directions_2004-2005.pdf

[9] Chief Minister's *Annual Reports Directions 2004-2005*, pp. 1-2.

[10] Legislative Assembly for the ACT, Response to Question on Notice No. 64 to the ACT Auditor-General, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 64.

[11] Chief Minister's *Annual Reports Directions 2004-2005*, p. 3.

ACT Gambling and Racing Commission

2.11 The ACT Gambling and Racing Commission reissued 17 pages of its annual report with no indication of changes made in the reissued version.

2.12 When questioned, the Minister for Gaming and Racing advised that the changes made were to the headers of the Commission's Financial Statements. In the original report the header for each page of the financial statements (pages 52 to 68 inclusive) was incorrectly labelled as 'Statement for Financial Performance'. The header labelling was amended to correctly reflect the Statement of Financial Position, Statement of Cash Flows and the Notes to the accounts.[12]

ACTTAB Ltd

2.13 A corrigendum relating to an omission under the *Annual Reports (Government Agencies) Act 2004* was issued for the ACTTAB Limited annual report.

2.14 The omission related to the requirement of public authorities to include in annual reports, information about the measures they have taken to 'respect, protect and promote human rights' [see *Annual Reports (Government Agencies) Act 2004*].[13]

2.15 At the public hearing of 26 October 2005, the Chief Executive of ACTTAB Ltd advised that a corrigendum would be forwarded to the Minister in the next couple of days.[14]

2.16 In accordance with the Directions, reporting compliance with the *Human Rights Act 2004* is compulsory for all Government agencies. Agencies are required to report on their implementation, strategies and progress in incorporating human rights standards into their operations.[15]

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[12] Legislative Assembly for the ACT, Response to Question on Notice, No. 61, part 5 to the Chief Minister (part 5 redirected to the Minister for Racing and Gaming), Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-2005, QON PAC 61.

[13] Chief Minister's *Annual Reports Directions 2004-2005*, p. 28.

[14] Transcript of evidence, 26 October 2005, p. 49.

[15] Chief Minister's *Annual Reports Directions 2004-2005*, p. 28.

Totalcare Industries

2.17 The annual report of Totalcare Industries was tabled two months late. As mentioned previously, this was due to administrative changes in connection with Totalcare Industries ceasing commercial operations.[16] Advice received from the Treasurer stated that the aforementioned report was provided to Treasury in accordance with standard procedure but due to an administrative oversight it was not tabled.[17]

Chief Minister's Department

2.18 The Committee notes that the Chief Minister's annual report could be better organised to assist readers in more easily identifying the relevance of responsible ministers/portfolios to various sections. Additionally, the robustness of the report's binding could be further improved.

Department of Economic Development

2.19 The quality of the editing and proof reading of the Department of Economic Development's annual report was poor. The Committee queried whether the report had been produced in-house or outsourced. The Chief Executive of the Department advised that it had been handled in house and assured the Committee it would be addressed.[18]

Access to reports

2.20 The Directions specify that all annual reports must be placed on ACT Government internet sites and provided for listing on a central site as soon as reports are tabled in the Legislative Assembly, or provided to Members if the Assembly is not sitting. The Audit Office monitors compliance with this timing requirement.[19]

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[16] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 66 the Treasurer, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 66.

[17] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 66 the Treasurer, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 66.

[18] Transcript of evidence, 26 October 2006, p. 36.

[19] Chief Minister's *Annual Reports Directions 2004-2005*, p. 9.

2.21 In considering the Auditor-General's Report No 7 of 2005: *2004-05 Financial Audits,* the Committee notes the Auditor-General's[20] comments that many agencies had not placed their annual reports on the relevant website within the required timeframe.[21]

RECOMMENDATION 1

2.22 **The Committee recommends that the Government require agencies take up the Auditor-General's suggestions to improve processes for placement of annual reports on relevant websites within required timeframes.**

Preparation processes for financial statements

2.23 In considering the Auditor-General's Report No 7 of 2005: *2004-05 Financial Audits*, the Committee notes the Auditor-General's comments that agencies should improve their financial statements preparation processes.[22]

2.24 The Auditor-General found that whilst, *'most financial statements submitted for audit were satisfactory, however, the Office was often required to provide assistance to agencies to bring financial statements to a standard ready for publication'*.[23]

2.25 Further, the Auditor-General stated that, *'although the Office managed to provide the vast majority of audit opinions on time, most of the financial statements were not provided to the Office in accordance with Treasury's reporting timetable'*.[24]

RECOMMENDATION 2

2.26 **The Committee recommends that the Government require agencies take up the Auditor-General's finding regarding improvement to processes for the preparation of financial statements and annual reports.**

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[20] Auditor-General's Report No 7 of 2005: *2004-05 Financial Audits*, pp. 1-2.

[21] *Ibid.*, p. 2.

[22] *Ibid.*, pp. 1-2.

[23] *Ibid.*, p. 1.

[24] *Ibid.*, p. 2.

3 GENERAL ISSUES ARISING FROM DEPARTMENT AND AGENCY REPORTS

3.1 During discussions over the course of the public hearing program, the Committee explored a number of general issues arising from the annual reports.

Sustainability reporting

3.2 The Committee congratulated Actew on using the global reporting initiative (GRI)[25] framework for its sustainability report and sought clarification as to whether the Chief Minister would consider suitability of the GRI for sustainability reporting by other Government agencies and territory-owned corporations.[26]

3.3 The Chief Minister acknowledged that the question arose out of the Auditor-General's performance audit[27] findings in relation to the quality of sustainability reporting by ACT Government agencies.[28] The Chief Minister stated, *'I took the Auditor-General's criticisms to heart and responded with a direct direction to every ACT Government agency head that they comply with the recommendations of the Auditor-General'*.[29]

3.4 In response to a question taken on notice, asking the Auditor-General if she had an opinion about whether the GRI indicators were essential or highly desirable for agencies wishing to comply with the aforementioned Chief Minister's directives, the Auditor-General stated, '*the Audit office would expect that, although agencies would use different indicators to match their functions, there would also be the use of common indicators to enable comparisons between agencies.*

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[25] The GRI is currently recognised as international best practice for reporting on ecologically sustainable development.

[26] Transcript of evidence, 30 November 2005, p. 126.

[27] Auditor-General's Report No. 3 of 2005: *Reporting on Ecologically Sustainable Development*

[28] Transcript of evidence, 30 November 2005, p. 126.

[29] *Ibid.*, p. 126.

GRI indicators, which are internationally recognised, would provide a consistent reporting framework'.[30]

RECOMMENDATION 3

3.5 **The Committee recommends that the Government investigate implementing measures to improve the quality of reporting on ecologically sustainable development by developing an awareness of the global reporting initiative and monitoring its uptake as a consistent reporting framework.**

Workforce retention and recruitment

3.6 The Committee sought clarification on the Government's policy of employing young people and, given the Service's low number of employees 20 years and under, queried whether graduate qualifications were required to enter the ACT Public Service.[31]

3.7 The Chief Executive of the Chief Minister's Department stated, *'we have deliberate recruitment policies that actively favour graduates, that is true, but you don't have to be a graduate to join the service. In fact, we have a lot of cadetships, rangers and a whole bunch of other people who come in at relatively young ages. One of our difficulties is our salary comparatives don't give us a comparative advantage in the marketplace against the commonwealth* [sic], *particularly in skilled areas. Finance and IT are difficult areas for us – finance, in particular. Treasury have a very difficult job attracting young people into our treasury, simply because the wage rates across the pond are much more favourable and attractive'.*[32]

3.8 According to the findings of an 18-month long study by the Australian Human Resources Institute (AHRI), labour supply is the biggest issue facing Australian businesses and organisations.[33] The Committee notes that labour market competition is therefore an important competitive market challenge for

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[30] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 73 to the ACT Auditor-General, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-2005, QON PAC 73.

[31] Transcript of evidence, 30 November 2005, p. 90.

[32] *Ibid.*, p. 90.

[33] Begley, P. 2003, 'HR critical to sustainability', *HR Monthly*, October, pp. 36-7.

the ACT public service. If the Service is not competitive in the labour market it will fail to attract and retain employees of sufficient numbers and quality.

3.9 Further, the Committee notes that it is well recognised that human resource management strategies are able to influence the recruitment, development and retention of employees. The retention and development of knowledge possessed by employees represents a key source of sustainable competitive advantage for organisations.[34]

3.10 In relation to the low numbers of people who complete year 12 employed in the Service, the Chief Executive of the Chief Minister's Department noted, *'given the educational standards in the territory in particular – we have a very highly educated younger group and workforce in general, and we have very high retention rates in years 11 and 12 and very high rates of transfer into university education – the majority of our workforce is going to come from that area, I would have thought'*.[35]

3.11 The Commissioner for Public Administration, added, *'for a public service anywhere in Australia at this moment to accept young people straight from school is becoming something that does not happen very often. The usual intake points into the public service are from base level degrees. We do not have those levels of very junior positions any more to any great extent, as Mr Harris pointed out'*.[36]

3.12 The Committee suggests that as the labour market tightens, strategies to recruit and develop school leavers and other younger and/or less experienced staff to address skill shortages may need to be considered.

3.13 In terms of external recruitment to the ACT Public Service, during the reporting period, the Committee was interested in what percentage of the Chief Minister's Department staff came from outside recruitment or advertising as opposed to either transferring between departments or internal promotion.[37] The Department advised that in the 2004/05 fiscal year 38% of

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[34] Brockbank, W. 1999, 'If HR really were strategically proactive: present and future directions in HR's contribution to competitive advantage', *Human Resource Management*, 38, pp. 337-52.

[35] Transcript of evidence, 30 November 2005, p. 91.

[36] *Ibid.*, p. 114.

