

# REPORT ON INQUIRIES INTO ANNUAL AND FINANCIAL REPORTS 2019–20 AND ACT BUDGET 2020–21

STANDING COMMITTEE ON ECONOMY AND GENDER AND ECONOMIC  
EQUALITY

APRIL 2021

REPORT 2



# THE COMMITTEE

## COMMITTEE MEMBERSHIP

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	Member (from 2 December 2020)
Ms Suzanne Orr MLA	Deputy Chair (from 8 December 2020)
	Member (from 2 December 2020)
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## RESOLUTION OF ESTABLISHMENT

The 10<sup>th</sup> ACT Legislative Assembly appointed the Standing Committee on Economy and Gender and Economic Equality on 2 December 2020.

Specifically, the resolution of 2 December 2020 establishing the Standing Committees of the 10<sup>th</sup> Assembly as it relates to the Standing Committee on Economy and Gender and Economic Equality states:

“That

(1) the following general-purpose standing committees be established as set out in the table below. The purpose of such committees is to enhance the scrutiny of the Executive, to examine and suggest improvements to any bills referred to it, to enable the citizens of the Territory to engage and to participate in law-making and policy review, to enable financial scrutiny of the Executive’s budget proposals and to review annual reports of taxpayer funded agencies;

(2) the committees so established may inquire and report on matters referred to it by the Assembly or matters that are considered by the committee to be of concern to the community and within the nominated areas of responsibility;

(3) calendar and financial year annual and financial reports stand referred to the relevant standing committee for inquiry and report by 31 March of the year after the presentation of the report to the Assembly pursuant to the *Annual Reports (Government Agencies) Act 2004*;

(4) notwithstanding standing order 229, only one standing committee may meet for the consideration of the inquiry into the calendar and financial year annual and financial reports at any given time;

(5) all bills presented to the Assembly stand referred to the relevant standing committee for inquiry and report within two months from the presentation of the bill. Should the standing committee resolve not to undertake an inquiry, the chair shall advise the Assembly and the responsible minister within 14 days of the presentation of the bill in the Assembly;

...

(7) the committees so established are required to examine the expenditure proposals contained in the main appropriation bills for the Territory and any revenue estimates proposed by the government in the annual budget and prepare a report to the Assembly within 60 days of the presentation of the budget bills;

...

(12) each committee shall have power to consider and make use of the evidence and records of the relevant standing committee appointed during the previous Assembly;

(13) each committee be provided with necessary staff, facilities and resources;

(14) the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything contained in the standing orders;

(15) each general-purpose committee shall consist of three members, nominated by each of the three whips, with the chair of each such committee agreed by the members of that committee; and

(16) nominations for membership of these committees be notified in writing to the Speaker within two hours following conclusion of the debate on the matter.”

The following extract from the table to the Resolution of Establishment relates to the Standing Committee on Economy and Gender and Economic Equality:

Committee	Primary Wellbeing Indicator/s	Areas of Responsibility
3. Economy and Gender and Economic Equality	Economy, Living Standards and Time	<ul style="list-style-type: none"> <li>• Chief Minister’s responsibilities</li> <li>• Treasury including taxation and revenue</li> <li>• Economic development and diversification</li> <li>• Tourism</li> <li>• Industrial Relations and Workplace Safety</li> <li>• Social impacts and outcomes of economic policies including gender considerations (excluding Office for Women)</li> <li>• Minister of State responsibilities (excluding Justice and Community Safety Directorate reporting areas)</li> <li>• Business and Better Regulation</li> <li>• Arts</li> </ul>

## TERMS OF REFERENCE

Pursuant to clause (3) and (7) of the Resolution of Establishment for general-purpose standing committees of the 10th Assembly—the terms of reference for the Committee’s inquiries into referred Annual and Financial Reports 2019–2020 and relevant appropriation units in the ACT Budget 2020–2021 are:

*(3) calendar and financial year annual and financial reports stand referred to the relevant standing committee for inquiry and report by 9 April of the year after the presentation of the report to the Assembly pursuant to the Annual Reports (Government Agencies) Act 2004;*

...

*(7) the committees so established are required to examine the expenditure proposals contained in the main appropriation bills for the Territory and any revenue estimates proposed by the Government in the annual budget and prepare a report to the Assembly within 60 days of the presentation of the budget bills;<sup>1</sup>*

<sup>1</sup> ACT Legislative Assembly, Minutes of Proceedings, No. 2, 2 December 2020, pp. 17–22 and, as amended, Minutes of Proceedings, No. 6, 11 February 2021, p. 72.



## TABLE OF CONTENTS

<b>THE COMMITTEE.....</b>	<b>I</b>
Committee membership .....	i
Secretariat.....	i
Contact information.....	i
Resolution of Establishment .....	ii
Terms of reference .....	iii
<b>RECOMMENDATIONS.....</b>	<b>IX</b>
<b>1 INTRODUCTION AND CONDUCT OF INQUIRIES .....</b>	<b>1</b>
Inquiry referral—Annual reports.....	1
Inquiry referral—Budget estimates.....	2
Conduct of the inquiries .....	5
Questions taken on notice and Questions on notice .....	5
Recommendations .....	7
Structure of the Committee’s report .....	7
Acknowledgements.....	8
<b>2 GUIDING PRINCIPLES INFORMING THE INQUIRIES.....</b>	<b>9</b>
Purpose and intent of annual reports.....	9
Purpose and intent of budget estimates.....	10
<b>3 VIEWS OF SUBMITTERS .....</b>	<b>11</b>
Multiple inquiry focus .....	11
Summary of evidence analytics.....	12
Summary of views of submitters.....	13
<b>4 FRAMING THE IMPACT OF COVID-19—IMPLICATIONS FOR FOCUS OF THE INQUIRIES .....</b>	<b>21</b>
Committee comment .....	24
Framing of future budgets .....	24
Committee comment .....	25

<b>5</b>	<b>ARTS PORTFOLIO .....</b>	<b>29</b>
	Questions.....	29
	Improving energy efficiency standards.....	29
	Making artsACT facilities climate ready.....	30
	Committee comment .....	31
	COVID-19 Organisation Emergency Support Funding to arts organisations .....	31
	Committee comment .....	32
	New funding model for arts organisations.....	33
	Support provided to local cinemas impacted by COVID-19.....	33
	Canberra Theatre operations during COVID-19.....	34
	Other matters .....	35
<b>6</b>	<b>BUSINESS AND BETTER REGULATION PORTFOLIO .....</b>	<b>37</b>
	Questions.....	37
	ChooseCBR Scheme .....	37
	Check In CBR app.....	39
	Other matters .....	40
<b>7</b>	<b>CHIEF MINISTER PORTFOLIO .....</b>	<b>41</b>
	Questions.....	41
	Jobs for Canberrans Fund .....	41
	Canberra Economic Advisory Group .....	43
	Committee comment .....	44
	Job retention rates for PWD and ATSI background .....	44
	Committee comment .....	46
	Workforce Transformation Program .....	46
	ACT Public Service—flexible work provisions.....	47
	Committee comment .....	48
	Insecure work task force.....	48
	Committee comment .....	50
	Gender Pay Gap .....	51
	Committee comment .....	51
	Other matters .....	52



<b>8</b>	<b>ECONOMIC DEVELOPMENT PORTFOLIOS .....</b>	<b>55</b>
	Questions.....	55
	Impact of COVID-19 on ACT-owned venues .....	56
	ACT Government and UNSW Memorandum of Understanding .....	57
	Impact of COVID-19 on investment in the ACT.....	58
	Other matters .....	59
<b>9</b>	<b>INDUSTRIAL RELATIONS AND WORKPLACE SAFETY PORTFOLIO .....</b>	<b>61</b>
	Questions.....	61
	Healthy Minds—Thriving Workplace strategy.....	62
	New labour hire licensing scheme for the ACT.....	63
	Workplace Health and Safety inspections .....	64
	Other matters .....	65
<b>10</b>	<b>SPECIAL MINISTER OF STATE PORTFOLIO .....</b>	<b>67</b>
	Questions.....	67
	Role of Special Minister of State .....	67
	Centre-led procurement model.....	68
	ACT Property Group—community group support .....	68
	Other matters .....	69
<b>11</b>	<b>TOURISM PORTFOLIO .....</b>	<b>71</b>
	Questions.....	71
	Aviation attraction and partnerships.....	71
	Visiting journalist and influencer program.....	72
	Recommencing domestic and international flights .....	73
	Other matters .....	74

<b>12 TREASURY PORTFOLIO.....</b>	<b>77</b>
Questions.....	77
Budget outlook .....	78
Committee comment .....	78
Light Rail Stage 2 to Woden .....	78
Tax reform .....	79
Responsible Investment Policy.....	80
Informing consumers of better electricity plan offers .....	80
Non-potable water charges for Clubs .....	81
Committee comment .....	83
COVID-19 Debtor performance—Icon Water .....	83
Committee comment .....	84
Other matters .....	85
<b>13 CONCLUSION .....</b>	<b>89</b>
<b>APPENDIX A COMMITTEE PUBLIC HEARINGS .....</b>	<b>91</b>
<b>APPENDIX B LIST OF WRITTEN SUBMISSIONS .....</b>	<b>95</b>

## RECOMMENDATIONS

### RECOMMENDATION 1

- 4.16 The Committee recommends that the ACT Legislative Assembly should ensure that parliamentary committee oversight of future ACT Budgets provides opportunities for the full participation of peak bodies and community organisations as has been the historical practice in the ACT.

### RECOMMENDATION 2

- 4.20 The Committee recommends that the ACT Government give due consideration to incorporating gender budgeting principles in all aspects of future COVID-19 recovery funding, initiatives and strategies.

### RECOMMENDATION 3

- 4.21 The Committee recommends that the ACT Government prepare gender-sensitive responses for all stages of future crises to prevent negative consequences for women's rights, LGBTQI+ rights and gender equality.

### RECOMMENDATION 4

- 4.25 The Committee recommends that the ACT Government ensure that the needs of the health and community sector, as a growing sector, and a major creator of jobs and economic growth, are included in the Knowledge Capital—Future Jobs Fund program announced in the ACT Budget 2020–21.

### RECOMMENDATION 5

- 4.28 The Committee recommends that the ACT Government in the implementation of COVID-19 investment recovery strategies give due consideration to avoiding risks associated with fragmenting the allocation of funding in a large number of small infrastructure projects in a desire to spend money rapidly at the expense of long-term priorities (for example, sustainability and resilience).

### RECOMMENDATION 6

- 4.29 The Committee recommends that the ACT Government give due consideration to using public investment to support COVID-19 recovery over time. In doing so, any such investment should: (i) not be used as an adjustment variable; (ii) minimise fragmentation in the allocation of investment funds targeting COVID-19 responses; (iii) ensure allocation criteria are guided by strategic jurisdictional priorities; and (iv) integrate social and climate objectives into recovery plans.

**RECOMMENDATION 7**

- 5.10** The Committee recommends that the ACT Government give due consideration to the merits, or otherwise, of establishing a long-term goal to work towards a certain energy efficiency standard for its artsACT facilities.

**RECOMMENDATION 8**

- 5.15** The Committee recommends that the ACT Government, for future artsACT funding rounds, give due consideration to providing: (i) greater clarity regarding eligibility requirements; (ii) greater clarity regarding specific exclusions, exceptions and conditions—such as considering other funding that may have been received; and (iii) improved feedback on funding proposals and assessment processes.

**RECOMMENDATION 9**

- 7.17** The Committee recommends that the ACT Government's Canberra Economic Advisory Group prepare and release a general communique on a quarterly basis that would permit timely reporting on key aspects of its work.

**RECOMMENDATION 10**

- 7.25** The Committee recommends that the ACT Government review job retention rates for people with a disability and people of Aboriginal and Torres Strait Islander background who undergo ACTPS targeted programs with a view to identifying the unique structural and social barriers these identified groups may face regarding job retention.

**RECOMMENDATION 11**

- 7.32** The Committee recommends that the ACT Government should continue to build workplace flexibility in the ACT Public Service and give due consideration to normalising the option of working from home as a viable flexible work provision, where permitted by the demands and responsibilities of designated roles.

**RECOMMENDATION 12**

- 7.43** The Committee recommends that the ACT Government review the provision of tied funding grants by ACT Treasury to ACT Government Directorates to address barriers this funding model presents in providing certainty of longer-term funding for the staff needed.

**RECOMMENDATION 13**

- 7.44** The Committee recommends that the ACT Government collect data and report publicly in the *State of Service Report* on the use across the ACT Public Service of: (i) labour hire and contract employment; and (ii) contractor for services work.

**RECOMMENDATION 14**

**7.48** The Committee recommends that the ACT Government collect data and report publicly in the *State of Service Report* on the gender pay gap in the ACT Public service by: (i) directorate; and (ii) classification levels within each directorate.

**RECOMMENDATION 15**

**12.25** The Committee recommends that any recommended changes to pricing frameworks for non-potable water arising from the Non-potable Water Review into water costs for high-intensity club users of non-potable water should be consistent with the following principles: (i) the price of non-potable water should generally reflect the cost of supply; (ii) any subsidy provided should be transparent and based on a demonstrated need; and (iii) cases for support should have regard to the ongoing wider benefits to the community such as economic, social and environmental outcomes.

**RECOMMENDATION 16**

**12.35** The Committee recommends that the ACT Government ensure continued funding of the Utilities Hardship Fund for 2020–21 and across the Budget outyears.

**RECOMMENDATION 17**

**12.36** The Committee recommends that the ACT Government continue to provide the Utilities Concession to eligible asylum seekers after 2020–21.