[37] *Ibid.*, pp. 91-92.

permanent vacancies were filled from applicants external to the ACT public sector.[38]

3.14 The Committee notes that current trends within the age profile of the ACT Government workforce indicate that an increasing number of employees will retire over the next few years.[39] According to survey figures, those retiring will be highly educated and 84% will have more than 10 years experience in the Service.[40] The consequent impact will include a loss of corporate knowledge and experience. Further, the financial impact for the Territory is estimated to be approximately 214% higher than in the previous five years.[41]

3.15 The Committee believes that building and sustaining the capability of the ACT Public Service is a long-term critical challenge requiring innovative human resource management practices to ensure the ongoing capacity of the Service to deliver high quality policy, programs and services that the Government and the ACT community expect of a professional public service.

3.16 Further, the Committee notes the findings of the recent *Managing and Sustaining the APS Workforce* report[42] that emerging demographic trends and changing career patterns and expectations will challenge agencies' capacity to meet their business requirements. The Report calls for systematic workforce planning in all agencies and a sharpened process for recruiting and retaining staff from outside the public sector, especially graduates and younger employees. In relation to representation of women at senior levels in the ACT public service, the Committee notes the Commissioner for Public Administration stated that the number of women in senior positions had suffered a minor decline and needed to be monitored.[43]

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[38] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 77 to the Chief Minister, Standing Committee on Public Accounts, Inquiry into Annual and Financial Reports 2004-2005, QON PAC 77.

[39] Commissioner for Public Administration/ACT Public Service Human Resource Council, *Summary Report – Retirement Intentions Survey for the ACT Public Service*, July 2002.

[40] *Ibid.*, p. 3.

[41] *Ibid.*, p. 3.

[42] APS Management Advisory Committee (MAC) Report, *Managing and Sustaining the APS Workforce*, October 2005.

[43] Transcript of evidence, 30 November 2005, p. 118.

4 SPECIFIC ISSUES ARISING FROM DEPARTMENT AND AGENCY REPORTS

Chief Minister's Department

Office of Sustainability

4.1 The Committee was interested in the Government's progress towards the introduction of sustainability legislation.[44] An official from the Office stated, *'we have undertaken some considerable investigations during this year and are formulating some advice now which we will be putting to government on the way forward and what the possible content of the legislation might be'.* Further, *'the commitment which the government gave indicated what it thought might be inside a piece of legislation…we have been looking at a range of options, and that is what we will be putting forward to the government for their consideration'*.[45]

4.2 Despite the Government's commitment to ten percent of its vehicle fleet being fuel-efficient, low emission vehicles by 2008, the Committee notes that currently the fleet consists of only 26 vehicles or two percent of said vehicles.[46] The Committee was told that while the Government has policies in place to encourage the uptake of low emission vehicles, there were significant delays in the supply of alternative fuel vehicles. The Chief Minister stated that, *' we have undertaken a move to 100 vehicles over the next three years…on the current rate of supply, we would probably struggle to meet a target of 100 in the next three years…the difficulty is that there are so few vehicles, so few suppliers, that there just isn't accumulated demand'*.[47] Further, *'it is only through pressure from major fleet owners that we will see the major car manufacturers in Australia respond in the way*

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[44] Transcript of evidence, 30 November 2005, p. 93.

[45] *Ibid.*, p. 93.

[46] *Ibid.*, p. 93.

[47] *Ibid.*, p. 94.

that they should be responding. It is an issue for all governments perhaps to pursue in a collegiate way to bring some market muscle to bear on Australian manufacturers'.[48]

4.3 Further, in response to a question asked of the Minister for Environment, during a Standing Committee on Planning and Environment public hearing, Mr Stanhope advised that although at the last election the Labor Party undertook to meet a target by 2008 of ten percent of ACT Government fleet vehicles being hybrid, low-emission or other technology motor vehicles, there had been some time lag in getting the first 25 of these vehicles. However, Mr Stanhope said that even at 25 vehicles, the ACT, on a per capita or per vehicle basis, had by far the highest number of alternative fuel vehicles of any government in Australia.[49]

4.4 The Committee agrees with the Chief Minister's sentiments that if governments collaborated and committed to acquiring a certain percentage of alternative-fuel vehicles, supply would probably become less of a problem.[50]

RECOMMENDATION 4

4.5 **The Committee recommends that the Chief Minister initiate discussion with his state and territory colleagues to increase demand for hybrid and other fuel-efficient vehicles.**

4.6 In relation to the ACT Greenhouse Strategy, the Committee sought confirmation as to whether the Territory would be able to meet the projected greenhouse reduction targets by 2008.[51] The Chief Minister stated that the Government would not be able to meet the projected targets.[52] Further, *'the last time the Office of Sustainability costed it, if I remember the figure correctly, it was $114 million. The greenhouse strategy was an incredibly poor quality piece of work,*

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[48] Transcript of evidence, 30 November 2005, p. 95.

[49] Standing Committee on Planning and Environment, *Report on Annual and Financial Reports 2004-2005*, November 2005, pp. 25-26.

[50] Transcript of evidence, 30 November 2005, p. 95 & Standing Committee on Planning and Environment, *Report on Annual and Financial Reports 2004-2005*, November 2005, p. 26.

[51] Transcript of evidence, 30 November 2005, p. 111.

[52] *Ibid.*, p. 111.

which simply cannot be achieved. It cannot be achieved without basically closing down five or six schools and Calvary hospital'.[53]

RECOMMENDATION 5

4.7 **The Committee recommends that the Government's revised Greenhouse Strategy contain concrete measures towards meeting the projected targets and that costings are revised.**

Strategic Projects & Implementation

4.8 In relation to the International Arboretum and Gardens (the Arboretum) the Committee sought information on the consultation undertaken to decide whether the Arboretum would become a reality and the selection of the winning design[54]; whether the 2004-05 capital allocation for the project had all been spent[55]; and future management responsibility of the Arboretum[56].

4.9 A Departmental official provided the following response:

- the original suggestion for the Arboretum concept came up in the Shaping Our Territory Non-Urban Study, following the bushfire, as a way to address the burned forest area and to compensate for the large number of arboreta destroyed[57];
- the selection of the winning design followed a two stage competitive process, five entries were short listed and a jury comprising eminent professionals in the fields of landscape architecture, forestry and architecture and others selected the winning design[58];
- the capital allocation of $4.5 million for 2004-05 had not all been spent.[59] Funds outstanding would be rolled over and spent next year as part of integrated development[60]; and

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[53] Transcript of evidence, 30 November 2005, p. 111.

[54] *Ibid.*, pp. 102-103.

[55] *Ibid.*, pp. 103-104.

[56] *Ibid.*, p. 104.

[57] *Ibid.*, p. 103.

[58] *Ibid.*, p. 103.

[59] *Ibid.*, p. 103.

[60] Transcript of evidence, 30 November 2005, p. 104.

- decisions about future management had not been made at this stage[61].

4.10 The Committee was told that there was an absence of scientific expertise amongst the interim board that will manage the project over the next two to three years.[62]

Priority Projects

4.11 In relation to the construction of a dragway and feasibility regarding the preferred site of section 51 in the Majura Valley, the Committee sought clarification as to whether the Dragway Advisory Committee would be consulted on the four reports[63] completed on the viability of the Project.[64] A Departmental official confirmed that the Committee would be consulted.[65] Further, the Chief Minister stated, *'I am committed to the construction of the dragway and this government is committed to the construction of a dragway. Our preferred site is block 51 in the Majura Valley. At every stage of the process the statements I have made have always been premised on the basis of appropriate planning approvals being obtained and the issues, particularly in relation to noise, being satisfactorily resolved '*.[66]

ACT Heritage Unit

4.12 The Committee sought further information in relation to four grants provided under the ACT Heritage Grants program to Environment ACT.[67] The Executive Director of Arts, Heritage and Indigenous Affairs, advised the Committee that the grants were to fund community activities in partnership with the Government. These activities included the: Heritage Advisory Service; heritage festival; heritage in schools; and conservation volunteers' heritage programs.

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[61] Transcript of evidence, 30 November 2005, p. 104.

[62] *Ibid.*, pp. 104-105.

[63] Reports in relation to cost, noise impacts, noise policy and cultural heritage.

[64] Transcript of evidence, 30 November 2005, pp. 106-107.

[65] *Ibid.*, p. 106.

[66] *Ibid.*, p. 107.

[67] *Ibid.*, p. 134.

Executive Support

4.13 The Committee was interested in a breakdown of the costs, staffing and outputs of the Department's communications unit.[68]

4.14 In response to a question taken on notice[69], asking for an indication of what it now costs to run the Communication Unit, the Chief Minister advised, '*as a result of organisational changes within the Chief Minister's Department and the Administrative Arrangements Orders of November 2004, a separate Executive Support Branch including the Communications Unit was established in December 2004. The Branch has responsibility for coordinating departmental and whole-of-government communications, ministerial support and coordination (including honours and awards), and running festivals and events…in 2005-06 the budgeted discretionary cost of the Executive Support Branch, which includes the Communication Unit, is $2.4 million*'.

4.15 In response to a further question taken on notice[70], asking for an indication of how many public relations staff were employed across Government, the Chief Minister advised that this numbered 32.8 staff members.

4.16 The Committee also explored and discussed issues relating to: the role of the economic planning and regional policy group[71]; elder abuse prevention[72]; representation of women at senior levels in the ACT public service[73]; and lack of executive training in ethics and values[74].

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[68] Transcript of evidence, 30 November 2005, p. 95.

[69] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 79 to the Chief Minister, Standing Committee on Public Accounts, Inquiry into Annual and Financial Reports 2004-2005, QON PAC 79.

[70] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 78 to the Chief Minister, Standing Committee on Public Accounts, Inquiry into Annual and Financial Reports 2004-2005, QON PAC 78.

[71] Transcript of evidence, 30 November 2005, pp. 100-101.

[72] *Ibid.*, pp. 101-102.

[73] *Ibid.*, p. 117.

[74] *Ibid.*, p. 119.

ACTEW Corporation

4.17 Given the requirement that one hundred percent of Actew's profit be paid over as a dividend to the ACT Government, the Committee and witnesses discussed the challenges this presented to the Corporation in terms of its future expansion, particularly, if the Corporation is to be competitive in an increasingly deregulated market.[75] The Chief Minister, responded, '*I am mindful of the debate. I am more than comfortable with the performance of Actew. The discipline on the decisions government brings to bear in relation to the dividend is responded to exceedingly well by Actew*'.[76]

4.18 The Committee sought explanation as to the ICRC's[77] finding that the Corporation had a greater incidence of sewerage breaks and chokes in water than sewerage providers in other jurisdictions.[78] The Chairman of Actew Corporation stated, *'given the geology of Canberra, its climate extremes and the number of trees we have, we will always have a worse record than most of Australia'*.[79]

4.19 The Committee discussed the functional review of ACT Government spending and structure being undertaken by the Chief Executive of Actew and whether the task would impact on his duties with the Corporation. The Chairman of Actew stated, *'I am satisfied, from Actew's point of view, that we are getting now and will continue to get his full attention'*.[80]

4.20 Despite the Chief Minister informing the Committee that a dual reviewer had also been engaged and that the Government was also providing significant secretariat resources to the functional review[81], Members of the Committee expressed concern as to whether the Chief Executive of Actew would have

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[75] Transcript of evidence, 30 November 2005, pp. 121-122.

[76] *Ibid.*, p. 122.

[77] Independent Competition and Regulatory Commission

[78] Transcript of evidence, 30 November 2005, p. 128.

[79] *Ibid.*, p. 128.

[80] *Ibid.*, p. 125.

[81] *Ibid.*, p. 125.

sufficient hours to review the operations of the Territory Government whilst also carrying out chief executive responsibilities. [82]

4.21 The Committee was interested as to how the removal of the ICRC's regulatory impediment would impact on ActewAGL's profit situation.[83] The Chairman stated, *'my personal view is that it wouldn't change much because, although management and the ActewAGL board would love to put up the prices, the fact is our competitors wouldn't allow us to do that. That is the whole purpose of competition, of course, to protect the community against predatory pricing'.*[84]

4.22 The Committee also explored issues relating to: the increase in complaints made to Actew about distribution of electricity[85]; whether regulatory measures to address the contradiction between the profit-driven motivation of AGL and the conservation and public good driven motivations of Actew would be put in place to respond to the demerger of AGL[86]; and cross-border water supply with regional New South Wales[87].

Department of Treasury

4.23 The Committee discussed fiscal equalisation and the Territory's economies of scale necessitating higher expenditure to provide similar levels of and equal access to services, as compared to other jurisdictions, together with the high community expectation that these services are at or above national levels.[88]

4.24 Given that fiscal equalisation's purpose is to create equity between residents of all states and territories in terms of access to government services, such that the apportionment of Commonwealth grants between the states and territories should enable each state/territory to provide a similar level of services with

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[82] Transcript of evidence, 30 November 2005, p. 125.

[83] *Ibid.*, p. 122.

[84] *Ibid.*, p. 122.

[85] *Ibid.*, p. 128.

[86] *Ibid.*, p. 127.

[87] *Ibid.*, p. 131.

[88] Transcript of evidence, 26 October 2005, pp. 2-4.

similar levels of taxation, the Committee was interested as to whether the territory benchmarked its expenditure with other jurisdictions.[89]

4.25 The Treasurer stated that the Territory does benchmark with other jurisdictions across Australia, although, given the two tiers, state and local, at which it governs, it is not always easy, as the division of functions varies between jurisdictions.[90]

4.26 The Committee was interested as to when the Government would receive notification of Standard and Poor's latest credit assessment and the likelihood of the Territory maintaining its AAA credit rating.[91] The Treasurer advised that November 2005 was the expected timeframe for notification.[92] Further, as to the nature of the rating, the Treasurer stated, '*I have no idea. We make our case as best we can…They [Standard and Poor's] have come to terms with the fact that land sales are a legitimate inclusion in our revenues but they factor them out, to start with. We have, virtually every year that I have been in the ring, because of it, still maintained the rating because they accept that we have a huge amount of land available that will be exploited and will continue to offer continued revenue to government. They accept that other states, with their land comms, land development agencies, whatever, in large part, probably benefit the same way*'.[93]

4.27 Subsequent to the hearing, the Treasurer advised the Assembly, *'we have just had Standard and Poor's assessment of a AAA plus credit rating'*.[94]

4.28 The Committee sought information as to how Treasury was progressing with the Office of Sustainability in further developing the triple bottom-line accounting and sustainability indicators.[95] A Treasury official advised that there was an ongoing working relationship between the Department and Office on triple bottom line accounting and the development of performance indicators. Further, a broad framework around performance measurement

[89] Transcript of evidence, 26 October 2005, p. 3.

[90] *Ibid.*, pp. 3-4.

[91] *Ibid.*, p. 4.

[92] *Ibid.*, p. 4.

[93] *Ibid.*, p. 4.

[94] Legislative Assembly for the ACT, *Hansard*, Week 14, 22 November 2005, p. 4415.

[95] Transcript of evidence, 26 October 2005, p. 8.

and reporting delineates the respective roles and responsibilities of the Department and Office. Treasury's work essentially relates to performance measures that go into the budget papers and the Office of Sustainability focuses on sustainability reporting through reports on the measuring of progress.[96] The work is ongoing and some of the progress made during the reporting period was reflected in the budget papers for 2005-06, with significant changes in performance measures.[97]

4.29 The Committee also noted the Government's election commitment to sustainable procurement guidelines being included in the sustainability legislation.[98]

4.30 The Committee sought an explanation for the large increase in the Home Buyer Concession Scheme applications and inquiries. The Treasurer advised that the Government had made the scheme far more attractive by decreasing the threshold and increasing the benefits of the fund.[99]

4.31 Further, a Treasury official commented that high housing prices had increased the number of people seeking concessions.[100]

4.32 The Committee sought clarification as to whether the Government was encountering a problem repaying the commonwealth government loan of $98 million in relation to home loan purchase assistance.[101] A Treasury official stated that, *'in relation to that specific loan, the interest rate is a concessional rate of 4.5 per cent per annum. We have no desire to repay that loan because we can get a better return by investing the money'*.[102]

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[96] Transcript of evidence, 26 October 2005, p. 8.

[97] *Ibid.*, pp. 7-8.

[98] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 8 to the Treasurer, Standing Committee on Public Accounts, Inquiry into Annual and Financial Reports 2004-2005, QON PAC 08.

[99] Transcript of evidence, 26 October 2005, p. 9.

[100] *Ibid.*, p. 29.

[101] *Ibid.*, p. 10.

[102] *Ibid.*, p. 10.

4.33 The Committee sought an indication of the impact of the superannuation funding liability on the public sector.[103] The Treasurer advised that the Government was still investing and working towards 2040.[104] Further, a Treasury official advised that the *'strategy that was developed for the budget some years ago was designed to achieve a 90 per cent funding of our liabilities by the year 2040. We are currently going through the process of reviewing that strategy to reflect the fact that the two defined benefit schemes, the CSS and the PSS, closed as of 1 July this year, and that is going to make a major difference to the total amount of liabilities projected over the long term under those schemes'*.[105]

RECOMMENDATION 6

4.34 **The Committee recommends quarterly actuarial assessments of the superannuation liability should be conducted and published for the Assembly.**

4.35 The Committee sought information on the Sustainable Infrastructure Fund (the Fund) guidelines for funding and whether the $2.3 million allocated to the Fund had been spent.[106] A Treasury official advised that the fund was established to supplement other capital works and infrastructure projects to increase sustainable performance of the infrastructure that is to be built. The Fund is designed to provide additional components to improve the performance of the infrastructure that would not have been afforded from the basic funding. The 2.3 million dollars is allocated to projects but has not necessarily all been paid out to contractors or suppliers because the work is either under way or not completed.[107]

4.36 The Committee was interested as to whether the Government would continue funding capital works from unencumbered cash. The Treasurer stated that, *'at this stage, there isn't a projected need for borrowing. It may happen, depending on the works that the territory needs or the Government decides upon…at this point, no, but*

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[103] Transcript of evidence, 26 October, 2005, p. 13.

[104] *Ibid*., p. 13.

[105] *Ibid*., p. 13.

[106] *Ibid*., pp. 14-15.

[107] *Ibid*., pp. 4-5.

as the territory grows, expands and becomes more self sufficient than it has been, jails and things like that, it may be the case…'.[108]

4.37 The Committee also explored issues relating to: the removal of the impact of land sales from the territory's operating result as part of end-of-year reports to present a more accurate picture[109]; ethical guidelines for Special Purpose Account investments[110]; whether the fall in stamp duty attributed to a reduction in conveyance duty would continue and its impact on revenue[111]; concessions provided under payroll tax[112]; and City Hill development[113].

Exhibition Park in Canberra (EPIC)

4.38 As EPIC is a high user of water the Committee discussed the environmental and financial savings that would be realised after the implementation of a grey watering system. An EPIC official stated, *'early on there was a paper somewhere showing that it would save EPIC some money in water consumption, which is about over $100,000 at this stage. So there will be some savings. But it is also environmental savings that we were looking at because we are a high user of water'*.[114]

4.39 The Committee commended EPIC on its improvement of grey water usage and notes that the system will become operational after one more capital injection, which maybe next financial year.[115] An EPIC official stated, *'at this point we are not sure. That is a few years worth of capital injections we received. The actual operation won't come into existence until the next implementation happens, which may be next financial year'*.[116]

4.40 Given EPIC is committed to the ACT Women's Plan, the Committee was interested to hear its position regarding the reports of inappropriate behaviour towards women that arise annually in connection with the Summernats (the

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108 Transcript of evidence, 26 October 2005, pp. 15-16.

109 *Ibid*., pp. 4-5.

110 *Ibid*., p. 14.

111 *Ibid*., pp. 11-12.

112 *Ibid*., pp. 10-11.

113 *Ibid*., p. 7.

114 *Ibid*., p. 31.

115 *Ibid*., p. 31.

116 *Ibid*., p. 31.