**RECOMMENDATION 18**

**12.37** The Committee recommends that Icon Water extend expansion of its Staying Connected hardship program to include small businesses for the 2021–22 financial year.



# 1 INTRODUCTION AND CONDUCT OF INQUIRIES

## INQUIRY REFERRAL—ANNUAL REPORTS

- 1.1 On 18 December 2020, the majority of 2019–20 annual and financial reports of all government agencies were referred to the relevant standing committees of the ACT Legislative Assembly.<sup>2</sup>
- 1.2 The Standing Committee on Economy and Gender and Economic Equality (the Committee) has responsibility for reports on the roles, functions and services of agencies and entities in a total of nine portfolios. The nine portfolios are listed in the first column of Table 1.1.
- 1.3 The 2019–20 annual and financial reports (or parts) thereof referred the Committee were:
  - ACT Architects Board (annexed report to CMTEDD Annual Report)
  - ACT Construction Occupations (annexed report to CMTEDD Annual Report)
  - ACT Executive (annexed report to CMTEDD Annual Report)
  - ACT Gambling and Racing Commission
  - ACT Government Procurement Board (annexed report to CMTEDD Annual Report)
  - ACT Insurance Authority
  - ACT Long Service Leave Authority
  - Chief Minister and Treasury and Economic Development Directorate
  - Cultural Facilities Corporation
  - Director of Territory Records (annexed report to CMTEDD Annual Report)
  - Icon Water
  - Independent Commission for Regulatory Competition (ICRC)
  - Lifetime Care and Support (annexed report to CMTEDD Annual Report)
  - Major Projects Canberra
  - Motor Accident Injuries (MAI) Commission [including ACT Compulsory Third-Party Insurance (TPI) Regulator—MAI Commission replaced the ACT Compulsory TPI Regulator on 1 Feb 2020] (annexed report to CMTEDD Annual Report)
  - Office of the Nominal Defendant of the ACT (annexed report to CMTEDD Annual Report)
  - Public Service Standards Commissioner (State of the Service Report)

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<sup>2</sup> ACT Legislative Assembly, *Minutes of Proceedings*, No. 119, 26 October 2019, pp. 1748–1762.

- 1.4 The aforementioned reports referred to the Committee are listed in the second column of Table 1.1 against the portfolio(s) to which they relate.

## INQUIRY REFERRAL—BUDGET ESTIMATES

- 1.5 On 2 December 2020, the ACT Legislative Assembly resolved that it would change from the practice of establishing a single Select Committee to examine the expenditure proposals contained in the main appropriation bills for the Territory and any revenue estimates proposed by the ACT Government in the annual budget.
- 1.6 The Assembly determined that on presentation of the ACT Budget, appropriation units would stand referred across the Assembly's seven standing committees in accordance with the areas of responsibility assigned to each committee.<sup>3</sup>
- 1.7 The ACT Budget 2020–21 which was due to be released in the 9<sup>th</sup> Assembly was delayed due to the coronavirus disease (COVID-19) pandemic. The Budget was presented on 9 February 2021 and can be accessed at: <https://apps.treasury.act.gov.au/budget>
- 1.8 The appropriation units/output classes/entities referred to the Committee are listed in column 3 of Table 1.1 against the portfolio(s)/annual reports to which they relate.

Table 1.1—Summary of portfolios, annual reports and outputs<sup>4</sup>

Portfolio/Minister	Annual reports	Appropriation units/output classes/entities
1. Arts	+ Chief Minister, Treasury and Economic Development Directorate  + Cultural Facilities Corporation	+ Output 3.5—Arts Engagement + Cultural Facilities Corporation [Output 1—Cultural Facilities Management]
2. Business and Better Regulation	+ Chief Minister, Treasury and Economic Development Directorate (CMTEDD)  + ACT Gambling and Racing Commission  + ACT Architects Board (Annexed report to the CMTEDD Annual Report)  + ACT Construction Occupations (Annexed report to the CMTEDD Annual Report)	+ Output 1.1—Government Policy and Reform + Output 2.1—Access Canberra (except in relation to planning development, land and lease regulation). + Output 3.1—Innovation, Industry and Investment (functions relating to: business advocacy and development, small business functions) + Output 1.1—Gambling Regulation and Harm Minimisation [Output Class 1: Gambling Regulation and Harm Minimisation] + Output 2.1—Access Canberra ( <i>functions relating to: gaming</i> ). + ACT Gambling and Racing Commission [Output Class 1: Gambling Regulation and Harm Minimisation]

<sup>3</sup> Refer Schedule to the Resolution of Establishment—establishing standing committees of the 10<sup>th</sup> Assembly.

<sup>4</sup> Administrative Arrangements 2021 (No. 1), 17 February 2021.



Portfolio/Minister	Annual reports	Appropriation units/output classes/entities
3. Chief Minister	<ul style="list-style-type: none"> <li>+ Chief Minister, Treasury and Economic Development Directorate</li> <li>+ ACT Executive (Annexed report—to the CMTEDD Annual Report)</li> <li>+ ACT State of the Service Report</li> </ul>	<ul style="list-style-type: none"> <li>+ Output 1.1—Government Policy and Reform</li> <li>+ Output 1.2—Workforce Capability and Governance</li> <li>+ Output 1.3—Coordinated Communications and Community Engagement</li> <li>+ Output 3.1—Innovation, Industry and Investment (functions relating to: Commissioner for International Engagement)</li> <li>+ Co-ordinator General for the Whole-of-Government (Non-Health) COVID-19 Response</li> <li>+ ACT Executive</li> <li>+ Public Sector Standards Commissioner</li> </ul>
4. Economic Development	<ul style="list-style-type: none"> <li>+ Chief Minister, Treasury and Economic Development Directorate</li> </ul>	<ul style="list-style-type: none"> <li>+ Output 3.1—Innovation, Industry and Investment [excluding functions relating to: (i) Commissioner for International Engagement (Chief Minister); (ii) aviation industry development (Minister for Tourism); (iii) advanced technologies, creative industries, key industry capability area sector development, science, manufacturing, and Screen Canberra (Assistant Minister for Economic Development); and (iv) business advocacy and development, small business functions (Minister for Business and Better Regulation)].</li> <li>+ Output 3.2—VisitCanberra (including Event Attraction and Special Events Fund)</li> <li>+ Output 3.3—Sport and Recreation (Elite sporting performance and venue agreements)</li> <li>+ Output 3.6—Higher Education, Training and Research</li> <li>+ Output 9.2—Venues (Venues Canberra infrastructure upgrades only—remainder of output resides with Special Minister of State).</li> </ul>
5. Economic Development (Assistant Minister)	<ul style="list-style-type: none"> <li>+ Chief Minister, Treasury and Economic Development Directorate</li> </ul>	<ul style="list-style-type: none"> <li>+ Output 3.1—Innovation, Industry and Investment (functions relating to: advanced technologies, creative industries, key industry capability area sector development, science, manufacturing, and Screen Canberra).</li> <li>+ Output 3.4—Events (functions relating to: ACT events fund and community events)</li> </ul>
6. Industrial Relations and Workplace Safety	<ul style="list-style-type: none"> <li>+ Chief Minister, Treasury and Economic Development Directorate</li> <li>+ Office of the Work Health and Safety Commissioner (Worksafe ACT) (Annexed report—to the CMTEDD Annual Report)</li> <li>+ Default Insurance Fund (Annexed report—to the CMTEDD Annual Report)</li> <li>+ Public Sector Workers Compensation Fund (Annexed report—to the CMTEDD Annual Report)</li> </ul>	<ul style="list-style-type: none"> <li>+ Output 5.1—Workforce Injury Management and Industrial Relations Policy</li> <li>+ EBT Class (EBT1.1)—Public Sector Workers Compensation Fund</li> <li>+ ACT Long Service Leave Authority</li> <li>+ Office of the Work Health and Safety Commissioner [Output Class 1: Worksafe ACT—Output 1.1—Regulatory Compliance and Enforcement]</li> </ul>

Portfolio/Minister	Annual reports	Appropriation units/output classes/entities
7. Special Minister of State (excluding responsibilities relating to JACS)	<ul style="list-style-type: none"> <li>+ Chief Minister, Treasury and Economic Development Directorate</li> <li>+ ACT Insurance Authority</li> <li>ACT Government Procurement Board (Annexed report—to the CMTEDD Annual Report)</li> <li>+ Lifetime Care and Support Fund (EBT Class 1) (Annexed report—to the CMTEDD Annual Report)</li> <li>+ Motor Accident Injuries (MAI) Commission (including ACT Compulsory Third-Party Insurance (TPI) Regulator—MAI Commission replaced the ACT Compulsory TPI Regulator on 1 Feb 2020) (Annexed report—to the CMTEDD Annual Report)</li> <li>Director of Territory Records (Annexed report—to the CMTEDD Annual Report)</li> <li>+ Office of the Nominal Defendant of the ACT (Annexed report—to the CMTEDD Annual Report)</li> </ul>	<ul style="list-style-type: none"> <li>+ Output 1.4—Digital strategy</li> <li>+ Output 7.1—Shared Services</li> <li>+ Output 8.2—Goods and Services Procurement</li> <li>+ Output 9.1—Property Services (excluding Aquatic facilities management)</li> <li>+ Output 9.2—Venues (excluding Venues Canberra Infrastructure upgrades)</li> <li>+ ACT Insurance Authority</li> </ul>
8. Tourism	+ Chief Minister, Treasury and Economic Development Directorate	<ul style="list-style-type: none"> <li>Output 3.1—Innovation, Industry and Investment (functions relating to aviation industry development).</li> <li>Output 3.2—VisitCanberra</li> <li>Output 3.4—Events (Major events—including Floriade, Enlighten, Innovation Festival)</li> </ul>
9. Treasury	<ul style="list-style-type: none"> <li>+ Chief Minister, Treasury and Economic Development Directorate</li> <li>+ Major Projects Canberra</li> <li>+ Icon Water</li> <li>+ Independent Competition and Regulatory Commission (ICRC)</li> </ul>	<ul style="list-style-type: none"> <li>+ Output 4.1—Economic Management</li> <li>+ Output 4.2—Financial Management</li> <li>+ EBT Class 1: Territory Banking Account (TBA)</li> <li>+ EBT Class 1: Superannuation Provision Account (SPA)</li> <li>+ Output 6.1—Revenue Management]</li> <li>+ Output 8.1—Infrastructure Finance</li> <li>+ Output 1.1—Major Projects Canberra [Output Class 1: Major Projects Canberra]</li> <li>+ Icon Water</li> <li>+ Independent Competition and Regulatory Commission (ICRC)</li> </ul>

## CONDUCT OF THE INQUIRIES

### PUBLIC HEARINGS

- 1.9 The Committee held public hearings on 22 and 23 February 2021. At these hearings the Committee heard from Ministers and accompanying directorate and agency officers.<sup>5</sup> Witnesses who appeared before the Committee are listed at **Appendix A**.
- 1.10 Other members in attendance at public hearings of the Committee were:  
Ms Elizabeth Lee MLA; Mr Alistair Coe MLA; Ms Leanne Castley MLA; Mr Michael Pettersson MLA; Mr Mark Parton MLA; and Mr Peter Cain MLA.

### SUBMISSIONS

- 1.11 The Committee directly invited key stakeholders, interest groups and organisations with an interest in its inquiry into the ACT Budget to make written submissions.
- 1.12 The organisations who lodged written submissions are listed at **Appendix B**. Copies of authorised submissions can be downloaded from the Committee inquiry homepage. Further detail on submissions received and other matters is set out in Chapter 3.

### REPORT ADOPTION

- 1.13 The Committee met on 7 April 2021 to discuss the Chair's draft report which was adopted on 7 April 2021.

## QUESTIONS TAKEN ON NOTICE AND QUESTIONS ON NOTICE

- 1.14 At the Committee's public hearings, forty-eight questions (some with multiple parts) were taken on notice.<sup>6</sup> Forty questions on notice (some with multiple parts) were also submitted by members following the hearings.<sup>7</sup> Table 1.2 summarises these questions by portfolio.

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<sup>5</sup> Transcripts for these public hearings are available from the ACT Legislative Assembly website at: <http://www.hansard.act.gov.au/hansard/2021/comms/default.htm>.

<sup>6</sup> Responses to these questions can be accessed from the inquiry homepage at: <https://www.parliament.act.gov.au/parliamentary-business/in-committees/committees/eggee/Inquiries-into-Annual-and-Financial-Reports-20192020-and-ACT-Budget-20202021#tab1697375-5id>

<sup>7</sup> Responses to these questions can be accessed from the inquiry homepage at: <https://www.parliament.act.gov.au/parliamentary-business/in-committees/committees/eggee/Inquiries-into-Annual-and-Financial-Reports-20192020-and-ACT-Budget-20202021#tab1697375-4id>

Table 1.2—Summary of questions<sup>8</sup> by portfolio

Portfolio	Questions taken on notice	Questions on notice
Arts	6	6
Business and Better Regulation	3	4 <sup>9</sup>
Chief Minister	11	14 <sup>10</sup>
Economic Development	2	2
Economic Development (Assistant Minister)	1	Nil
Industrial Relations and Workplace Safety	7	3
Special Minister of State (excluding JACS responsibilities)	4	1
Tourism	1	Nil
Treasury—General	8	10 <sup>11</sup>
Treasury—Major Projects Canberra (MPC)	2	Nil
Treasury—Icon Water	3	Nil

1.15 The Committee thanks directorates and agencies for providing responses to the questions. This information assisted the Committee in its understanding of the many issues it considered during the inquiry.

1.16 The Committee sought clarification on several issues at public hearings, some of which are expanded on in the following chapters.

<sup>8</sup> Questions taken on notice at public hearings and questions on notice forwarded for response post hearings.