Event).[117] The Minister for Economic Development, Business and Tourism acknowledged that from time to time, '*there might be what some would consider inappropriate behaviour* [at the Event] …*it is a great venue. Summernats is one of their biggest events*'.[118]

4.41 A recent Summernats review and cost benefit analysis[119] compiled by the Summernats Working Group[120] examined the social, economic and environmental impacts of the event. Among the key issues reported were concerns about excessive noise, reduced air quality and anti-social behaviour.[121]

4.42 The Report of the review and cost analysis contained a number of recommendations to ameliorate the concerns raised.

RECOMMENDATION 7

4.43 **The Committee recommends, to the extent that work is not already taking place, the Summernats 2005 Review and Cost Benefit Analysis Report's[122] recommendations numbered 2[123], 3[124] and 9[125] be implemented.**

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[117] Transcript of evidence, 26 October 2005, pp. 31-32.

[118] *Ibid*., p. 32.

[119] Summernats Working Group. 2005, *Summernats 2005 Review & Cost Benefit Analysis*, March.

[120] An interdepartmental committee convened by the Chief Minister and Minister for Environment

[121] Summernats Working Group, 2005, *Summernats 2005 Review & Cost Benefit Analysis*, March, p. 1.

[122] *Summernats 2005 Review & Cost Benefit Analysis Report*

[123] Recommendation No 2 – Information about relevant contact phone numbers be circulated widely so that people know who to contact if there is a complaint.

[124] Recommendation No 3 – Consideration be given by the Australian Federal Police to allocating resources to provide a deterrent to prevent anti-social behaviour outside the event venue.

[125] Recommendation No 9 – Encourage Summernats organisers to support a positive outcome for the nearby residents.

ACT Insurance Authority

4.44 Given the backlog of claims identified during the last reporting period, the Committee was reassured to hear that the Authority was comfortable with the way agencies are now handling potential insurance claims.[126]

4.45 In considering the Auditor-General's Report No 7 of 2005: *2004-05 Financial Audits*, the Committee notes however, the Auditor-General's comments that, '*the Authority continues to have insufficient assets to meet its liabilities, a position that has weakened significantly in recent years*'.[127]

4.46 The Committee sought clarification regarding the extent to which the insurers will cover the Territory's costs associated with litigation arising from the bushfire coronial inquiry.[128] An authority representative advised, *'all costs that have been incurred to this point of time are covered by the insurers. If there were further challenges beyond where we stand at this time, there may be costs that are not covered. There is no indication at this point in time that there will be any further challenges'*.[129]

Rhodium Asset Solutions (Rhodium)

4.47 As Rhodium deals with a lot of contracts and major suppliers, the Committee was interested in how its receipt of gifts policy works. The Chief Executive of Rhodium stated, '*a full policy and set of guidelines have been established in respect of the receipt of gifts from external suppliers and/or clients, and that now caters for any gift coming into a central pool within the organisation, to be used for charitable auctions, et cetera, rather than to staff members themselves*'.[130]

4.48 In response to a question asked [131] about whether ambiguities in the *Territory Owned Corporations Act* made it more difficult for Rhodium to operate in a fully commercial way, the Chief Executive of Rhodium stated, *'I would have to go*

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[126] Transcript of evidence, 26 October 2005, pp. 22-23.

[127] Auditor-General's Report No 7 of 2005*: 2004-05 Financial Audits*, p. 5.

[128] Transcript of evidence, 26 October 2005, p. 23.

[129] *Ibid*., p. 23.

[130] *Ibid*., p. 26.

[131] *Ibid*., p. 29.

through it. Our whole process of how we report through Treasury, our operations, our directions and so forth – those various government requirements would make it more difficult'.[132]

Independent Competition and Regulatory Commission (ICRC)

4.49 The Committee was interested in the current competition inquiry into the Capital Linen Service (CLS) to investigate whether the CLS, by reason of its government ownership, has a competitive advantage in respect of services it provides.[133]

4.50 Subsequent to the hearing, the release of the ICRC's draft report on the CLS inquiry, found that, *'in the main, CLS enjoys no particular competitive advantage from being government-owned and in fact appears to be disadvantaged as a result of public ownership'*.[134] Further, the Commission found that, *'CLS does not appear to be using its public hospital customers to subsidise other, commercial customers and, in general, does not appear to be overcharging customers in such a way that it enjoys no competitive advantage over the private sector'*.[135] The Commission noted, *'despite these constraints imposed by its government ownership, CLS appears to be operating effectively, with high levels of customer satisfaction, although the Commission does consider that the CLS is not operating optimally in terms of financial efficiency, for reasons mainly to do with its government ownership'*.[136]

4.51 The Committee was also interested in how the Commission determines the price of water and how it weighs up the issues of reducing demand, covering costs and maintaining affordability.[137]

4.52 The Chief Executive of the Commission stated, '*the commission uses a cost build-up approach to setting water prices that looks at operating and capital expenditure; it determines the prudence of those expenditures; it looks at the appropriate returns of a non capital nature; it obviously does not include in pricing those things which it deems to be imprudent. In arriving at a final conclusion about the level of pricing, there is a*

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[132] Transcript of evidence 26 October 2005, p. 29.

[133] ICRC, *Issues Paper – Competition Inquiry into Capital Linen Service, Report 13 of 2005*, November 2005, p. 3.

[134] ICRC Media Release, ICRC Releases Capital Linen Draft Report, 9 January 2006.

[135] *Ibid*.

[136] *Ibid*.

[137] Transcript of evidence, 26 October 2005, p. 27.

degree of judgement subjectivity based on the commission's experience, the considered judgement of the commissioners, who have considerable skill and experience in these areas, and having a view to what is occurring in other jurisdictions as far as water pricing is concerned…the aggregate water price includes the water extraction charge[138]*, which is not determined by the commission'*.[139]

4.53 Given the price determination by the Commission is a cost driven price not a demand management price, the Committee was interested as to the impact a sustained period of water restrictions would have on the pricing determination by the Commission.[140] The Treasurer stated that, *'if we had a protracted period of restrictions and therefore a lower consumption, that would be reflected in the price, because the requirement on the commission is to ensure that there is a price that contains viability'*.[141]

4.54 Further, the Chief Executive of the Commission added, *' in terms of extraordinary events, like the stage 3 drought restrictions that we experienced last year, the commission provides, in its determination, a number of pass through events, one of which is drought. That is a demand related issue. In that case we did agree to a pass through, which had the effect of maintaining the allowable revenue that ActewAGL would expect under the determination. That is not the same situation as a loss of demand if people simply decided that they were able to live without a proportion of the water they currently use'*.[142]

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[138] Water Abstraction Charge (WAC) – broadly defined as the water supply costs and the flow costs to include the recovery of catchment management and direct administration costs, environmental costs associated with the removal of water from the river system and the cost of using water primarily for domestic purposes versus alternative uses (that is, the scarcity value). The ACT Government sets the WAC although the rate is based on advice from the ICRC.

[139] Transcript of evidence, 26 October 2005, pp. 32-33.

[140] *Ibid*., p. 33.

[141] *Ibid*., p. 33.

[142] *Ibid*., p. 34.

Department of Economic Development

4.55 The Committee notes that 14 of the Department's 22 contracts for external sources of labour and services involved select tenders and that this seemed to be inconsistent with the concept of open and fair competition.[143]

4.56 The Committee notes that it is advisable that Territory entities apply competitive tendering when undertaking procurement activities. The Committee notes that making government services contestable provides greater opportunities for business to participate in government markets and demonstrates value for taxpayer's dollars.

4.57 Further, the Committee notes that the Department outsourced the preparation of its business plan.[144]

4.58 In examining the economic impact of ageing on the ACT, the Chief Executive of the Department of Economic Development advised, *'the Department is looking at a range of systemic issues. Demography is one of those. We have prepared a significant paper, which has been passed through the Canberra Partnership Board, and the Board has written to the minister acknowledging the work on that and the potential effect of demography on the economy of the ACT'*.[145]

4.59 In response to a question, the Minister for Sport, Recreation, Racing and Gaming advised the Committee of how successful the Department's *'Kids at Play'* program had been.[146] The program, designed as a strategy to combat the rising trend of childhood obesity, had exceeded anticipated participation numbers with 15, 900 children completing the program in its first 12 months.[147]

4.60 The Committee also explored issues relating to: the ANU Motor Trades Association joint venture[148]; the impact of business support programs on low income and low skilled workers[149]; the Council for Education Export[150];

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143 Transcript of evidence, 26 October 2005, p. 37.

144 *Ibid*., p. 37.

145 *Ibid*., p. 45.

146 *Ibid*., p. 47.

147 *Ibid*., p. 47.

148 *Ibid*., p. 38.

149 *Ibid*., pp. 38-39.

refurbishment of the tourism and convention centre[151]; trade delegations[152]; the role of the Department in the City West development[153]; and the Women in Sport Grants Program[154].

Australian Capital Tourism Corporation

4.61 The Committee discussed the ongoing dialogue the Corporation had instigated with the national institutions in the ACT jurisdiction to coordinate timing of programmed blockbuster exhibitions.[155]

4.62 The Committee notes the benefit major tourism events provide to the ACT economy in terms of direct and indirect financial gain and repeat business. This includes not just the visitation numbers these events specifically attract in terms of the direct spend, but also the spill over effect of these patrons visiting other tourist attractions.

4.63 Further, developing strong partnerships with the national institutions in the ACT jurisdiction can assist programming of events to avoid empty gaps in the tourism calendar.

4.64 As a strategy for attracting younger visitors to the Territory, the Committee was interested whether the Corporation had targeted international publications, such as Bill Bryson's *Down Under* and the *Lonely Planet Guide*.[156] A Corporation representative advised that a detailed analysis of the backpacker market had just concluded and over the next 12 months the Corporation would be putting in place a number of initiatives to work with international publications to get a larger slice of the backpacker market.[157] The Committee was pleased to hear that the aforementioned initiatives would

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150 Transcript of evidence, 26 October 2005, pp. 39-41.

151 *Ibid*., pp. 41-42.

152 *Ibid*., p. 43.

153 *Ibid*., p. 44

154 *Ibid*., pp. 48-49.

155 *Ibid*., p. 56.

156 *Ibid*., p. 56.