<sup>9</sup> One question was redirected to the Minister for Families and Community Services.

<sup>10</sup> Three questions were redirected—one to the Minister for Transport and City Services; one to the Minister for Industrial Relations and Workplace Safety; and one to the Minister for Health respectively.

<sup>11</sup> Five questions were redirected—one to the Minister for Transport and City Services; two to the Assistant Minister for Economic Development; and two to the Minister for Economic Development.

## RECOMMENDATIONS

- 1.17 The Committee has made 18 recommendations in relation to its inquiries into Annual and Financial reports 2019–20 and ACT Budget 2020–21.
- 1.18 The Manager of Government Business in correspondence to the Committee <sup>12</sup> asked that recommendations specifically relevant to the ACT Budget 2020–21 be identified to:
- ...ensure the response to Committee recommendations relating to the 2020-21 Budget is tabled in the Assembly in line with usual practice. The Government Response to the remaining recommendations will subsequently be provided to Committees and the Assembly within the normal four-month timeframe.<sup>13</sup>
- 1.19 In the Committee’s view—nine of its 18 recommendations are directly related to the ACT Budget 2020–21—namely, recommendations 1; 2; 4; 5; 6; 12; 16; 17; and 18.

## STRUCTURE OF THE COMMITTEE’S REPORT

- 1.20 The Committee’s report is divided into three parts, comprising a total of thirteen chapters, covering the following main topics:

*Part 1—Context to the inquiries*

- Chapter 1—Introduction and conduct of the inquiries
- Chapter 2—Guiding principles informing the inquiries

*Part 2—Views from submitters*

- Chapter 3—Views of submitters

*Part 3—Committee consideration and views*

- Chapter 4—Framing the impact of COVID-19—Implications for focus of the inquiries
- Chapter 5 through to Chapter 12 inclusive—expands on, and summarises issues discussed at public hearings and other matters—across the nine portfolio responsibilities allocated to the Committee
- Chapter 13—Conclusion

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<sup>12</sup> Dated 6 April 2021.

<sup>13</sup> Correspondence from Manager of Government Business—Mr Mick Gentleman MLA to Chair, Standing Committee on Economy and Gender and Economic Equality, dated 6 April 2021.

## ACKNOWLEDGEMENTS

- 1.21 The Committee thanks relevant ACT Government Ministers and their accompanying directorate and agency officers and statutory officers who assisted the Committee during its inquiry by appearing before it to give evidence and/or providing additional information.
- 1.22 The Committee also acknowledges and thanks key interest and stakeholder groups and organisations who made written submissions.

## 2 GUIDING PRINCIPLES INFORMING THE INQUIRIES

2.1 This chapter sets out the guiding principles informing the inquiries.

### PURPOSE AND INTENT OF ANNUAL REPORTS

2.2 Accountability of the Executive to the Legislative Assembly and to the public is a key principle of responsible government. For this to be achieved executive agencies must be fully committed both to accountability and to disclosure of information in a straightforward way that is meaningful and easily understandable to a wide audience.

2.3 The provision of meaningful operational and financial information by government to parliament and the public is a fundamental component of the accountability process.<sup>14</sup>

2.4 Annual reports are the principal and most authoritative way in which directors-general (and equivalents) 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 12 months.<sup>15</sup>

2.5 An agency's annual report should focus on:

...information that is relevant to the agency's: (1) long term strategic direction and context; (2) performance analysis against its short term budget outputs; and (3) financial management.<sup>16</sup>

2.6 As key accountability documents, annual reports are:

- one of the main ways for agencies to account for their performance, through Ministers, to the Legislative Assembly and the wider community;
- 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; and
- a key reference document for internal management.<sup>17</sup>

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<sup>14</sup> Public Accounts Committee, Legislative Assembly of Queensland, December 2001, Report No. 59, *Annual Reporting in the Queensland Public Sector*, p. 1.

<sup>15</sup> ACT Auditor-General's Report No. 1 of 2003: *Effectiveness of Annual Reporting*, p. 1.

<sup>16</sup> Annual Reports (Government Agencies) Directions 2019, p. 5.

- 2.7 Annual reports co-exist with other annual whole-of-government reporting processes to present an aggregated view of the performance of the ACT public service.

## PURPOSE AND INTENT OF BUDGET ESTIMATES

- 2.8 Budget estimates form part of a jurisdiction's annual financial process. The origins of parliament's role in considering budget estimates can be traced back to the early days of the UK House of Commons when Monarchs notably needed to spend money that the Crown did not have—usually to fund wars the Monarch wished to prosecute. Parliament then had to be asked to supply the funds. Initially, Parliament authorised taxation alone and decisions on expenditure were for the Crown. In the 18th Century, a settled practice emerged whereby separate parliamentary authorisation was required for how money was: (i) spent; and (ii) raised.
- 2.9 Importantly, the business of a budget is to appropriate money, and the spending of money is a separate thing. The method for authorising spending is through 'supply' proceedings or 'estimates' proceedings. Estimates processes are about public expenditure proposals—authorising the spending of public money via consideration of appropriation bills. The method for authorising or raising money is through what were formerly called 'ways and means' proceedings—now taxation proposals.
- 2.10 The annual budget is considered the 'most important economic tool' of a government and provides a comprehensive statement of a jurisdiction's priorities. While the Executive is tasked with preparing and presenting a jurisdiction's budget—the role of a parliament is to exercise oversight by reviewing a government's draft budget (including revenue estimates and spending plans) and to authorise the executive to raise revenue and spend money.<sup>18</sup>
- 2.11 In summary, the annual financial process has three separate cycles. Firstly, the budget cycle—which deals with broad financial issues, the management of the economy and the authorisation of taxation. Secondly, the estimates cycle—which covers authorisation of public spending; and thirdly, the reporting cycle—which provides information on what money has been spent and how effectively it has been used.<sup>19</sup>

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<sup>17</sup> Annual Reports (Government Agencies) Directions 2014–15, pp. 6–7.

<sup>18</sup> Lienert, I. (2010) 'The role of the Legislature in the Budget processes', *International Monetary Fund—Technical Notes and Manuals*, April, pp. 1–25; Warren, K. and Wehner, J. (2019) *The Role of Parliament in the Budget Process*, Institute for Democracy in South Africa: Budget Information Service.

<sup>19</sup> Rogers, R. and Walters, R. (2015) *How Parliament Works* (7<sup>th</sup> edn.), Routledge, London, p. 237.



### 3 VIEWS OF SUBMITTERS

- 3.1 This chapter considers views arising on the ACT Budget 2020–21—as expressed in written submissions—and identifies several themes. These are expanded on in part 3 of the report. It also presents a summary of the evidence analytics across written submissions.

#### MULTIPLE INQUIRY FOCUS

- 3.2 As noted previously, the Assembly determined that on presentation of the ACT Budget, appropriation units would stand referred across the Assembly’s seven standing committees in accordance with the areas of responsibility assigned to each committee.
- 3.3 The Committee was cognisant that the transition from a single select committee inquiry focus to a multiple committee inquiry focus necessitated consideration of how the longstanding practice of inviting input from community, industry and other representative stakeholder groups on the annual budget (via survey, submissions and appearance at a designated public hearing day) could be accommodated.
- 3.4 The Committee was mindful that any practice it adopted in this regard needed to respect the initiative of each committee; avoid stakeholder groups putting in multiple submissions, whilst also providing an opportunity to contribute views on the budget.
- 3.5 The Committee has liaised with the Standing Committee on Public Accounts with a view to establishing a lead committee for the purpose of managing the administrative aspects of the direct invite process and publication of submissions. It was agreed that the invites would be extended on behalf of both committees with the administrative aspects falling to the Committee. After publication—submissions would be available for other Assembly standing committees also inquiring into the ACT Budget 2020–21 to access. This was drawn to the attention of the respective committees.
- 3.6 The Committee notes the timing for inviting input was different to the former select committee practice—in that, the closing date for input would be after the programmed hearings with ministers and directorate officials had concluded. Notwithstanding, the Committee was of the view that it provided an opportunity for the views to be made known at a different stage of the inquiry process.
- 3.7 Direct invites were extended to a comprehensive list of community organisations, professional associations, and other stakeholder groups. The closing date for submissions was Tuesday 9 March 2021.

- 3.8 In extending its invitation for submissions, the Committee provided the following optional guidance on information the submissions should preferably cover:
- A brief overview of your organisation and its purpose.
  - Has your organisation/group developed a written analysis of the ACT Budget that it would like to submit to the Committee?
  - Your organisation's three key priorities for the ACT Budget.
  - Your organisation's views on the ACT Budget in relation to your three key priorities.
  - Whether your organisation provided a submission to the ACT Government 2020–21 Budget Consultation and, if yes, do you think the ACT Budget addressed the issues raised in your submission?
  - Any views your organisation may have on the gender impacts of the ACT Budget?
  - Any views your organisation may have on the COVID-19 recovery initiatives in the ACT Budget?
  - Any other issues that you wish to bring to each committee's attention.

## SUMMARY OF EVIDENCE ANALYTICS

### WRITTEN SUBMISSIONS

- 3.9 The Committee received five submissions—all submissions were published.
- 3.10 As to the submission analytics—public submissions were received from three key stakeholder groups—incorporated associations, union group(s); and non-government organisations. A summary of public submissions<sup>20</sup> received across these stakeholder groups is detailed in Table 3.1.

Table 3.1—Summary of public submissions received across stakeholder groups

Stakeholder group(s)	Number of submissions received
Incorporated Associations	2
Union(s)	1
NGOs	2

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<sup>20</sup> Submissions authorised for publication.

- 3.11 The organisations who lodged written submissions are listed at **Appendix B**. Copies of authorised submissions can be downloaded from the Committee inquiry homepage.<sup>21</sup>

## SUMMARY OF VIEWS OF SUBMITTERS

- 3.12 The views and themes arising on the inquiry terms of reference as expressed in written submissions—are summarised as follows:

### MERIDIAN<sup>22</sup>

- 3.13 Meridian is Canberra's leading LGBTIQ and HIV+ community organisation (formerly the AIDS Action Council).

- 3.14 Meridian recommended that the Committee be open to the concept of gender equity moving beyond the binary of men and women. Meridian noted that it is a:

...strong and constant advocates for gender equity for all. This is not just cisgender women but also trans and non-binary people on the basis that if gender equity is not intersectional and encompasses only the interests of cisgender women, the most disadvantaged will be left behind. Meridian works to protect the most vulnerable and center them in our advocacy because this is what will break down barriers that impact us all.<sup>23</sup>

- 3.15 Regarding comment on the 2020–21 Budget—Meridian:

- welcomed the mental health and housing and homelessness commitments;
- welcomed the commitments to infrastructure, light rail and climate change;
- noted the absence of additional money to implement the commitments in the Parliamentary and Governing Agreements to increase social and affordable housing.
- observed that the community sector in general was concerned about the lack of ongoing funding for many of its services;
- seeks more investment in community-based early support services for mental health. Meridian reported that it was struggling to meet demand for these services—especially in the current COVID climate. Meridian noted it had received some COVID support but that this funding was coming to an end; and
- is of the view there is little spending in the budget directly targeting vulnerable and disadvantaged groups including people with disability and the LGBTIQ+ community.

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<sup>21</sup> Refer: <https://www.parliament.act.gov.au/parliamentary-business/in-committees/committees/eggee/Inquiries-into-Annual-and-Financial-Reports-20192020-and-ACT-Budget-20202021#tab1697375-2id>

<sup>22</sup> Submission No. 1—Meridian

<sup>23</sup> Submission No. 1—Meridian, p. 1.

- 3.16 Meridian noted it had over many years formally lodged written submissions during the ACT Government consultation process—an exception being it did not lodge a submission for the 2020–21 mini-budget. Meridian advised that its two top key priorities for the Budget ‘have always been and will continue to be’: (i) counselling and mental health support for the LGBTIQ+ community—namely, the establishment of one FTE position for a mental health social worker or equivalent to add significant value to the peer led services currently delivered by Meridian; and (ii) increasing outreach HIV and STI testing.

#### COMMUNITY AND PUBLIC SECTOR UNION<sup>24</sup>

- 3.17 The Community and Public Sector Union (CPSU) is one of the largest unions in the ACT Public Service (ACTPS).
- 3.18 Regarding key priorities for the ACT Budget—at an overarching level, the CPSU was of the view that the:
- ...ACT Government should be a model employer and lead the country in best practice approaches to insourcing privatised arrangements and promoting secure work within the public sector. Given the strong election commitments made by Labor and the Greens in 2020, this should be prioritised in the next Budget.<sup>25</sup>
- 3.19 The CPSU observed that before the ACTPS can be leader in the progressive delivery of public services and workplace practices—the following three issues required urgent address: (i) ensuring public services are in public hands; (ii) guaranteeing secure work; and (iii) providing fair and competitive remuneration increases to ACT public servants.
- 3.20 The CPSU noted it had lodged a submission to the ACT Government 2020–21 Budget Consultation in October 2019. In that submission the CPSU made twelve recommendations and called for the Government to: reduce insecure work arrangements in the ACTPS; provide additional funds to address resource pressures in ACTPS agencies; recognise the importance of ‘back office’ support functions; and provide adequate superannuation contributions to ensure the ACTPS remains an employer of choice.<sup>26</sup>
- 3.21 Regarding ACT COVID-19 recovery initiatives<sup>27</sup>—the CPSU welcomed the ACT Government’s:
- Jobs for Canberrans program—noting that while these jobs were temporary, they undertook critical work for the community;

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<sup>24</sup> Submission No. 2—Community and Public Sector Union (CPSU).

<sup>25</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 1.

<sup>26</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 2.

<sup>27</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 3.

- COVID Leave policy—which allowed ACT public servants to take leave when they had been tested for COVID, instructed to isolate or if they were a vulnerable worker that couldn't present to the workplace and their work did not allow them to work from home; and
- moves during the pandemic to have staff work from home—demonstrating that ACT public servants can work from home and the reported benefits of increased efficiency.

3.22 The CPSU submitted that bullying and harassment in addition to poor workplace culture in some directorates continues to be an issue in the ACTPS.<sup>28</sup>

#### ACT COUNCIL OF SOCIAL SERVICE INC. (ACTCOSS)

3.23 The ACT Council of Social Service Inc. (ACTCOSS) advocates for social justice in the ACT and represents not-for-profit community organisations. The membership of the Council includes the majority of community-based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

3.24 ACTCOSS advised it had engaged with approximately 400 members and peak bodies on budget priorities and had also held a forum with approximately 50 community organisations and services in attendance—to ascertain response to the 2020–21 ACT Budget which subsequently informed ACTCOSS' submission.<sup>29</sup>

3.25 Regarding changes to the ACT Budget 2020–21 inquiry process—in particular, changes to the submission and hearings process for input from community, industry and other representative stakeholder groups on the annual budget—ACTCOSS stated:

The lack of opportunity for peak and community-based organisations to provide testimony at public hearings will reduce public oversight of ACT Government spending decisions, policy and performance.<sup>30</sup>

3.26 ACTCOSS acknowledged that while there may be some value in referring appropriation lines across specialist subject matter committees—importantly it:

...raises challenges for the oversight of government decisions by peak and community organisations which have limited resources and may not be able to make submissions to or follow the activities of multiple committees.<sup>31</sup>

3.27 ACTCOSS observed that the:

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<sup>28</sup> Submission No. 2—Community and Public Sector Union (CPSU).

<sup>29</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 7.

<sup>30</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 4.

<sup>31</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 4.

...ability for peak and community groups to provide public evidence to the process has been a valued and long-standing strength of the ACT Assembly's oversight of public accounts.<sup>32</sup>

3.28 ACTCOSS was of the view that parliamentary committee oversight of future ACT Budgets should 'allow for the full participation of peak bodies and community organisations as has been the historical practice in the ACT'.<sup>33</sup>

3.29 ACTCOSS noted it had: (i) provided a submission to the ACT Government 2020–21 Budget Consultation in September 2019; (ii) developed a 2020–21 ACT Budget Bulletin and distributed it to all its members; and (iii) held an ACTCOSS Budget Forum where its members had the opportunity to put their views on the Budget and ask questions of relevant ministers.<sup>34</sup>

3.30 Regarding its three key priorities for the ACT Budget<sup>35</sup>—ACTCOSS wanted the 2020–21 Budget to deliver:

- Spending commitments to deliver, as a priority, the policies in the Parliamentary Agreement that focus on achieving social justice, reducing poverty and supporting vulnerable people.
- New money to meet the shortfall of 3000 social housing dwellings, especially through effective land transfers to community housing providers.
- Investments in preparation for the move to a commissioning approach including the identification of community need and the design and procurement of services to meet that need.

3.31 As to views on the Budget in relation to its key priorities<sup>36</sup>—ACTCOSS:

- was of the view that while the delayed 2020–21 ACT Budget contained some welcome investments, it 'fell short on the investments and vision required to ensure Canberrans facing disadvantage were protected as the ACT emerges from the COVID-19 crisis';
- welcomed the 'ongoing investments in public housing, homelessness, mental health, domestic violence services and other areas';
- was 'disappointed that there was no additional money in this budget for affordable housing';

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<sup>32</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 4.

<sup>33</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 4.

<sup>34</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 7.

<sup>35</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 7.

<sup>36</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 9.

- was of the view that there were some missed opportunities—including funding for investments in a Disability and Health Strategy and community needs analysis work on transport and city infrastructure. ACTCOSS was optimistic that these would be included in the 2021–22 Budget; and
- was concerned about the number of one-year only extensions to funding for many community services. Short-term funding results in community organisations facing challenges planning for and maintaining programs and creating sustainable services.

3.32 ACTCOSS was of the view that whilst the ACT Budget contained some welcome investments—including budget measures: to improve building efficiency and sustainability for social and public housing, low-income owner-occupiers and rental properties; for a Palliative Care ACT Respite Hub pilot; to extend COVID-19 tenancy relief until 30 June 2021 for residential landlords who reduced rents by at least 25% for tenants who have been impacted by COVID-19; and for 2020–21 and across the budget outyears to continue the implementation of the recommendations of the *Our Booris, Our Way* review—the Budget ‘is most notable for what is missing’.<sup>37</sup>

3.33 Regarding ACT COVID-19 recovery initiatives<sup>38</sup>—ACTCOSS:

- submitted that it was disappointed ‘that investment in community services’ did not appear to be part of the ACT Government’s ‘strategy to emerge from the COVID-19 health and economic crisis’;
- noted that whilst the Budget included a social inclusion statement—it was of the view that ‘it is little more than a shell’; and
- observed that there was ‘little new spending’ in the Budget ‘directly targeting vulnerable and disadvantaged groups, including people with disability, older people and carers, despite these people being among the most impacted by COVID-19’.

3.34 Regarding views on the gender impacts of the Budget<sup>39</sup>—ACTCOSS:

- noted that the ACT community sector is a highly feminised workforce—with approximately 80 per cent of the workforce being women;
- submitted that contract arrangements and funding levels for the community sector which cause workers in the sector to be low paid or to experience job insecurity have gendered impacts; and
- further noted that the lack of affordable housing in Canberra has disproportionate impacts on women—in particular, for older women who have interrupted careers and low levels of retirement savings, and single parents—the majority of whom are women.

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<sup>37</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 5.

<sup>38</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 10.

<sup>39</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 10.

- 3.35 ACTCOSS invited relevant Assembly committees to: (i) refer to its response as to whether the Budget addressed the issues it had raised in its submission to the ACT Government 2020–21 Budget Consultation; and (ii) consider its 12 community policy platforms that the ACT Government must act upon to achieve a just and fair Canberra.<sup>40</sup>

#### FRIENDS OF HAWKER VILLAGE INCORPORATED.

- 3.36 Friends of Hawker Village Inc. (FoHV) is a voluntary community group active within the four suburbs around the Hawker Group Centre—namely Page, Scullin, Hawker and Weetangera. FoHV's focus 'is maintenance and enhancement of residential amenity locally and Canberra-wide, along with the broader issue of climate change'.
- 3.37 FoHV advised it provided a submission to the ACT Government 2020–21 Budget Consultation and was of the view that the Budget did not address the issues raised in its submission.
- 3.38 Regarding its three key priorities for the ACT Budget—FoHV advised these were: (i) the monitoring and enforcement of verge management provisions—including illegal parking; (ii) instituting regular monitoring and maintenance of public footpaths in an effective manner rather than the current ad hoc process, which is inefficient and ineffective in keeping them safe for active travel; and (iii) addressing pressure on local primary schools—FoHV suburbs are attracting new families under generational change. A sustainable solution to address this increasing demand is needed.
- 3.39 As to views on the Budget in relation to its key priorities—FoHV advised:
- (i) Budget Statement E (EPSDD) indicates that funding is being provided for 'implementing invasive species management programs following significant invasive plant growth, as a consequence of La Nina weather patterns'. This, however, is in the context of endangered grasslands and woodlands. There is no indication that this applies to suburban areas. City Services declares that it has 'a strategic objective of ensuring that city services are consistently of high quality, timely, effective and cost efficient and meet the needs of the community. It is committed to ensuring that the city is well maintained'. The state of the suburbs disputes this claim.
  - (ii) The latter statement includes community paths but there is no indication in the Budget as to whether additional funding has been provided for this specific purpose. This statement is repeated in Budget Statement H (TCCS) which also includes the aim of 'keeping our city looking good by responding to La Nina wet weather impacts on mowing and road surface maintenance'. Again, there is no indication of how this will be achieved; and

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<sup>40</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 11.



- (iii) Budget Statement F (ED) makes the following statements about school infrastructure: (a) Undertake feasibility and master planning for future new school infrastructure in Gungahlin, Woden, Belconnen, Molonglo, Inner North and Inner South; (b) deliver new school infrastructure and expansions at Franklin School, Campbell Primary School, Amaroo Senior School and Gold Creek Senior School; and (c) Undertake school maintenance works, sustainability upgrades and hazardous material investigations/remediation works. FoHV note that none of these funded initiatives appear to provide a solution to the schools in its area.<sup>41</sup>

## ACT GIFTED FAMILIES SUPPORT GROUP INCORPORATED

3.40 The ACT Gifted Families Support Group (ACT GFSG) is a small, not-for-profit association run entirely by volunteers. ATGFSG's focus is on:

...supporting and advancing the needs of gifted and talented children by bringing together parents, teachers and other professionals to share and engage with evidence based best practice to meet the needs of Gifted and Talented learners.<sup>42</sup>

3.41 ACT GFSG advised it had provided a submission to the ACT Government 2020–21 Budget Consultation and its three key priorities for the Budget were: (i) training for teachers in gifted education—noting that no funding can be found for this in the Budget; (ii) establish Combination Selective Schools from Year 3 to Year 12—noting that whilst the Budget contains funding for both the design of new schools and the building of new schools—this funding relates to mainstream schools. Further, there is 'no mention of a selective school stream for gifted and talented learners' and the 'term gifted learner does not appear at all'; and (iii) funding for the implementation of the New Gifted and Talented Policy.<sup>43</sup>

3.42 Regarding views on the gender impacts of the Budget—ACT GFSG observed that, girls—gifted girls, 'often go unidentified or underachieve so that they fit in with their class group rather than have their ability stand out'. ACT GFSG added that this is evidenced in recent years in the 'reduced number of girls enrolled in H subjects Maths, Physics and Chemistry'. ACT GFSG submitted that this can be addressed by teachers 'who have the knowledge and skills to put in place systems to identify gifted girls and then address their learning and social emotional needs'.<sup>44</sup>

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<sup>41</sup> Submission No. 3—Friends of Hawker Village Incorporated, p. 2.

<sup>42</sup> Submission No. 5—ACT Gifted Families Support Group Incorporated, p. 1.

<sup>43</sup> Submission No. 5—ACT Gifted Families Support Group Incorporated, p. 1.

<sup>44</sup> Submission No. 5—ACT Gifted Families Support Group Incorporated, p. 2.



## 4 FRAMING THE IMPACT OF COVID-19— IMPLICATIONS FOR FOCUS OF THE INQUIRIES

*In 2020 COVID-19 affected almost all countries and more than 50 million people around the world. It has governments operating in a context of radical uncertainty, and faced with difficult trade-offs given the health, economic and social challenges it raises. By spring 2020, more than half of the world's population had experienced a lockdown with strong containment measures. Beyond the health and human tragedy of the coronavirus, it is now widely recognised that the pandemic triggered the most serious economic crisis since World War II. Many economies will not recover their 2019 output levels until 2022 at the earliest... The nature of the crisis is unprecedented: beyond the short-term repeated health and economic shocks, the long-term effects on human capital, productivity and behaviour may be long-lasting. The COVID crisis has massively accelerated some pre-existing trends, in particular digitalisation. It has shaken the world, setting in motion waves of change with a wide range of possible trajectories...*<sup>45</sup>

- 4.1 The ACT Budget 2020–21 was framed during a global pandemic—the (COVID-19) pandemic. Further, the reporting period for referred 2019–20 annual reports span approximately a six-monthly period preceding the World Health Organization's (WHO) declaration that COVID-19 was a global pandemic and the first six months of the ACT Government being at the frontline in implementing emergency response systems and crisis management to respond to COVID-19's asymmetric health, economic, social and fiscal impact.
- 4.2 The OECD has emphasised that the impact of COVID-19 is highly heterogeneous with a strong territorial dimension that has important policy implications for managing its consequences—including emergency response, crisis management and recovery—across three dimensions:
  - Health/social impact—some regions, particularly vulnerable ones, such as deprived urban areas, have seen higher caseloads and mortality rates than others. Certain vulnerable populations have also been more affected.

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<sup>45</sup> OECD. (2020) The territorial impact of COVID-19: Managing the crisis across levels of government, (updated 10 November 2020), accessed 15 December 2020, p. 2.

- Economic impact—regional economic exposure to the crisis is differing across regions. Differentiating factors include a region's exposure to tradable sectors, its exposure to global value chains and specialisation in specific sectors like tourism and international students and whether it has large shares of non-standard employment.

As to the economic impact of containment measures—tourist destinations and large cities have and are suffering the most from COVID-19 containment measures. The importance of tourism and of local consumption—including large retailers, general-purpose stores, and businesses in the hospitality industry, such as coffee shops and restaurants—in part explain this.

- Fiscal impact—the crisis is resulting in increased expenditure and reduced revenue for subnational governments, and while its impact on subnational finance is not uniform, it is expected to be long-lasting.<sup>46</sup>

4.3 In addition to the direct impact—across the health/social, economic, and fiscal dimensions—COVID-19 has highlighted/accentuated existing vulnerabilities within each of these dimensions. For example, the inherent risks associated with insecure work, the characteristics of government revenues—in particular, their degree of sensitivity to economic fluctuations; and poverty, poor housing conditions, health status and limited access to health care and socio-economic segregation.