157 *Ibid*., p. 56.

include talking to the publishers of Bill Bryson's *Down Under* and the *Lonely Planet Guide*.[158]

4.65 The Committee also explored issues relating to: the impact of the Corporation's part time Singapore office on visitation numbers[159]; nature-based tourism as an opportunity for the ACT [160]; and the feasibility of future Floriade designs being able to be viewed in entirety from the ground[161].

ACTTAB Ltd

4.66 The Committee was interested in whether ACTTAB had undertaken proactive measures to promote responsible gambling online.[162] Whilst ACTTAB representatives advised that messages relating to responsible gambling are posted on brochures and posters in outlets, in terms of online gambling, *'other than getting the message out that counselling services are available, there is probably little that we do online…'*.[163] Further, provisions relating to the gambling code of practice and responsible gambling advice are posted on ACTTAB's website but these have to be self-sourced.[164]

4.67 Additionally, the Minister for Racing and Gaming advised that responsible gambling messages were periodically distributed to all ACTTAB outlets addressing a range of issues including reminders to be vigilant for under age gambling activities, changes to the Code of Practice, and the display of information support material.[165]

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158 Transcript of evidence, 26 October 2005, p. 56.
159 *Ibid*., p. 56.
160 *Ibid*., p. 57.
161 *Ibid*., p. 58.
162 *Ibid*., pp. 50-51.
163 *Ibid*., p. 50.
164 *Ibid*., p. 50.
165 Legislative Assembly for the ACT, Response to Question on Notice No. 3 to the Minister for Racing and Gaming, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-2005, QON PAC 03.

4.68 Given that ACTTAB, over a number of years has undertaken targeted marketing to entice online customers[166] and when compared with last year, online gambling has experienced 10% growth[167], the Committee notes, during the reporting period, ACTTAB did not directly allocate funding[168] to any organisation that deals with problem gambling.[169]

RECOMMENDATION 8

4.69 **The Committee recommends that ACTTAB explore the feasibility of enhancing its website with pop up information windows highlighting responsible gambling messages and give favourable regard to providing funds for gambling support initiatives.**

Office of Industrial Relations

4.70 The Committee sought information on the status of the *Fair Work Contracts Bill 2004*.[170] The Minister for Industrial Relations advised that the legislation had been introduced to the Assembly with a timeline to assess the impact of federal legislation in the area. Further, consultations undertaken post the introduction of the legislation would require amendments to the Bill.[171]

4.71 The Committee sought assurance that given the overriding conflict between the proposed new federal laws and the *Fair Work Contracts Bill 2004*, the resources invested to date would not be wasted. The Minister advised that this would not be the case and whilst the federal legislation would impact on a number of leave areas, occupational health and safety, workers compensation, child labour laws and a few others were exempt from the work choices legislation.[172]

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[166] Transcript of evidence, 26 October 2005, p. 49.

[167] *Ibid*., p. 51.

[168] Page 21 of ACTTAB's annual report lists various community organisations that receive funding from ACTTAB, as well as an extremely generous 5 year commitment to the Chief Minister's Department's 'Celebrate in the Park' event.

[169] Legislative Assembly for the ACT, Response to Questions on Notice No. 3 to the Minister for Racing and Gaming, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-2005, QON PAC 03.

[170] Transcript of evidence, 8 November 2005, p. 63.

[171] *Ibid*., pp. 63-64.

[172] *Ibid*., p. 64.

4.72 The Committee notes that the Assembly has not been further updated of the Government's intentions in relation to the Bill.

4.73 The Committee was interested in how the submission, prepared by the Office, to the 2005 national wage case had arrived at the figure of a $20 per week increase in the minimum wage.[173] The Minister for Industrial Relations explained that the submission was part of a joint case between the states and territories and that extensive economic data underpinned the submission. As part of the joint submission, an agreement was reached in negotiations that a $20 a week increase was affordable and reasonable. The amount was slightly less than that sought by the Territory the year before but was a reasonable outcome.[174]

4.74 The Committee noted the absence of the Registrar of the Australian Capital Territory Cleaning Industry and Construction Long Service Leave Boards[175] and is concerned that the absence of key people at these annual report hearings diminishes the accountability process.

RECOMMENDATION 9

4.75 **The Committee recommends that the Government ensure that ACT Government agency heads are in attendance at annual report hearings or, in their absence, a delegate capable of answering operational questions.**

4.76 In relation to the Australian Capital Territory Construction Long Service Leave Board the Committee was interested in the basis for the assumption that the Scheme's actuarial liability will stabilise at the recalculated level.[176]

4.77 The Minister for Industrial Relations advised that the major drivers of the Scheme's actuarial liability were the level of wages in the building and construction industry; and the number of employees and contractors registered in the Scheme. The industry experienced buoyant conditions in the ACT during 2004/05 resulting in the average wage for payments being

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[173] Transcript of evidence, 8 November 2005, p. 64.

[174] *Ibid*., p. 65.

[175] *Ibid*., pp. 68-69.

[176] *Ibid*., p. 68.

considerably higher than anticipated (a 9.4% increase on 2003/04) and registered numbers in the Scheme increasing by 19% on a FTE[177] basis. Additionally, buoyant conditions may also increase the likelihood of employees deferring taking leave, further contributing to an increase in the Scheme's liabilities.[178]

4.78 In summary, the aforementioned factors contributed to the increase in the Scheme's actuarial liability of $5.016 million during the reporting period and it is expected that the industry will continue to experience high rates of activity over the next few years and the highlighted contributory factors are likely to recur.[179]

ACT WorkCover

4.79 Members and witnesses discussed two prosecutions under the *Dangerous Goods Act 2004* (the Act), against a purchaser and supplier, in relation to one incident.[180] As the purchaser was acting in the interests of drawing attention to the irresponsible behaviour of the supplier, the Committee sought an explanation as to the basis for recommending that, in addition to the supplier, the purchaser also be prosecuted.[181]

4.80 ACT WorkCover officials stated that the purchaser knew what the law was and made a conscious decision to break the law. All the factors in the case were taken into consideration when presenting the brief of evidence to the Director of Public Prosecutions (DPP).[182]

4.81 The Minister for Industrial Relations noted that the decision to prosecute is up to the DPP. Further, the purchaser brought information of the illegal purchase to the *Canberra Times'* attention and not ACT WorkCover. The brief was compiled and the prosecution commenced according to the letter of the law.[183]

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177 Full time equivalent

178 Legislative Assembly for the ACT, Response to Question Taken on Notice No. 56 to the Minister for Industrial Relations, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 56.

179 Legislative Assembly for the ACT, Response to Question Taken on Notice No. 56 to the Minister for Industrial Relations, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 56.

180 Transcript of evidence, 8 November 2005, pp. 70-71.

181 *Ibid*., p. 71.

182 *Ibid*., p. 71.

183 *Ibid*., pp. 71-72.

4.82 In connection with the redevelopment of the Griffin Centre site, the Committee sought assurance that no asbestos had been present in the old building.[184]

4.83 A representative of ACT WorkCover stated that, as a requirement of the development application and approval process, an asbestos survey was completed. An amount of asbestos containing product[185] was identified, however, there was no friable[186] asbestos. The identified product was removed by specialist removal in accordance with the NOHSC[187] code of practice at the beginning of the strip out phase and was properly contained and taken away without any unnecessary damage to the asbestos product.[188]

4.84 The Committee was interested as to whether any modelling had been undertaken to assess the impact of payout limitations on workers' compensation insurance premiums.[189] The Minister for Industrial Relations advised that discussions with the Insurance Council of Australia had indicated that the absence of payout caps does impact on premiums and, in all probability, the Council would be lobbying for the introduction of caps in the ACT. As the matter crosses into the Chief Minister's portfolio it requires further discussion with him as part of the whole area of workers' compensation.[190]

4.85 Regarding work undertaken on modelling, the Minister for Industrial Relations advised the Committee that the Government is committed to a review of the Workers' Compensation Scheme.[191] The Minister said that conducting a meaningful review would be expensive. Further, while the review of the Scheme had been presented in the 2005-06 budget it had been itemised as a performance indicator and not as a funded initiative. The Minister concluded discussion, stating that a proper review was needed and,

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184 Transcript of evidence, 8 November 2005, p. 72.

185 Installed, undisturbed asbestos-containing products, which are safe because the asbestos fibres are bound together in a solid matrix. If they are tooled, cut, drilled, sanded or otherwise abraded or machined they can release asbestos fibres into the air.

186 Unbonded asbestos containing material that, when dry, is or may become crumbled, pulverised or reduced to powder by hand pressure.

187 National Occupational, Health and Safety Commission

188 Transcript of evidence, 8 November 2005, pp. 72-73.

189 *Ibid*., p. 73.

190 *Ibid*., p. 73.

191 *Ibid*., p. 73.

based on advice received regarding cost, she was not certain that it could be delivered this financial year.[192]

4.86 In response to a question[193] concerning a drop in legal expenses for the reporting period compared with 2003-04 and, whether ACT WorkCover had enough money to carry out prosecutions, a representative of ACT WorkCover stated,*'we conduct a range of prosecution activity within our existing budget'*.[194]

4.87 Under key achievements, Key Result Area number one, the Committee notes the Minister's willingness to provide, in future annual reports, a comparative analysis of figures provided with previous reporting periods.[195]

4.88 The Committee also explored issues relating to: the ACT Asbestos Taskforce's report on asbestos management[196]; guidelines for expectant mothers in the workplace[197]; effectiveness of ACT WorkCover's infringement notice scheme[198]; and the compliance education campaign in the retail sector[199].

Office for Women

4.89 The Committee was interested in an update on the development of the gender analysis tools; a description of the tools; and how they would be used.[200] An official from the Office of Women stated that there is a range of national and international gender analysis tools and the Office was looking to develop ACT specific tools to assist with policy development. The tools would take the form of generic questions to be asked during the policy formulation stage to ensure that the needs of different groups of women were considered and the outcomes of a particular policy would not adversely impact on people because of their gender.[201]

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[192] Transcript of evidence, 8 November 2005, p. 74.
[193] *Ibid*., p. 77.
[194] *Ibid*., p. 77.
[195] *Ibid*., pp. 74-75.
[196] *Ibid*., p. 66.
[197] *Ibid*., p. 67.
[198] *Ibid*., pp. 69-70.
[199] *Ibid*., p. 75.
[200] *Ibid*., p. 79.
[201] *Ibid*., p. 79.