4.4 The impact of COVID-19 is 'proving unique in its generation of both a supply side and a demand side shock, and its impact on all sectors and regions of the world'. Subnational governments have been, and continue, to be responsible for 'critical aspects of containment measures, health care, social services, economic development and public investment, putting them at the frontline of crisis management'. Governments must manage these combined shocks and their cascading effects in parallel—whilst at the same time implementing recovery plans.<sup>47</sup>

4.5 In the context of a forward-looking perspective—for government functioning and finance—the OECD has identified some takeaway messages on managing COVID-19's territorial impact, its implications for multi-level governance, subnational finance and public investment, as well as points for policy-makers to consider as they build more resilient regions. These takeaways<sup>48</sup> are:

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<sup>46</sup> OECD. (2020) The territorial impact of COVID-19: Managing the crisis across levels of government, (updated 10 November 2020), accessed 15 December 2020.

<sup>47</sup> OECD. (2020) The territorial impact of COVID-19: Managing the crisis across levels of government, (updated 10 November 2020), accessed 15 December 2020.

<sup>48</sup> OECD. (2020) The territorial impact of COVID-19: Managing the crisis across levels of government, (updated 10 November 2020), accessed 15 December 2020.

- Introduce, activate, or reorient existing multi-level coordination bodies that bring together national and subnational government representatives to minimise the risk of fragmented responses.
- Support cooperation across jurisdictions to help minimise disjointed responses and competition for resources. Promote inter-regional or inter-jurisdictional collaboration in procurement especially in emergency situations. Promote the use of e-government tools and digital innovation to simplify, harmonise and accelerate procurement practices at subnational level.
- Cross-border cooperation should be actively pursued and supported at all levels of government, to promote a coherent response recovery approach across a broad territory (e.g. border closure and reopening, containment measures, exit strategies, migrant workers).
- Consider adopting a 'place based' or territorially sensitive approach for response and recovery measures.
- Strengthen national and subnational-level support to vulnerable groups to limit further deterioration in their circumstances and to strengthen inclusiveness, including by simplifying and facilitating access to support programmes, ensuring well-targeted services, introducing adequate and/or innovative fiscal support schemes, and identifying the needs for revising fiscal equalisation policies.
- Foster continuous dialogue between national and subnational governments regarding COVID-19's fiscal impact on subnational budgets using shared evidence and data and considering the differentiated impact of the crisis. Assist subnational governments to reduce the gap between decreasing revenues and increasing expenditures during the COVID-19 crisis to avoid underfunded and unfunded mandates and possible sharp cuts in subnational spending. Special grant schemes could help close these gaps.
- Explore and introduce other temporary or permanent, fiscal tools and measures, including tax arrangements, easier access to external financing (debt), and more flexible, modern and innovative financial management tools. Focus on reviewing subnational financial management and strengthening expenditure and revenue effectiveness, to contribute to restoring fiscal stability over the medium and long-terms.
- Integrate a territorial dimension in national investment recovery strategies and involve subnational governments in their implementation early on.
- Draw some lessons from the 2008 Global Financial Crisis in the implementation of investment recovery strategies to avoid some mistakes which were made at that time. Among the risks to avoid are to atomise the allocation of the funding in a myriad of small infrastructure projects to spend the money rapidly at the expense of long-term priorities (e.g. sustainability and resilience).

- Use public investment across at all levels of government to support COVID-19 recovery over time: avoid using it as an adjustment variable; minimise fragmentation in the allocation of investment funds targeting COVID-19 responses; ensure allocation criteria are guided by strategic regional priorities; integrate social and climate objectives into recovery plans designed by all levels of government; and consider introducing a resilience-building criteria for the allocation of public investment funding for all levels of government.

## COMMITTEE COMMENT

- 4.6 The Committee acknowledges that the ACT Budget 2020–21 was framed during the COVID-19 pandemic and the reporting period for referred 2019–20 annual reports span the period preceding the WHO’s declaration that COVID-19 was a global pandemic and the period the ACT Government was at the frontline in implementing emergency response systems and crisis management to respond to COVID-19’s asymmetric health, economic, social and fiscal impact.
- 4.7 In considering the several issues it sought clarification on at public hearings, the evidence received in written submissions, together with the matters that are expanded on in the following chapters, the Committee notes that in a large part, these are focused on the direct and indirect impact of COVID-19—across the health/social, economic and fiscal dimensions.

## FRAMING OF FUTURE BUDGETS

- 4.8 In addition to the direct impact—across the health/social, economic, and fiscal dimensions—COVID-19 has highlighted/accentuated existing vulnerabilities within each of these dimensions. For example, the inherent risks associated with insecure work, the characteristics of government revenues—in particular, their degree of sensitivity to economic fluctuations; and poverty, poor housing conditions, health status and limited access to health care and socio-economic segregation.
- 4.9 While restrictions are easing in the ACT, and across Australia, together with the commencement of the COVID-19 vaccination program, COVID-19 recovery is likely to continue to have an effect in the medium to long-term.

## COMMITTEE COMMENT

- 4.10 The Committee observes that the impact of COVID-19 will underpin government functioning and finance, the framing and presentation of budgets and parliamentary oversight and scrutiny—not only for the 2020–21 Budget and across its outyears but for future budgets over many years to come.
- 4.11 In considering the several issues it sought clarification on at public hearings, the evidence received in written submissions, together with the emerging best practice on managing COVID-19's impact, the Committee has identified several matters it considers are critical considerations for the framing of future budgets, the sustainability of recovery strategies and restoring fiscal stability over the medium and long-term.
- 4.12 The Committee's views on these matters and associated recommendations are set out below.

### PARLIAMENTARY OVERSIGHT/SCRUTINY OF FUTURE BUDGET ESTIMATES

- 4.13 The Committee acknowledges the views expressed by ACTCOSS regarding changes to the ACT Budget 2020–21 inquiry process—in particular, changes to the submission and hearings process for input from community, industry and other representative stakeholder groups on the annual budget.
- 4.14 The Committee also acknowledges that while there may be some value in referring appropriation lines across specialist subject matter committees—importantly, it raises challenges for the oversight of government decisions by peak and community organisations which have limited resources.
- 4.15 The Committee notes ACTCOSS' observation that the:
- ...ability for peak and community groups to provide public evidence to the process has been a valued and long-standing strength of the ACT Assembly's oversight of public accounts.<sup>49</sup>

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<sup>49</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 4.

## Recommendation 1

- 4.16 The Committee recommends that the ACT Legislative Assembly should ensure that parliamentary committee oversight of future ACT Budgets provides opportunities for the full participation of peak bodies and community organisations as has been the historical practice in the ACT.**

### INCORPORATING GENDERED PERSPECTIVES ON RECOVERY FUNDS AND POLICIES

- 4.17 The COVID-19 pandemic has exacerbated existing inequalities based on gender, race and ethnicity, disability, sexual orientation, age, and class—making those already vulnerable even more so. The gender impacts of the COVID-19 pandemic and its consequences are well documented—highlighting existing inequalities and shortcomings regarding women’s rights, LGBTQI+ rights and gender equality.<sup>50</sup>
- 4.18 The Committee inquired of the Co-ordinator General for the Whole-of-Government (Non-Health) Response to COVID-19—whether data had been collected on what is known anecdotally to be a disproportionately high impact on women in terms of caring responsibilities during lockdown. The Co-ordinator General commented:
- I do not think that the ACT government has. Certainly, that was a common topic of discussion early on. We did look at the gendered impact of COVID on things like unemployment in the ACT. In fact, in the end, our numbers are quite volatile. I think that, in the beginning, there was a disproportionate job loss for women, but it evened out in the end. We would look at some data, but I do not think that we looked at caring responsibilities.<sup>51</sup>
- 4.19 The Committee notes that written submissions also commented on the gendered effects of the COVID-19 pandemic. The Committee makes the following recommendations:

## Recommendation 2

- 4.20 The Committee recommends that the ACT Government give due consideration to incorporating gender budgeting principles in all aspects of future COVID-19 recovery funding, initiatives and strategies.**

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<sup>50</sup> OECD. (2020) The territorial impact of COVID-19: Managing the crisis across levels of government, (updated 10 November 2020), accessed 15 December 2020; The European Parliament—Motion for a European Parliament Resolution on the gender perspective in the COVID-19 crisis and post-crisis period, 20 November 2020, (2020/2121(INI)).

<sup>51</sup> Ms Rebecca Cross, Transcript of Evidence, 22 February 2021, pp. 92–93.



## Recommendation 3

- 4.21 The Committee recommends that the ACT Government prepare gender-sensitive responses for all stages of future crises to prevent negative consequences for women’s rights, LGBTQI+ rights and gender equality.**

### RECOGNISING THE ECONOMIC CONTRIBUTION OF THE COMMUNITY SECTOR

- 4.22 The Committee acknowledges ACTCOSS’ view ‘that investment in community services’ did not appear to be part of the Government’s ‘strategy to emerge from the COVID-19 health and economic crisis’.<sup>52</sup>
- 4.23 The Committee notes that the community sector makes an important economic contribution to the ACT economy—in that, for example, every \$1 a year invested in childcare, an annual GDP increase of around \$5 can be achieved. Further, community service organisations in the ACT make a contribution of \$2.2 billion to the ACT economy.<sup>53</sup>
- 4.24 The Committee is firmly of the view that investment in community services should be part of the ACT Government’s strategy to emerge from the COVID-19 health and economic crisis. Accordingly, the Committee makes the following recommendation:

## Recommendation 4

- 4.25 The Committee recommends that the ACT Government ensure that the needs of the health and community sector, as a growing sector, and a major creator of jobs and economic growth, are included in the Knowledge Capital—Future Jobs Fund program announced in the ACT Budget 2020–21.**

### IMPLEMENTATION OF INVESTMENT RECOVERY STRATEGIES

- 4.26 The Committee notes that the Budget for 2020–21 and across its outyears include a number of investment recovery strategies that are focused on the next stage of COVID-19 recovery and restoring the health of the Territory’s economy.
- 4.27 The Committee is of the view that these investment recovery strategies should consider some emerging best practice on managing COVID-19’s impact as it concerns public investment and implementation of investment recovery strategies. Accordingly, the Committee makes the following recommendations:

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<sup>52</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 10.

<sup>53</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 6.

## **Recommendation 5**

- 4.28** The Committee recommends that the ACT Government in the implementation of COVID-19 investment recovery strategies give due consideration to avoiding risks associated with fragmenting the allocation of funding in a large number of small infrastructure projects in a desire to spend money rapidly at the expense of long-term priorities (for example, sustainability and resilience).

## **Recommendation 6**

- 4.29** The Committee recommends that the ACT Government give due consideration to using public investment to support COVID-19 recovery over time. In doing so, any such investment should: (i) not be used as an adjustment variable; (ii) minimise fragmentation in the allocation of investment funds targeting COVID-19 responses; (iii) ensure allocation criteria are guided by strategic jurisdictional priorities; and (iv) integrate social and climate objectives into recovery plans.

## 5 ARTS PORTFOLIO

- 5.1 The Committee heard from the Minister for the Arts and directorate and agency officials on 23 February 2021 to discuss relevant 2019–20 Annual Reports relating to the arts portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:
- Output 3.5—Arts Engagement; and
  - Cultural Facilities Corporation (Output Class 1: Cultural Facilities Management).

### QUESTIONS

- 5.2 Six questions were taken on notice at the hearing. The question coverage included matters related to: the 2021 Arts Activities Funding \$5 to \$50k Round 1 closing on 28 February 2021; Artists Toolkit program; the Upgrading Local Arts Facilities project to improve safety at arts facilities and for the design of major refurbishments; total funding available in the 2020–21 financial year for arts facility capital works, repairs and maintenance and projects under the Fast Track stimulus program; and clarification as to whether artsACT has a goal to reach a certain energy efficiency standard of its facilities.
- 5.3 Six questions on notice (some with multiple parts) were submitted by members following the hearing(s). The question coverage included matters related to: the impact of COVID-19 on the arts sector; government COVID-19 funding support for the Canberra arts sector including to the Cultural Facilities Corporation, local Key Arts and Program funded organisations, and to individual artists; improving arts facilities funding—funding under the Better Infrastructure Fund; funding under the Public Arts Scheme; figures on public art pieces installed in Canberra in 2020; funding agreements with the Belconnen, Gungahlin and Tuggeranong Arts Centres; clarification as to whether artsACT undertakes economic, health or mental health impact assessments for the effect on individuals who receive project funding compared to multiyear funding; and breakdown of budget allocation for artsACT across arts activities, programs and arts organisations; staff salaries and administrative costs, and repairs and maintenance for arts facilities and public art.

### IMPROVING ENERGY EFFICIENCY STANDARDS

- 5.4 The Committee discussed the Fast Track infrastructure program—designed to fast-track minor upgrades and maintenance works to arts facilities. The Committee was interested to know what percentage of the funding allocation of \$1,670,000 worth of upgrades to local arts facilities would be spent on improving the energy efficiency of these buildings and facilities.

- 5.5 A directorate official explained that the funding allocation was for ‘design and capital works at Ainslie, Gorman and Strathnairn art centres’. The Minister added that:

Total funding available in the 2020-21 financial year for arts facility capital works, repairs and maintenance and projects under the Fast Track stimulus program is \$5.5 million ex GST. Most of the thirteen ACT Government-owned arts facilities are aged and have been repurposed from other uses. Five of the buildings are heritage listed. Due to their age and condition, available funding is prioritised to address safety issues, building fabric deterioration and management of hazardous materials across the portfolio.<sup>54</sup>

- 5.6 The Committee inquired further as to how much of arts funding more broadly was spent in the last 12 months to improve the energy efficiency standards in buildings that are owned and operated by artsACT and was told:

...there has been replacement—you know, we will take the substantive part of the question on notice, but just for your interest in the meantime, we did undergo replacing older style light fixtures with energy efficient LEDs at eight arts facilities as part of that screwdriver ready work. And you are no doubt aware that there has been some major upgrades of the former transport depot, including replacing the roof.<sup>55</sup>

## MAKING ARTSACT FACILITIES CLIMATE READY

- 5.7 The Committee was interested in what framework artsACT may use to determine what kind of investment would be considered sustainable to make its facilities climate ready. The Committee was told:

It is an interesting question because the facilities have been developed over many, many years and some of them are in heritage buildings. A facility like Gorman Art Centre has a significant number of heating, ventilation and cooling units within the building. We try to make sure we keep on top of the maintenance and upgrades to improve the operational costs of the buildings as well as energy efficiency and sustainability. We can look at that in more detail in terms of providing a response.<sup>56</sup>

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<sup>54</sup> Response to QToN Arts No. 5, 23 February 2021.

<sup>55</sup> Ms Tara Cheyne MLA, Transcript of Evidence, 23 February 2021, p. 130.

<sup>56</sup> Ms Sam Tyler, Transcript of Evidence, 23 February 2021, p. 130.

5.8 On notice, the Minister added:

artsACT is guided by the ACT Government's Zero Emissions Government Framework as it pertains to the ownership of arts facilities. The Framework's primary focus is to reduce natural gas and transport fuel use. artsACT is progressing a number of projects to reduce gas use at arts facility sites including replacing an aged gas-powered heating system at Gorman House Arts Centre (A Block) with an electric system. artsACT will be working with the Zero Emissions Government Team at Environment Planning and Sustainable Development Directorate (EPSDD) to explore further emission reduction opportunities at existing arts facilities.<sup>57</sup>

## COMMITTEE COMMENT

- 5.9 The Committee is of the view that artsACT should give due consideration to the merits, or otherwise, of establishing a long-term goal to work towards a certain energy efficiency standard for its facilities.

## Recommendation 7

- 5.10 The Committee recommends that the ACT Government give due consideration to the merits, or otherwise, of establishing a long-term goal to work towards a certain energy efficiency standard for its artsACT facilities.**

## COVID-19 ORGANISATION EMERGENCY SUPPORT FUNDING TO ARTS ORGANISATIONS

- 5.11 The Committee discussed with the Minister and officials the scope, eligibility and funding allocations provided for under the COVID-19 Organisation Emergency Support Funding to arts organisations that have experienced a sustained period of lost revenue and opportunities during the pandemic.
- 5.12 The Committee sought further information on the Tuggeranong Arts Centre funding request for the impact of COVID-19 on its operations and the actual amount received. The Committee was told:
- I do not have the figure in front of me as to what the actual application amount was from Tuggeranong and what they received, but we can provide that information on the

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<sup>57</sup> Response to QToN Arts No. 6, 23 February 2021.

difference in application amount and what was received. From my understanding of the situation, they had not requested a quantum that was significantly above what they received and did not compare to the amount that was requested from Belconnen.<sup>58</sup>

5.13 On notice, the Minister advised:

The Tuggeranong Arts Centre requested \$99,102 from the ACT Government for the impact of COVID-19 on its operations. Subsequent to its request, the Tuggeranong Arts Centre informed the ACT Government that it had been successful in receiving Australian Government funding of \$45,000 for staff salaries for a three month period.

All requests were assessed by artsACT and ACT Treasury on demonstrated financial need and within the available budget, and on this basis the Government subsequently approved \$54,102 to the Tuggeranong Arts Centre. This funding is in addition to over \$649,000 annual ACT Government funding provided to the Tuggeranong Arts Centre.<sup>59</sup>

## COMMITTEE COMMENT

- 5.14 The Committee acknowledges the positive contribution of critical support provided to arts organisations under the COVID-19 Organisation Emergency Support Funding and other Arts Activities funding by artsACT. The Committee, however, is of the view that for future funding rounds, artsACT should give due consideration to providing: (i) greater clarity regarding eligibility requirements; (ii) greater clarity regarding specific exclusions, exceptions and conditions—such as considering other funding that may have been received; and (iii) improved feedback on funding proposals and assessment processes.

## Recommendation 8

- 5.15 The Committee recommends that the ACT Government, for future artsACT funding rounds, give due consideration to providing: (i) greater clarity regarding eligibility requirements; (ii) greater clarity regarding specific exclusions, exceptions and conditions—such as considering other funding that may have been received; and (iii) improved feedback on funding proposals and assessment processes.**

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<sup>58</sup> Ms Sam Tyler, Transcript of Evidence, 23 February 2021, p. 127.

<sup>59</sup> Response to QToN Arts No. 3, 23 February 2021.

## NEW FUNDING MODEL FOR ARTS ORGANISATIONS

- 5.16 The Committee inquired about the development of a new funding model for arts organisations, with funding anticipated to commence from 2022. As to progress, a directorate official explained:

The arts organisation funding plan has been developed over a number of years. We have had conversations with arts organisations that are currently funded and those that are not currently funded through our key arts organisation and program funded organisations. We are currently working through time frames for that organisational funding program development, noting that the diversion of resources to support people through COVID last year meant that some of the engagement activities that we had planned have not taken place.<sup>60</sup>

- 5.17 The Committee was interested in the consultative aspects—in particular, how many individual artists, outside of the key arts organisations, would be consulted and was told:

In terms of engaging with individual artists, we hear feedback a lot from artists who have applied for funding through our conversations with arts organisations and workers within those organisations. In terms of numbers, I do not have an exact number of artists that we would be engaging with through that development. It really is about conversations with the organisations themselves—those who have not received funding previously and where the gaps in the existing funding exist.<sup>61</sup>

## SUPPORT PROVIDED TO LOCAL CINEMAS IMPACTED BY COVID-19

- 5.18 The Committee inquired about what support the ACT Government had provided to local cinemas such as Dendy and Palace, that had been negatively impacted by containment measures—this included clarification as to: (i) outreach strategies the Government had implemented for local art institutions more broadly; and (ii) whether the Government had any plans in place for ongoing support to local art institutions such as these.

- 5.19 The Minister explained:

The ACT Government has encouraged attendance to local cinemas including through ‘Our Canberra’ newsletter and CBR Online, and on social media. The Government has also enabled local cinemas to increase their attendance capacity from 65% to 75% if

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<sup>60</sup> Ms Sam Tyler, Transcript of Evidence, 23 February 2021, p. 123.

<sup>61</sup> Ms Sam Tyler, Transcript of Evidence, 23 February 2021, p. 123.

the cinema submits a COVID Safe event plan to the Chief Health Officer, and uses the Check in CBR app.<sup>62</sup>

5.20 As to outreach strategies and plans in place for ongoing support to local art institutions such as cinemas, the Minister added:

- a) The ACT Government provided over \$7.6 million in total COVID-19 support for the Canberra arts sector including to the Cultural Facilities Corporation, local Key Arts and Program funded organisations, and to individual artists. From the commencement of COVID-19 restrictions, the ACT Government has maintained close contact with arts organisations including through regular online meetings and one on one conversations.
- b) The Government will continue to monitor the impact of COVID-19 on the arts sector for any further support.<sup>63</sup>

## CANBERRA THEATRE OPERATIONS DURING COVID-19

5.21 As the performing arts were one of the most severely impacted sectors of the entire economy, the Committee sought information as to the impact of COVID-19 on the Canberra Theatre—including what measures had been put in place to make sure patrons could continue to enjoy theatre performances as restrictions eased and what were the plans for the 2021–22 season.

5.22 The Chief Executive of the Cultural Facilities Corporation elaborated:

There are two particular reasons which lead to that situation. One is the impact of social distancing requirements. In the theatre world, we bring large groups of strangers into an enclosed environment for perhaps a few hours and ask them to sit very close together. You have virtually all the different factors that compound in a situation like COVID to create risk.

The second key factor here is that a lot of the product that we present at the Canberra Theatre Centre is touring product, and that product is dependent on productions being rehearsed, mounted and toured around Australia. That means that they are captive to all sorts of changes with border restrictions and lockdowns in different jurisdictions.<sup>64</sup>

5.23 Regarding measures taken to manage social distancing and the impact of COVID-19 on touring product—the Chief Executive of the Cultural Facilities Corporation commented:

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<sup>62</sup> Response to QoN Arts No. 1—following on from the public hearing of 23 February 2021.

<sup>63</sup> Response to QoN Arts No. 1—following on from the public hearing of 23 February 2021.

<sup>64</sup> Ms Harriet Elvin, Transcript of Evidence, 23 February 2021, p. 127.



I pay due respect to my staff, who have been versatile, resilient and adaptable, and our audiences, who have been very patient and adaptable; and particularly acknowledge the great support that we have had through government funding to help us keep going. Through that, we have managed to get through the critical COVID period and we are now very much in the process of rebuilding our business.<sup>65</sup>

5.24 As to the process of rebuilding and recovery post-containment measures—the Committee was told:

We are now finding that people are very keen to see live theatre. There were some concerns early on that people might be nervous about coming back into an auditorium, but we are not finding that that is the case. For example, we put on a season of The Wharf Revue late last year and that broke records for us in terms of audience attendance.<sup>66</sup>

## OTHER MATTERS

5.25 Other matters discussed by the Committee included:

- The Homefront grants initiative—designed to provide front-end and quick support to Canberra’s artists—strong uptake with over 370 applications—in the first round, announced in early May 2020—66 artists received funding, at a value of \$503,586. In the second round—a further 59 artists were supported, at \$449,000. In total there was \$950,000 in funding to individual artists, with a maximum amount of \$10,000.<sup>67</sup>
- Other artsACT funding programs—including arts activity funding—a round for under \$5,000 and a round for funding requests between \$5,000 to \$50,000. Confirmation that applications for these funding rounds can include requests for artist fees and expenses for exhibition space, tools etc.<sup>68</sup>
- Digital initiatives providing local artists with a performance platform—including the Canberra Theatre Centre@ Home program—a series of livestreams during 2020 to keep the Theatre connected with its audiences, keep its staff engaged and provide professional work for local artists.<sup>69</sup>
- Additional funding to the Cultural Facilities Corporation to support its role as an important cultural institution in Canberra.<sup>70</sup>

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<sup>65</sup> Ms Harriet Elvin, Transcript of Evidence, 23 February 2021, p. 128.

<sup>66</sup> Ms Harriet Elvin, Transcript of Evidence, 23 February 2021, p. 128.

<sup>67</sup> Transcript of Evidence, 23 February 2021, pp. 121–122; QToN Arts No. 1, 23 February 2021.

<sup>68</sup> Transcript of Evidence, 23 February 2021, pp. 122–123.

<sup>69</sup> Transcript of Evidence, 23 February 2021, p. 129.

<sup>70</sup> Transcript of Evidence, 23 February 2021, pp. 129–130.



## 6 BUSINESS AND BETTER REGULATION PORTFOLIO

6.1 The Committee heard from the Minister for Business and Better Regulation and directorate and agency officials on 23 February 2021 to discuss relevant 2019–20 Annual Reports relating to the Business and Better Regulation portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:

- Output 1.1—Government Policy and Reform;
- Output 2.1—Access Canberra (*except in relation to planning development, land and lease regulation*);
- Output 3.1—Innovation, Industry and Investment (*functions relating to: business advocacy and development, small business functions*);
- ACT Gambling and Racing Commission (Output Class 1: Gambling Regulation and Harm Minimisation);
- Output 1.1—Gambling Regulation and Harm Minimisation; and
- Output 2.1—Access Canberra (*functions relating to: gaming*).

### QUESTIONS

6.2 Three questions were taken on notice at the hearing. Four questions on notice (some with multiple parts) were submitted by members following the hearing(s). The question coverage included: whether any services provided by Access Canberra are outsourced; explanation as to the 'no wrong door' approach to providing customer services; Access Canberra—customer services, customer satisfaction and if the Government had engaged any consultants regarding the outsourcing of Access Canberra functions; and further detail on the 2020 Customer Satisfaction survey.

### CHOOSECBR SCHEME

6.3 The Committee discussed at length the ChooseCBR Scheme, which initially formed part of the Jobs and Economic Recovery Plan announced in August 2020. The Scheme seeks to encourage Canberrans to experience their own city and support local business—and was based on the Northern Territory's voucher-type scheme.

6.4 The Minister explained:

First of all, the ChooseCBR scheme was an election commitment, but it was also detailed in the August 2020 economic and fiscal update. That was one of the last things that we released during the parliamentary term. Officials had done some work on it prior to the election, and prior to this term of government as a stimulus measure. My understanding is that the Northern Territory...—had rolled something out in about mid-year. I believe that it was the first jurisdiction in Australia to do anything quite like it. It had been quite successful in terms of different discounts available...<sup>71</sup>

6.5 A directorate official provided further detail as to attributes of the Northern Territory Scheme, target audience, eligibility criteria—being small business, funding allocations and consultation with key stakeholders to understand how the CBR scheme would be received. The Committee was told:

...we became aware of the Northern Territory scheme. There were some other schemes that were being discussed in other jurisdictions that focused predominantly on tourism and accommodation, and the scheme in the Northern Territory appeared to be one that we, on analysis, could adopt here in the ACT within a time frame that met the needs that we had at that time.<sup>72</sup>

6.6 Regarding eligibility criteria—a directorate official elaborated:

When you review the eligibility criteria, you see that there are a range of options. The scheme was designed to target industries that had felt an impact of COVID and businesses that had experienced a level of hardship within those sectors, but also small businesses where a voucher of this nature would have a benefit or an impact. There were a range of industries that were affected by COVID, including construction and mining, but obviously the nature and type of this voucher system was more applicable to small businesses.