4.90 In relation to the ACT Women's Director Scholarships Program, the Committee sought information on: the qualifying conditions; number of applicants; funding amounts; and identified achievements.[202] An official from the Office stated that the qualifying conditions asked applicants to describe: what their interest was; benefits for themselves in undertaking a directorship course; specify whether they were currently involved in a community organisation or professional capacity; and how the directorship would assist them in that capacity or in the future if they had plans for specific leadership positions.[203] As the program had commenced during the reporting period, all participants were still completing the course and identification of outcomes was not yet possible. Further, all participants signed a deed of grant, which includes the requirement to provide a report on how they found the course and whether the course was useful in achieving their aims and objectives.

4.91 The Minister for Women advised that four applicants from a field of 15 had been funded under the 2004-05 scholarships worth a total value of $10 000 per annum.[204]

4.92 In response to a question on notice, the Committee heard that no data is available on whole-of-Government funding on the ACT Women's Plan.[205]

4.93 The Committee also explored and discussed issues relating to: the Women's Ministerial Advisory Council[206]; ACT Women's Grants Program[207]; the ACT Women's Register[208] and the draft information development plan[209].

4.94 In relation to the ACT Women's Register, the Committee was pleased to hear that over 100 women are currently registered and that representation options, in addition to government boards and committees, had been expanded to include the business and community sector.[210]

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[202] Transcript of evidence, 8 November 2005, p. 80.

[203] *Ibid*., p. 81.

[204] *Ibid*., p. 80.

[205] Legislative Assembly for the ACT, Response to Question Taken on Notice No. 37 to Minister for Women, Standing Committee on Public Accounts, Inquiry on Annual and Financial Reports 2004-05, QON PAC 37.

[206] Transcript of evidence, 8 November 2005, p. 82.

[207] *Ibid*., pp. 83-84.

[208] *Ibid*., p. 84.

[209] *Ibid*., p. 87.

[210] *Ibid*., p. 84.

Office of the Auditor-General

4.95 The Committee discussed the continuing difficulties in retaining and attracting skilled staff and its subsequent impact on the Office's capacity to complete planned performance audits in a timely fashion.[211]

4.96 The Auditor-General advised that while the current situation with staff capacity was an ongoing and serious issue for the Office it was also a problem faced by other audit offices.[212]

4.97 The Committee commends the efforts instigated by the Office to address the staffing situation whilst continuing to deliver high quality performance outcomes. To compensate for the lack of senior auditors, the Office's managers and directors undertook additional work during the last audit program.[213]

4.98 The Committee is concerned about the future impact the current staffing challenges may have on the Auditor-General's important role of providing independent and impartial information regarding public sector accountability and performance.

4.99 The Committee also explored issues relating to: community engagement[214]; workplace health and safety[215]; client satisfaction[216]; and sustainability reporting[217].

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[211] Transcript of evidence, 1 December 2005, p. 164.
[212] *Ibid*., p. 164.
[213] *Ibid*., p. 165.
[214] *Ibid*., pp. 167-169.
[215] *Ibid*., pp. 169-170.
[216] *Ibid*., pp. 170-171.
[217] *Ibid*., p. 170.

ACT Legislative Assembly Secretariat

4.100 The Committee heard that whilst the Secretariat is a small organisation, it sustains many of the same functions and responsibilities as larger government departments without the economies of scale. During the 2004-05 financial year the Secretariat continued to provide high levels of service to Members and their staff.[218]

4.101 The Committee discussed the delay in the introduction of the Secretariat's formal feedback survey (the Survey) for Members. A Secretariat representative advised that the delay was largely attributable to ensuring that the Survey design and its implementation gathers relevant performance information without unnecessarily burdening Members.[219] Further, the representative indicated that the Survey was being developed and it would be introduced in the near future.[220]

4.102 The Committee appreciates the difficulties in survey design and that effective customer surveying requires planning, implementation, review, assessment and time. Despite this, the Committee has difficulty understanding the delay in the Survey introduction.

RECOMMENDATION 10

4.103 **The Committee recommends that the Secretariat prioritise the design, implementation and evaluation of a formal feedback survey for Members.[221]**

4.104 The Committee notes the Auditor-General's findings[222] that the Secretariat had taken appropriate actions to address the significant weaknesses in controls (mainly related to payments) reported in the previous year.[223]

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218 Transcript of evidence, 1 December 2005, pp. 142-143.

219 *Ibid*., p. 143.

220 *Ibid*., p. 143.

221 The Committee notes in connection with recommendation no. 10, that subsequent to the hearing, the Secretariat has commenced the implementation of a Members' Survey and is in the process of compiling responses.

222 Auditor-General's Report No. 7 of 2005: *2004-05 Financial Audits*, p. 5.

223 Transcript of evidence, 1 December 2005, p. 145.

4.105 Members and officials discussed the state of the Assembly building as a Territory asset. A Secretariat representative advised that work had been completed on the lifecycle of the building some years ago and this had informed the development of a strategic asset management plan (the Plan) due to be finalised within the next month. As a Treasury requirement, the Plan underpins capital upgrade funding and focuses on a more proactive and planned approach to maintenance and repairs.[224]

4.106 The Plan maps out the requirements to maintain the building and highlights the need to spend significant amounts of money over its life. Treasury's timetable for considering the Plan is early January 2006.[225]

4.107 The Committee explored issues regarding security, particularly the effectiveness of the Assembly's closed circuit television system. A Secretariat representative advised that in 2004 the Attorney-General's T4 Protective Security Group had been commissioned to conduct a physical assessment of the building. The assessment found that the existing CCTV coverage was inadequate and the Assembly had embarked on a project to upgrade its CCTV coverage due to be completed by the middle of 2006.[226]

4.108 The Committee discussed issues relating to the purpose and intent of the discretionary office allocation (DOA)[227] for members.[228] A Secretariat official advised that the DOA was introduced as a means of recognising that above certain standard entitlements, Members have different requirements.[229]

4.109 The Speaker further added that the DOA enables members to make choices about how they use their resources and introduces an element of fairness and flexibility whilst ensuring that Members don't have unused resources in their offices.[230]

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[224] Transcript of evidence, 1 December 2005, pp. 157-159.

[225] *Ibid*., p. 158.

[226] *Ibid*., p. 147.

[227] Non-Executive Members of the Assembly have access to a Discretionary Office Allocation (DOA) to allow them to acquire goods and services that assist them in carrying out their parliamentary and electoral responsibilities, whilst providing some flexibility between Members as to what goods and services are sought.

[228] Transcript of evidence, 1 December 2005, pp. 153-157.

[229] *Ibid*., p. 155.

[230] *Ibid*., p. 156.

4.110 The Committee heard that a submission to the Remuneration Tribunal is being prepared with a view to proposing that the DOA be rolled into an entitlement by way of a tribunal decision.[231]

4.111 The Committee expressed its concern that fundamental tools of the trade provided by the Assembly, such as software to ensure the security of documentation[232], were inadequate for Members and should not be expected to be embraced by the DOA.[233]

4.112 The Committee, as in previous years, discussed weatherproof and secure bicycle storage facilities at the Assembly.[234] The Committee notes that a number of ACT Government departments have made provision for safe and accessible bicycle storage as a key outcome of environmental plans.[235] With the recent introduction of the ACTION Buses *Bike 'n Ride* initiative, the Committee reiterates the importance of providing enhanced bicycle storage facilities at the Assembly.

4.113 The Committee also explored issues relating to: the timetable for the entrance redevelopment project and its impact on the reception room[236]; rollout of the telephone upgrade[237]; well attended public service seminars[238]; observations regarding budget surpluses in election years[239], green waste management[240]; enhanced car park signage in connection with one way traffic direction and speed limits[241]; and the importance of the reception room as a core function of promoting a living democracy in the ACT[242].

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231 Transcript of evidence, 1 December 2005, p. 154.
232 An Assembly official advised InTACT's next scheduled rollout will include as standard, software with the ability to write a PDF file.
233 Transcript of evidence, 1 December 2005, p. 155.
234 *Ibid*., p. 161.
235 *Ibid*., p. 161.
236 *Ibid*., p. 150.
237 *Ibid*., p. 149.
238 *Ibid*., pp. 152-154.
239 *Ibid*., pp. 159-160.
240 *Ibid*., pp. 161-162.
241 *Ibid*., p. 148.
242 *Ibid*., pp. 150-151.

5 CONCLUSION

5.1 The Committee has made 10 recommendations in relation to the evidence presented to it. The Committee would like to thank Ministers and accompanying departmental and agency staff for their time and cooperation during the course of the inquiry process.

Richard J Mulcahy MLA

Chair

27 March 2006

PUBLIC ACCOUNTS COMMITTEE REPORT NO 5

REPORT ON ANNUAL AND FINANCIAL REPORTS 2004-2005

DISSENTING REPORT BY RICHARD MULCAHY MLA

Review of Workers' Compensation Scheme

The Committee was informed by the Minister for Industrial Relations that the Government is committed to a review of the Workers' Compensation Scheme.

She made it clear that a proper review was needed and such an exercise could be expensive. Nonetheless, as the report points out at paragraph 4.85, a review of the scheme had been presented in the 2005-06 budget but it had been itemised as a performance indicator, not as a funded initiative.

The Minister was pessimistic about the review being delivered this financial year.

Since the Minister acknowledges the importance of conducting a review of the Workers' Compensation Scheme, it was perplexing that other Committee members were not prepared to take the logical step of recommending that the review be considered as a funded initiative in the 2006-07 budget. In the event, the Minister's evidence on this matter came to nothing.

I dissent from the majority report because I strongly support the Minister in emphasising the necessity of a review of the Workers' Compensation Scheme and I believe that the report should include a recommendation to fund the review in the budget for 2006-07.

Richard J Mulcahy MLA
28 March 2006

APPENDIX A: Annual reports referred to the Committee for inquiry by the Legislative Assembly[243]

- ACT Auditor-General
- 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
- ACT Legislative Assembly Secretariat
- ACTEW Corporation
- ACTTAB Ltd
- Australian Capital Tourism Corporation
- Australian International Hotel School
- Chief Minister's Department
- Commissioner for Occupational Health and Safety
- Commissioner for Public Administration
- Department of Economic Development
- Department of Treasury
- Exhibition Park in Canberra
- Independent Competition and Regulatory Commission
- Rhodium Asset Solutions

[243] Legislative Assembly for the ACT, Minutes of Proceedings No. 38, Wednesday 18 October 2005, pp. 401-402.

- Small Business Commissioner
- Stadiums Authority
- Totalcare Industries[244]

[244] Due to an administrative oversight the annual report for Totalcare Industries was not tabled on 18 October 2005. Consequently, it was tabled and referred to the Committee for inquiry 13 December 2005.

APPENDIX B: Witnesses who appeared before the Committee

Wednesday 26 October 2005

Mr Ted Quinlan MLA

Treasurer

Dr Paul Grimes, Chief Executive, Department of Treasury (DT)

Mr Neil Bulless, A/g Executive Director, Finance & Budget Division, DT

Mr Floyd Kennedy, A/g Director, Budget Management and Analysis Branch, Finance & Budget Division, DT

Ms Kirsten Thompson, Director, Budget Strategy and Reporting Branch, Finance & Budget Division, DT

Mr Phillip Hextell, Director, Accounting Branch, Finance & Budget Division, DT

Mr Michael Vanderheide, General Manager, InTACT, DT

Mr Ross Burton, Manager, Finance, InTACT, DT

Mr Glenn Gaskill – Chair, ACT Government Procurement Board, ACT Procurement Solutions, DT

Mr John Robertson, Executive Director, ACT Procurement Solutions, DT

Ms Robyn Hardy, Director Procurement Policy, ACT Procurement Solutions, DT

Mr Graeme Dowell, Commissioner for ACT Revenue, ACT Revenue Office, DT

Mr Khalid Ahmed, Executive Director, Policy Coordination & Development, DT

Mr Roger Broughton, Executive Director, Investment & Economics Division, DT

Mr Garry Cartwright, Manager, Superannuation Unit, Investment & Economics Division, DT

Mr Patrick McAuliffe, Manager, Central Financing Unit, Investment & Economics Division, DT

Mr Tom McDonald, Director, Legal and Insurance Policy, Investment & Economics Division, DT

Mr John Robertson, Chairman, Australian International Hotel School (AIHS)

Mr Reuben Ong, Finance Manager, AIHS

Mr Tony Hays, Project Manager, AIHS

Mr Ian Primrose, Chief Executive Officer, Independent Competition and Regulatory Commission (ICRC)

Mr Rob Gaspari, Finance Manager, Exhibition Park in Canberra (EPIC)

Ms Lindy Cairnduff, Marketing Manager, EPIC

Mr Peter Matthews, General Manager, ACT Insurance Authority

Ms Deborah Clark, Chief Executive, Rhodium Asset Solutions

Wednesday 26 October 2005

Mr Ted Quinlan MLA

Minister for Economic Development and Business

Mr Shane Gilbert, Chief Executive, Department of Economic Development (DED)

Mr Geoff Keogh, Director, Business Programs, DED

Mr Ian Cox, A/g Director, Business & Economic Policy, DED

Ms Sue Marriage, Director, Sport & Recreation and Corporate Governance, DED

Mr Ross MacDiarmid, Chief Executive, Australian Capital Tourism Corporation

Mr Tony Curtis, Chief Executive, ACTTAB Ltd

Mr Simon Wheeler, Executive Manager, Corporate Services, ACTTAB Ltd

Mr Phil Collins, Acting Chief Executive, Gambling & Racing Commission

Mr Greg Jones, Manager Legislation and Policy Review, Gambling & Racing Commission

Dr Michael Schaper, Small Business Commissioner

Mr Danny Harley, Chief Executive, Stadiums Authority

Tuesday 8 November 2005

Ms Katy Gallagher MLA

Minister for Industrial Relations

Mr Mike Harris, Chief Executive, Chief Minister's Department (CMD)

Mr Glen Gaskill, Executive Director, Public Sector Management & Industrial Relations, CMD

Mr Warren Foster, Senior Manager, Employment Policy & Workplace Relations, CMD

Ms Margaret Cotton, Acting Director, Office of Industrial Relations, CMD.

Mr Mark McCabe, Manager, ACT Safety First Project, Office of Industrial Relations, CMD

Ms Kate Neser, Acting Director, Corporate Management, CMD

Mr Karl Phillips, Acting Chief Finance Officer, Corporate Finance, CMD

Tuesday 8 November 2005

Ms Katy Gallagher MLA

Minister for Women

Ms Pam Davoren, Executive Director, Cabinet and Policy Group, CMD

Ms Sue Hall, Director, Community Affairs Branch, CMD

Ms Kate Neser, Acting Director, Corporate Management, CMD

Mr Karl Phillips, Acting Chief Finance Officer, Corporate Finance, CMD

Wednesday 30 November 2005

Mr Jon Stanhope MLA

Chief Minister

Mr Mike Harris, Chief Executive, Chief Minister's Department (CMD)

Mr Jeremy Lasek, Executive Director, Executive Support, CMD

Ms Cheryl Vardon, Commissioner for Public Administration

Ms Lucy Bitmead, Executive Director, Strategic Coordination, CMD

Mr George Tomlins, Executive Director, Strategic Projects & Implementation, CMD

Ms Jocelyn Plovits, Senior Manager, Strategic Projects & Implementation, CMD

Mr Alan Franklin, Senior Manager, Strategic Projects & Implementation, CMD

Ms Jan Weir, Senior Manager, Strategic HR, CMD

Mr Stephen Lloyd, HR Advisor, Strategic HR, CMD

Ms Cathy Hudson, Director, Social Policy Branch, CMD

Ms Pam Davoren, Executive Director, Cabinet & Policy Group, CMD

Mr Phil Tardif, Director, Cabinet Office

Dr Phillip Dorling, A/g Senior Mgr, Cabinet & Executive Support, Cabinet Office, CMD

Ms Kate Neser, Acting Director, Corporate Management, CMD

Ms Sue Hall, Director, Community Affairs Branch, CMD

Mr Greg Ellis, Director, Economic, Planning & Regional Branch, CMD

Mr Peter Ottesen, Executive Director, Office of Sustainability, CMD

Mr David Butt, Director, Executive Director, Office of Sustainability, CMD

Mr Jim Service, Chairman, ACTEW Corporation

Mr Michael Costello, Managing Director, ACTEW Corporation

Mr Mike Luddy, Chief Finance Executive, ACTEW Corporation

Mr Aspi Baria, Technical Specialist, Water, ACTEW Corporation

Mr Ross Knee, Principal Strategic Planner, ACTEW Corporation

Mr Karl Phillips, Acting Chief Finance Officer, Corporate Finance, CMD

Mr Philip Mitchell, Executive Director, Priority Projects, CMD

Mr Mark Kwiatkowski, Director, Priority Projects, CMD

Wednesday 30 November 2005

Mr Jon Stanhope MLA

Minister for Arts, Heritage and Indigenous Affairs

Dr Maxine Cooper, Executive Director, Arts, Heritage & Environment

Mr John Heinemann, Finance Manager, Environment ACT

Mr Darro Stinson, Director, Environment Protection & Heritage

Ms Mandy Hillson, Director, artsACT

Mr John Stanwell, Manager, Major Projects, artsACT

Mr Bob Neil, Manager, Heritage Unit

Thursday 1 December 2005

Mr Wayne Berry MLA

Speaker

ACT Legislative Assembly

Mr Max Kiermaier, Acting Clerk

Mr Ian Duckworth, Manager, Corporate Services

Mr Russell Lutton, Manager, Hansard & Communications

Mr David Skinner, Manager, Strategy & Parliamentary Education

Ms Robina Jaffray, Manager, Committee Office

Thursday 1 December 2005

Ms Tu Pham

ACT Auditor General

ACT Audit Office

Ms Tu Pham, Auditor-General

Mr Rod Nicholas, Director, Performance Audits & Corporate Services

Mr Bernie Sheville, Director, Financial Audits

APPENDIX C: Questions taken on notice and questions on notice[245]

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 01	Mulcahy	Treasury	Govt Procurement Annual Report	27/10[246]	4/11	9/11 (part) 10/11 (part) 16/11 (part) 24/11 (part)
PAC 02	Foskey	Treasury	Exhibition Park	1/11	9/11	17/11
PAC 03	Foskey	Economic Development & Business	ACTTAB Annual Report	1/11	9/11	16/11
PAC 04	Foskey	Economic Development & Business	ACT Gambling & Racing Commission's Annual Report	1/11	9/11	16/11
PAC 05	Foskey	Treasury	Treasury Annual Report, Output EBT 1, Home Loan Portfolio	1/11	9/11	9/11
PAC 06	Foskey	Economic Development & Business	Stadiums Authority Annual Report	1/11	9/11	22/11
PAC 07	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Output 2.1, Sport & Rec, Programs & Services	1/11	9/11	16/11
PAC 08	Foskey	Economic Development & Business	Dpt of Economic Dvp Annual Report, Ecologically Sustainable Dvp	1/11	9/11	16/11
PAC 09	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Chief Executive Review	1/11	9/11	16/11

[245] Questions 'taken on notice' arise during the public hearings when a minister or official agrees to provide an answer after the hearing. 'Questions on notice' are tendered in writing by Members of the Legislative Assembly either at the end of the public hearing or within two working days of the hearing.

[246] Unless otherwise specified, all dates refer to the 2005 calendar year.