Other eligibility that we looked at to ensure that we could focus on small businesses was the level of turnover per year—which was consistent with the Australian Tax Office definition of small business, which is under \$10 million in revenue—and also to ensure that they were businesses that were within the ACT, and with the maximum benefit that they had to have a shopfront. That shopfront did not have to be a store on a street; it could have been an outdoor recreation provider or tourism provider...<sup>73</sup>

6.7 The Committee queried how the funding allocation of \$2 million was determined and was told:

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<sup>71</sup> Ms Tara Cheyne MLA, Transcript of Evidence, 23 February 2021, p. 105.

<sup>72</sup> Ms Kate Starick, Transcript of Evidence, 23 February 2021, pp. 105–106.

<sup>73</sup> Ms Kate Starick, Transcript of Evidence, 23 February 2021, p. 106.

This was a recommendation made to government for a figure following the trial. The trial was \$500,000 in the first instance, with 123 [000] for administration, and then \$2 million was identified, I guess, pending the outcome of that trial.<sup>74</sup>

6.8 The Minister elaborated on the rationale underpinning the \$2 million figure, in that:

\$2 million has a minimum multiplier effect of \$4. With the minimum spend that has been associated with the scheme, that is the case—every dollar of government spending is multiplied by four. For a \$2.50 discount, you had to spend a minimum of \$10 and for \$20 you had to spend \$80 and so on. I think a \$2 million scheme is nothing to be sneezed at.<sup>75</sup>

6.9 As to figures for the take up of the Scheme by businesses—the Committee was told that that 336 businesses registered during the program—206 of those were in North Canberra and 130 were in South Canberra. In terms of the industry breakdown—the largest number of businesses were in the hospitality industry—182; followed by retail—78; personal services—36; and arts and recreation—34; and a further six sitting in another business category. As to spending breakdown (in actual vouchers)—\$150,000 was spent in hospitality, \$111,000 in retail, \$22,000 in personal services, and \$25,000 in arts and recreation. The spent amounts were amplified because vouchers had a minimum spend requirement.<sup>76</sup>

## CHECK IN CBR APP

6.10 With the CBR Check In app having been made compulsory as per announcement made on 19 February 2021—the Committee queried how Canberrans who do not have smart phones would be accommodated.

6.11 The Minister explained an important part of the announcement that did not get picked up in the first media pieces ‘was that if you do not have a smart phone, you do not need to go and buy a smart phone’.<sup>77</sup> The Minister added:

...there is now, on the Check In CBR app, a business profile. That went live at about mid-morning on Friday, as well. So, for anyone who does not have a smart phone when they go to a business, the business can now check in on their behalf. We will take feedback, of course, about how that works in practice, but we have tried to make that as simple as possible.<sup>78</sup>

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<sup>74</sup> Ms Kate Starick, Transcript of Evidence, 23 February 2021, p. 106.

<sup>75</sup> Ms Tara Cheyne MLA, Transcript of Evidence, 23 February 2021, p. 109.

<sup>76</sup> Transcript of Evidence, 23 February 2021, p. 108.

<sup>77</sup> Ms Tara Cheyne MLA, Transcript of Evidence, 23 February 2021, p. 112.

<sup>78</sup> Ms Tara Cheyne MLA, Transcript of Evidence, 23 February 2021, p. 112.

- 6.12 The Committee heard that compliance is a shared responsibility—with enforcement penalties if a business does not have the app (if it is defined as a restricted business)—noting that not all businesses will need to have the app—but also that individuals are subject to potential penalties for non-compliance. It was confirmed that the data captured would be held by ACT Health for 28 days and deleted after expiry of this period.<sup>79</sup>

## OTHER MATTERS

- 6.13 Other matters discussed by the Committee included:

- Provision of further information on the new business profile within the Check In CBR app—which all restricted businesses or venues under the public health direction must register for and be using the app by 6 March 2021.<sup>80</sup>
- Clarification as to whether demographic data on customers who contact Access Canberra is collected.<sup>81</sup>
- Update on how Canberra businesses have complied with the COVID requirements and Access Canberra’s role in that compliance—using an approach of engaging, educating and enforcing.<sup>82</sup>
- Waiving of annual liquor licence fees and outdoor dining fees—with a 12-month fee waiver for the refund of liquor licence and outdoor dining permit fees to offset the reduced ability to trade—explanation for why there was an entitlement to over 749 businesses, but for the reporting period only 50 were processed refunds. As the fees were paid in advance—businesses were given the option of a refund or to bank the fees paid to apply to future fees going forward.<sup>83</sup>
- The parliamentary and governing agreement commitment to a cross-venue self-exclusion regime—further detail on how the scheme will work and the sorts of penalties for scheme breaches.<sup>84</sup>
- Feedback loop when complaints or issues are raised through Fix My Street—preliminary work underway to transfer the systems involved to a new platform. This includes migration to the Salesforce platform—which will make it easier to do the refining and redesign work required to automate information flow across multiple systems that are involved at the back end.<sup>85</sup>

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<sup>79</sup> Transcript of Evidence, 23 February 2021, pp. 111–112.

<sup>80</sup> Transcript of Evidence, 23 February 2021, pp. 110–112; QToN BBR No. 1, 23 February 2021.

<sup>81</sup> Transcript of Evidence, 23 February 2021, pp. 120–121.

<sup>82</sup> Transcript of Evidence, 23 February 2021, p. 111.

<sup>83</sup> Transcript of Evidence, 23 February 2021, pp. 114–115.

<sup>84</sup> Transcript of Evidence, 23 February 2021, pp. 115–116.

<sup>85</sup> Transcript of Evidence, 23 February 2021, pp. 117–120.

## 7 CHIEF MINISTER PORTFOLIO

- 7.1 The Committee heard from the Chief Minister and directorate and agency officials on 22 February 2021 to discuss relevant 2019–20 Annual Reports relating to the chief minister portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:
- Output Class 1: Government Strategy, specifically—Output 1.1—Government Policy and Reform; Output 1.2—Workforce Capability and Governance; and Output 1.3—Coordinated Communications and Community Engagement;
  - Output Class 3: Economic Development, specifically, Output 3.1—Innovation, Industry and Investment (functions relating to: Commissioner for International Engagement);
  - Co-ordinator General for the Whole-of-Government (Non-Health) COVID-19 Response;
  - ACT Executive; and
  - Public Sector Standards Commissioner.

### QUESTIONS

- 7.2 Eleven questions (some with multiple parts) were taken on notice at the hearing. The question coverage included: the Jobs for Canberrans Fund; total spend on Facebook advertising by the ACT Government; ACT Public Service numbers by fulltime, part-time, casual and temporary contracts by directorate; gender pay gap by directorates; and misconduct referrals received by the Professional Standards Unit (PSU) in the 2019–20.
- 7.3 Fourteen questions on notice (some with multiple parts) were submitted by members following the hearing(s). The question coverage included matters related to: the Workforce Transformation Program; Jobs for Canberrans Fund; accountability indicators; ACT Wellbeing indicators; and reconciliation of ACT Executive staffing numbers and classifications.

### JOBS FOR CANBERRANS FUND

- 7.4 The Committee inquired further about the outcomes of the Jobs for Canberrans Fund—established in April 2020 to provide employment opportunities for people in the casual or semi-skilled workforce who had lost their jobs or had been significantly impacted due to COVID-19.

7.5 The Fund specifically created job opportunities in the ACTPS for Canberrans ineligible for the Commonwealth's Jobkeeper program. This extended to people who had been in casual employment, international visa holders and international students. In September 2020, the ACT Government extended the program by a further \$500,000—creating more temporary positions in the ACT public service for eligible Canberrans.<sup>86</sup>

7.6 As to the types of jobs created for that fund, the Committee was told:

Mr Barr: Many and varied, from administrative to work in Namadgi National Park and cleaning. There were a variety. We are happy to provide them.

Ms Leigh: I can provide a few more examples. There was fire recovery restoration; maintenance and cleaning in school buildings; administrative support across quite a number of directorates; cleaning, including town centres and across the public transport bus fleet; customer service within ACT Health and Access Canberra; and garden and some general outdoor maintenance across the city.<sup>87</sup>

7.7 On notice, the Committee was provided with a breakdown by job type and funding allocation under Fund (based on the jobs that have been approved for funding)<sup>88</sup> as follows:

Table 7.1—Jobs for Canberrans Fund—breakdown by job type and funding allocation

Types of Jobs	Number	Allocated Funding
Administrative staff	99	\$6,746,373
Cleaners	203	\$7,512,911
Communication officers	9	\$736,894
Customer service officers	53	\$4,690,727
Maintenance and repair staff	126	\$6,206,273
Rangers and fire recovery restoration	23	\$2,662,049
Student support assistants	9	\$298,213
Work health and safety officers	2	\$153,530
TOTAL	524	\$29,501,758

7.8 The Committee queried whether the jobs would be ongoing and the Chief Minister confirmed that the Fund:

...short-term program for the pandemic. Some finished at the end of the last calendar year; others continue until the end of this financial year.<sup>89</sup>

7.9 The Chief Minister added:

<sup>86</sup> Mr Andrew Barr MLA and Mr Gordon Ramsay MLA—Media release: 'More Jobs for Canberrans as Fund extended', 1 September 2020.

<sup>87</sup> Mr Andrew Barr MLA and Ms Kathy Leigh, Transcript of Evidence, 22 February 2021, p. 70.

<sup>88</sup> Response to QToN CM No. 2—22 February 2021.

<sup>89</sup> Mr Andrew Barr MLA, Transcript of Evidence, 22 February 2021, p. 70.



... There may be ongoing job opportunities for individuals who were employed to go into permanent jobs within the areas where they were working, but not under the Jobs for Canberrans Fund. It was a short-term, temporary employment measure. As you can see from the budget papers, there is not ongoing funding beyond the extension.<sup>90</sup>

- 7.10 The Committee also sought further information regarding the percentage of jobs filled by people under 30 and under 35, respectively, and was told:

There were no jobs specifically designed for people under 30. Jobs were available to all ages.

The percentage of jobs filled by people under 30 was 40%, or 226 people.

The percentage of jobs filled by people under 35 was 67%, or 385 people.

Note: some jobs were filled by multiple people on a part time basis. This enabled a higher number of people to benefit from the Jobs for Canberrans Fund. This approach also allowed visa holders with working-restrictions to secure work.<sup>91</sup>

## CANBERRA ECONOMIC ADVISORY GROUP

- 7.11 The Canberra Economic Advisory Group (CEAG) was established to bring together key stakeholders—including economists, industry representatives, community sector partners and unions—to provide advice on how the ACT Government can continue to protect and create local jobs.

- 7.12 The Committee was told that the areas of focus for the group will include (but are not limited to):

- advice on additional opportunities and actions for government, private sector and relevant institutions to support growth and resilience in the ACT economy;
- identification of systemic issues and barriers to achieving sustainable growth in the ACT economy and advice on strategies to address these issues;
- advice on government measures to attract new investment to the ACT;
- advice on future stages of tax reform to increase productivity; and
- advice on opportunities for jobs growth.<sup>92</sup>

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<sup>90</sup> Mr Andrew Barr MLA, Transcript of Evidence, 22 February 2021, p. 70.

<sup>91</sup> Response to QToN CM No. 3—22 February 2021.

<sup>92</sup> Response to QoN CM No. 11—following on from the public hearing of 22 February 2021.

7.13 As to membership of the CEAG, the Committee was told that it would comprise the Chief Minister (as Chair); Head of the ACT Public service (as Deputy Chair); five members appointed by the Chief Minister; and additional members appointed following a public expression of interest. The Chair may invite relevant experts and observers to attend meetings as required.

7.14 Members will be appointed for up to one year and non-government members will be remunerated (level of remuneration to be confirmed). The Chief Minister advised:

The budget for CEAG is \$176,154 comprising remuneration of members and secretariat support.

The ACT Remuneration Tribunal determined that CEAG members should be paid \$16,000 per annum, noting that members have been appointed for six months only at this stage.<sup>93</sup>

7.15 The CEAG met for this first time on 3 March 2020, with secretariat services provided by Economic Development within CMTEDD (a Senior Officer Grade B has been funded for six months for this purpose).

## COMMITTEE COMMENT

7.16 The Committee is of the view, given the terms of reference for the Canberra Economic Advisory Group together with the funding allocated to date, that the release of a general communique reporting on its work and decision making—for example, on a quarterly basis—would be a key transparency mechanism.

## Recommendation 9

**7.17 The Committee recommends that the ACT Government’s Canberra Economic Advisory Group prepare and release a general communique on a quarterly basis that would permit timely reporting on key aspects of its work.**

## JOB RETENTION RATES FOR PWD AND ATSI BACKGROUND

7.18 The Committee inquired about retention rates for people with a disability and people of Aboriginal and Torres Strait Islander background who participate in ACTPS programs.

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<sup>93</sup> Response to QoN CM No. 11—following on from the public hearing of 22 February 2021.

- 7.19 Regarding Aboriginal and Torres Strait Islander year 11 and 12 students in ACT Government schools—under the Australian School Based Apprenticeships Program (a commonwealth funded program)—a directorate official explained:

...we bring those students in. They start off with us working a number of hours a week within school times. At the end of that program those who successfully complete it—we are very proud of the numbers we have had go through and complete that—and who want to continue working in ACT government we then pathway those staff through to the vocational education program, which is the whole-of-government program that we have.