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 10	Foskey	Treasury	Australian International Hotel School Annual Report	1/11	9/11	22/11
PAC 11	Foskey	Treasury	ACT Insurance Authority Annual Report	1/11	9/11	10/11
PAC 12	Foskey	Treasury	Dpt of Treasury Annual Report, Human Rights reporting	1/11	9/11	10/11
PAC13	Foskey	Treasury	Dpt of Treasury Annual Report, Output 1.4 Procurement Support Services	1/11	9/11	10/11
PAC 14	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Output 1.1, Business ACT – specific grants (p.169)	1/11	9/11	16/11
PAC 15	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Business ACT – funding rollover (p.158)	1/11	9/11	16/11
PAC 16	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Economic White paper actions	1/11	9/11	16/11
PAC 17	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, City West Precinct Committee	1/11	9/11	16/11
PAC 18	Foskey	Economic Development	Dpt of Economic Development AR, Human Rights	1/11	9/11	16/11
PAC 19	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Output 2.1, Sport & Recreation	1/11	9/11	16/11
PAC 20	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Output 1.1, Business ACT – trade delegations (p.14), advertising (p.14), policy development (p.17)	1/11	9/11	16/11

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 21	Foskey	Treasury	Dpt of Treasury Annual Report, Output EBT 1, Superannuation Unit	1/11	9/11	9/11
PAC 22	Foskey	Treasury	Dpt of Treasury Annual Report, Output EBT 1, Central Financing Unit	1/11	9/11	2/12
PAC 23	Foskey	Treasury	Dpt of Treasury Annual Report, Output 1.1, Economic Management	1/11	9/11	9/11
PAC 24	Foskey	Treasury	Dpt of Treasury Annual Report, Output 1.2, Financial Management	1/11	9/11	10/11
PAC 25	Mulcahy	Treasury	EPIC Water Savings	TON	9/11	9/11
PAC 26	Foskey	Treasury	Percentage of gas vehicles in ACT Govt Fleet	TON	9/11	9/11
PAC 27	Foskey	Treasury	Target of first home owners grant applications	TON	9/11	9/11
PAC 28	Burke	Women	CMD Annual Report – Indigenous Family Violence Policy Framework	9/11	17/11	21/11
PAC 29	Foskey	Women	CMD Annual Report – Ngunnawal women's circle	9/11	17/11	21/11
PAC 30	Foskey	Women	CMD Annual Report – budgetary changes due to the Office of Women	9/11	17/11	21/11
PAC 31	Foskey	Women	CMD Annual Report – reduction in staffing in Office of Women	9/11	17/11	21/11
PAC 32	Foskey	Women	CMD Annual Report – ACT Women's Grants Program	9/11	17/11	21/11

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 33	Foskey	Women	CMD Annual Report – work place child-care feasibility study	9/11	17/11	21/11
PAC 34	Foskey	Women	CMD Annual Report – Elder abuse	9/11	17/11	21/11
PAC 35	Foskey	Women	CMD Annual Report – Discrimination, Harassment & Bullying Prevention Policy	9/11	17/11	21/11
PAC 36	Foskey	Women	CMD Annual Report – Non-traditional occupations	9/11	17/11	21/11
PAC 37	Foskey	Women	CMD Annual Report – ACT Women's Plan	9/11	17/11	21/11
PAC 38	Foskey	Women	CMD Annual Report – Annual Reports	9/11	17/11	21/11
PAC 39	Burke	Women **(redirected to Chief Minister)**	CMD Annual Report – Community Inclusion Fund	9/11 **Redirected 7/12**	17/11 **Now due 15/12**	21/11 **16/12**
PAC 40	Burke	Women **(redirected to Chief Minister)**	Elder abuse	9/11 **Redirected 7/12**	17/11 **Now due 15/12**	21/11 **16/12**
PAC 41	Burke	Women	Women's Grants Program	9/11	17/11	21/11
PAC 42	Burke	Women **(redirected to Chief Minister)**	Data collection to target the needs of women	9/11 **Redirected 7/12**	17/11 **Now due 15/12**	21/11 **16/12 (part 2)**
PAC 43	Burke	Women	Improvement in areas targeting equity & diversity	9/11	17/11	21/11
PAC 44	Burke	Women	YWCA programs to build skill & confidence of women in relationship to leadership roles	9/11	17/11	21/11
PAC 45	Burke	Women **(redirected to Chief Minister)**	Pilot telephone service dedicated to elder abuse	9/11 **Redirected 7/12**	17/11 **Now due 15/12**	21/11 **16/12**
PAC 46	Smyth	Treasury	Consolidated Annual Financial Statements for 2004–05	10/11	18/11	28/11

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 47	Smyth	Economic Development & Business	Small Business Commissioner's Annual Report for 2004–05	10/11	18/11	16/1
PAC 48	Smyth	Economic Development & Business	Dpt of Economic Development Annual Report 04–05	11/11	21/11	16/1
PAC 49	Smyth	Economic Development & Business	Australian Capital Tourism Corporation	11/11	21/11	17/01
PAC 50	Burke	Industrial Relations	CMD Annual Report – provision of 'on-site' child-care facilities	15/11	22/11	21/11
PAC 51	Stefaniak	Economic Development & Business	ACTTAB senior executives' duty statements	TON	9/11	22/11
PAC 52	Foskey	Economic Development & Business	ACTTAB Annual Report – ecologically sustainable management practices	TON	9/11	22/11
PAC 53	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report – Small & Micro Business Advisory Council	TON	9/11	23/11
PAC 54	Foskey	Economic Development & Business	Dpt of Economic Development Annual Report, Business ACT – Australian Education International	TON	9/11	23/11
PAC 55	Foskey	Economic Development & Business	Dpt of Economic Development, Business ACT – information on programs to assist people into business	TON	9/11	23/11
PAC 56	Mulcahy	Industrial Relations	Stabilisation of actuarial liability at new level	TON	22/11	28/11
PAC 57	Burke	Chief Minister	Heritage trails	1/12	9/12	12/12
PAC 58	Burke	Chief Minister	United Ngunnawal Elders Council	1/12	9/12	12/12
PAC 59	Burke	Chief Minister	Aboriginal & Torres St Islander Community Consultative Council	1/12	9/12	12/12

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 60	Smyth	Chief Minister	Public Service Commissioner and other senior employees	1/12	9/12	12/12
PAC 62	Smyth	Chief Minister	Office of Special Adviser, Council of Australian Governments and Intergovernmental Relations (OSA)	1/12	9/12	12/12
PAC 61	Smyth	Chief Minister – redirected to:	ACT Public Sector Annual Reports	1/12	9/12	Redirected
		Police – 1(i), 2 (i) & 3	ACT Public Sector Annual Reports	Redirected 9/12	16/12	31/01/06
		Health – 1(ii), 2(ii), 4 & 8	ACT Public Sector Annual Reports	Redirected 9/12	16/12	16/12
		Emergency Services – 1(iii) & 2 (iii)	ACT Public Sector Annual Reports	Redirected 9/12	16/12	Outstanding
		Racing & Gaming - 5	ACT Public Sector Annual Reports	Redirected 9/12	16/12	14/12
		DHCS - 6	ACT Public Sector Annual Reports	Redirected 9/12	16/12	17/01/06
		Treasury - 7	ACT Public Sector Annual Reports	Redirected 9/12	16/12	21/12
PAC 63	Smyth	Chief Minister	Chief Minister's Dept Annual Report and the Community Inclusion Fund	1/12	9/12	12/12
PAC 64	Mulcahy	Auditor-General	Annual Report Directions	2/12	9/12	12/12
PAC 65	Mulcahy	Speaker	Credit card holders in the LA with direct charge back to the LA or ACT Government	2/12	12/12	14/12
PAC 66	Mulcahy	Treasury	Totalcare Annual Report	TON	9/11	1/12
PAC 67	Foskey	Chief Minister	Animal Welfare Authority	6/12	14/12	14/12
PAC 68	Foskey	Chief Minister	ACTEW profit	6/12	14/12	15/12
PAC 69	Foskey	Chief Minister	Greenhouse Gas reduction policies	6/12	14/12	14/12

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 70	Foskey	Chief Minister	Energy reduction	6/12	14/12	14/12
PAC 71	Foskey	Chief Minister	The Arboretum	6/12	14/12	14/12
PAC 72	Foskey	Auditor-General	Auditor-General's Annual Report – dissatisfaction of CEO with financial statement audit	TON	13/12	8/12
PAC 73	Foskey	Auditor-General	Audit Report 3/2005 *Reporting on Ecologically Sustainable Development*	TON	13/12	8/12
PAC 74	Mulcahy	Auditor-General	Auditor-General's Annual Report – non-response by a Chief Executive to satisfaction survey	TON	13/12	8/12
PAC 75	Mulcahy	Speaker	Problems with reporting functionality of Secretariat's new financial management system	TON	13/12	14/12
PAC 76	Mulcahy	Speaker	Details of the extent to which non-Executive MLAs expend the Discretionary Office Allocation	TON	13/12	14/12
PAC 77	Mulcahy	Chief Minister	External recruitment of staff	TON	15/12	16/12
PAC 78	Mulcahy	Chief Minister	Number of public relations staff employed across Government	TON	15/12	16/12
PAC 79	Mulcahy	Chief Minister	Cost of running the Communication Unit	TON	15/12	16/12
PAC 80	Smyth	Chief Minister	Executive positions & full-time statutory offices	TON	15/12	16/12
PAC 81	Mulcahy	Chief Minister	Heritage costs	TON	15/12	16/12
PAC 82	Mulcahy	Chief Minister	Number of employees in ACT Heritage unit	TON	15/12	16/12
PAC 83	Mulcahy	Chief Minister	ActewAGL pole replacements & sewer problems	TON	15/12	16/12

QON No	From	To/Portfolio	Subject	QON Received	Answer Due	Answer Received
PAC 84	Foskey	Chief Minister	Subsidisation of water & energy efficient modifications /appliances	TON	15/12	16/12
PAC 85	Mulcahy	Chief Minister	National Electricity Regulator	TON	15/12	16/12
PAC 86	Mulcahy	Chief Minister	Public Art Program 2004-05 costs	TON	15/12	16/12