...We had about a 50 per cent retention rate on that. ... But the thing we did after the pilot which really made the difference was pathwaying them into another government program so that there was somewhere to go at the end of it. In terms of retention, within CMTEDD we noted that was an issue because we would bring in so many staff on entry level programs, particularly Aboriginal and Torres Strait Islanders. But we have managed to improve that in recent times. That number is getting a lot closer to the retention rates for overall staff. I will find that number and I will come back to you. But it has certainly improved.<sup>94</sup>

- 7.20 As to specific figures for retention rates for people with a disability and people of Aboriginal and Torres Strait Islander background who undergo ACTPS targeted programs to come into the ACT public service, and how these rates compare to the public service as a whole—the Committee was told:

...for employees with a disability, a recruitment rate of 12 per cent of roles and a separation rate of 7.8 per cent when compared to the ACT public service general rate of 6.4 per cent. For employees from a culturally and linguistically diverse background, a recruitment rate of 14.3 per cent, with a separation rate of 4.9 per cent. And for Indigenous and Torres Strait Islanders, a recruitment rate of 18.4 per cent, with a separation rate of 9.1 per cent.<sup>95</sup>

- 7.21 On notice, the Committee was told:

At 30 June 2019 the separation rate for Aboriginal and Torres Strait Islander employees was 10.5 per cent. This reduced to 9.1 per cent at 30 June 2020.

This reduction in separation rate is particularly encouraging in light of a broader trend over the last ten years in the ACTPS workforce; which has seen employment of Aboriginal and Torres Strait Islander people rise by 100 per cent (from 1 per cent in 2010-11 to 2 per cent in 2019-20).<sup>96</sup>

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<sup>94</sup> Mr Robert Wright, Transcript of Evidence, 22 February 2021, p. 75.

<sup>95</sup> Dr Damian West, Transcript of Evidence, 22 February 2021, p. 75.

<sup>96</sup> Response to QoN CM No. 8—following on from the public hearing of 22 February 2021.

## COMMITTEE COMMENT

- 7.22 The Committee acknowledges that the ACTPS offers vocational employment programs for Aboriginal and Torres Strait Islander peoples and people with disability. The Committee understands that each participant who successfully completes all aspects of the program is eligible for a permanent position in the ACTPS.
- 7.23 The Committee also acknowledges that there a number of positions within the ACTPS graduate program each year designated for people from an Aboriginal or Torres Strait Islander background or people with a disability.
- 7.24 The Committee notes that a project to consolidate the Inclusion, Equity and Diversity Agenda for the ACTPS has just commenced within CMTED—which will include extensive consultation with stakeholders and lead to a refresh of the Aboriginal and Torres Strait Islander Employment Strategy.<sup>97</sup> The Committee, however, is of the view that more needs to be done to bring job retention rates for Aboriginal and Torres Strait Islander peoples and people with a disability closer to the retention rates for overall staff.

## Recommendation 10

- 7.25 The Committee recommends that the ACT Government review job retention rates for people with a disability and people of Aboriginal and Torres Strait Islander background who undergo ACTPS targeted programs with a view to identifying the unique structural and social barriers these identified groups may face regarding job retention.**

## WORKFORCE TRANSFORMATION PROGRAM

- 7.26 The Committee discussed with the Chief Minister and the Head of Service, the Workforce Transformation Program relating to the implementation of flexible work practices primarily in office-based environments; and initiatives implemented to enhance training for managing staff remotely or in hybrid workplaces, as well as support initiatives for maintaining social connections at work.
- 7.27 The Committee noted that whilst Workforce Transformation Program is supporting more flexible work practices primarily in office-based environments—it was interested to know how this was impacting staff with caring responsibilities and disabilities, and customers from vulnerable or low socio-economic groups. The Committee was told:

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<sup>97</sup> Response to QoN CM No. 8—following on from the public hearing of 22 February 2021.

The Workforce Transformation Program relates to the implementation of flexible work practices primarily in office-based environments, most notably the new offices at 480 Northbourne Avenue and 220 London Circuit. These environments have not yet been able to achieve full operation due to constraints arising from the COVID-19 pandemic.

These office environments have been established to assist all employees to access appropriate work amenities as and when they need them. The number and array of work settings in these buildings supports employees with caring responsibilities and/or disabilities to locate and access a work setting suited to their task orientation and individual needs at any time. Specific arrangements have been made for a number of employees with specific physical needs, in addition to the buildings' accessibility infrastructure and onsite caring/breastfeeding facilities.

Staff with caring responsibilities and/or disabilities also have access to a range of flexible working arrangements through the Enterprise Agreement and relevant policies.<sup>98</sup>

## ACT PUBLIC SERVICE—FLEXIBLE WORK PROVISIONS

- 7.28 The Committee noted the CMTEDD annual report advised how successful its moves during the pandemic to have staff work from had been—the Committee inquired about the ACTPS flexible work provisions could be improved or expanded. The Chief Minister stated:

The workforce response to the COVID-19 emergency highlighted that the ACTPS already has robust and adaptable flexible work provisions. Further improvements have been achieved through support, education, policy and training. Further, most of the ACTPS enterprise agreements are due to be re-negotiated with unions and staff this year and a review of flexible work provisions will be undertaken as part of those negotiations. This will ensure that the provisions are amended if necessary to continue to deliver flexible working arrangements that support staff and enable the ACTPS to deliver for our community.<sup>99</sup>

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<sup>98</sup> Response to QoN CM No. 2—following on from the public hearing of 22 February 2021.

<sup>99</sup> Response to QoN CM No. 3—following on from the public hearing of 22 February 2021.

- 7.29 In its submission, the CPSU welcomed the ACT Government's initiative during the pandemic to have staff work from home. The CPSU further noted that it had been a very successful demonstration that ACT public servants can work from home. The CPSU added that, further to this, its members and some directorates had reported that there had been increased efficiency.<sup>100</sup> The CPSU called on the Government to recognise that working from home is a 'critical part of any flexible, Activity Based Work or work from anywhere policy'.<sup>101</sup>

## COMMITTEE COMMENT

- 7.30 The Committee acknowledges that the ACT Government's initiative during the pandemic to have staff work from home has demonstrated that ACT public servants can work effectively from home. This period of home-based work provides a good evidence base of data and practice from which to consider the merits of this option of work location.
- 7.31 The Committee is of the view that the Government should continue to build workplace flexibility in the ACTPS and give due consideration to normalising the option of working from home as a viable flexible work provision, where permitted by the demands and responsibilities of designated roles.

## Recommendation 11

- 7.32 The Committee recommends that the ACT Government should continue to build workplace flexibility in the ACT Public Service and give due consideration to normalising the option of working from home as a viable flexible work provision, where permitted by the demands and responsibilities of designated roles.**

## INSECURE WORK TASK FORCE

- 7.33 The Committee discussed with witnesses the work being undertaken to support and protect workers engaged in insecure work in the ACT—in particular, the work of the insecure work task force.

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<sup>100</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 3.

<sup>101</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 3.

- 7.34 The ACT Government committed to establish the task force in 2018 ‘to consider the use of different types of employment arrangements within the ACT public service, with a view to strengthening policies to promote job security and permanent employment for ACT public sector employees’. The Minister for Industrial Relations at the time told the Assembly:

The task force will also consider the government's use of outsourcing. While it may not always be feasible to utilise direct employment relationships for some services, the government is committed to ensuring that industrial and legal mechanisms are in place to protect workers' rights. These mechanisms will be enhanced through the implementation of the secure local jobs package.<sup>102</sup>

- 7.35 The Committee was told that the Government had reached an agreement with the unions towards the end of 2019 on a conversion policy—which sets out the criteria and the process by which the directorates are required to do the work and make assessments as to whether temporary and casual employment should be converted. As to figures on conversions during this time, the Committee was told:

We have done three conversion rounds. Once the task force forms a view of what positions should be converted, that view is put to the Head of Service, who considers it. If she feels it appropriate, she will authorise those positions to be converted. We have done three rounds: one in December 2019, one in November 2020 and one in January 2021, with the obvious gap in the middle being COVID related. In summary, over that time just under 1,000 positions have been assessed and around 200 have been converted.<sup>103</sup>

- 7.36 In its written submission, the CPSU advised:

The Insecure Work Taskforce established by the ACT Government was an important first step in addressing insecure work in the ACTPS to enable agreed outcomes, however, much more needs to be done to increase the transitioning of labour hire, non-ongoing and casual staff into permanent ACTPS employment.<sup>104</sup>

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<sup>102</sup> Ms Rachel Stephen-Smith MLA, ACTLA Hansard, 20 September 2018, p. 3890.

<sup>103</sup> Mr Russell Noud, Transcript of Evidence, 22 February 2021, p. 77.

<sup>104</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 3.

7.37 The CPSU added:

There is a common perception but inaccurate perception that insecure work is not an issue in the public sector. Over a fifth of ACTPS workers are in insecure jobs. While inroads have been made to transfer insecure workers to more secure forms of employment, additional insecure work has been created since this issue was originally raised in 2017. The outcome is a relevantly stable number of insecure workers in the ACTPS over a long period of time though there was a slight improvement in the last financial year.<sup>105</sup>

7.38 The CPSU was of the view that one of ‘the most prevalent issues that leads to the creation of insecure work’ that ‘must be urgently addressed’ is:

... the provision of tied funding grants, by ACT Treasury to ACT Government Directorates. This is a process that is embedded in the ACT Budget, providing no certainty of longer-term funding for the staff needed.<sup>106</sup>

7.39 Regarding funding uncertainty in the Budget for the community sector, ACTCOSS commented:

We are deeply concerned that this ACT Budget funds some services for only one or two years. This means organisations, their staff and their clients have no future certainty. This contributes to high rates of anxiety and staff turnover and makes the work of the community sector very challenging.<sup>107</sup>

## COMMITTEE COMMENT

7.40 The Committee emphasises that insecure work has transaction costs—including additional recruitment and training costs, premiums paid to labour hire companies and increased expenses of using contractors. A lack of job security can also lead to increased turnover coupled with a loss of corporate knowledge and potential for a reduction in the quality of services.

7.41 The Committee also emphasises that COVID-19 highlighted the significant vulnerabilities and impact for workers, their families and community of insecure work. Insecure work effectively transfers the risks associated with work from the employer to the employee.

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<sup>105</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 3.

<sup>106</sup> Submission No. 2—Community and Public Sector Union (CPSU), p. 4.

<sup>107</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 5.



- 7.42 The Committee acknowledges the work that has been undertaken to date to support and protect workers engaged in insecure work in the ACT. Notwithstanding, the Committee is of the view that the ACT Government has an important role to play in addressing insecure work through being a model employer and that more can and should be done. Further the Committee is of the view that for the purpose of transparency and tracking progress there should be annual reporting on conversion numbers and insecure categories of employment in the ACTPS.

## Recommendation 12

- 7.43 The Committee recommends that the ACT Government review the provision of tied funding grants by ACT Treasury to ACT Government Directorates to address barriers this funding model presents in providing certainty of longer-term funding for the staff needed.**

## Recommendation 13

- 7.44 The Committee recommends that the ACT Government collect data and report publicly in the *State of Service Report* on the use across the ACT Public Service of: (i) labour hire and contract employment; and (ii) contractor for services work.**

## GENDER PAY GAP

- 7.45 The Committee discussed with officials reporting on the gender pay gap across the ACTPS and inquired further as to whether this level of reporting could be disaggregated across directorates and within classification levels.<sup>108</sup> Following the hearing the Committee was provided with further detail as to the gender pay gap by directorate.<sup>109</sup>

## COMMITTEE COMMENT

- 7.46 The Committee acknowledges that the ACTPS, as compared to the ACT labour force and the Australian labour force respectively has a favourable gender pay gap at a service wide level.<sup>110</sup>

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<sup>108</sup> Transcript of Evidence, 22 February 2021, p. 97; QToN CM No. 7, 22 February 2021.

<sup>109</sup> QToN CM No. 7, 22 February 2021.

<sup>110</sup> ACT State of the Service Report. (2020), pp. 38–39.

- 7.47 The Committee is of the view that disaggregating the ACTPS data into sub-categories by directorate and within classification levels would provide further information as to whether there are any hidden trends and/or vulnerabilities that may not be fully reflected in the aggregated data.

## Recommendation 14

- 7.48 The Committee recommends that the ACT Government collect data and report publicly in the *State of Service Report* on the gender pay gap in the ACT Public service by: (i) directorate; and (ii) classification levels within each directorate.**

## OTHER MATTERS

- 7.49 Other matters discussed by the Committee included:

- Total spend on Facebook advertising by the ACT Government.<sup>111</sup>
- ACT Public Service numbers by fulltime, part-time, casual and temporary contracts by directorate.<sup>112</sup>
- The ACT Wellbeing indicators—providing a basis for budgeting for the ACT Government. As the public service is there to implement the Government's priorities, then necessarily it will flow through into the priorities of the service.<sup>113</sup>
- The role and resourcing for the Coordinator-General for the Whole-of-Government (non-health) COVID-19 Response.<sup>114</sup>
- The role of the Joint Advisory Council Chairs to be in the development of ACT Government policy including budget.<sup>115</sup>
- The ACT Wellbeing Framework and release of full reporting of indicator data and information.<sup>116</sup>
- ACT Executive—breakdown of FTE ministerial staff by ministerial office and classification.<sup>117</sup>

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<sup>111</sup> Transcript of Evidence, 22 February 2021, p. 76; QToN CM No. 4, 22 February 2021.

<sup>112</sup> Transcript of Evidence, 22 February 2021, pp. 77–78.

<sup>113</sup> Transcript of Evidence, 22 February 2021, p. 75.

<sup>114</sup> Transcript of Evidence, 22 February 2021, pp. 93–94.

<sup>115</sup> Response to QoN BBR No. 3—following on from the public hearing of 22 February 2021.

<sup>116</sup> Response to QoN CM No. 10—following on from the public hearing of 22 February 2021.

<sup>117</sup> Transcript of Evidence, 22 February 2021, pp. 95–96.

- Gender pay gap by ACTPS directorates—whilst the ACTPS has better representation of women and a smaller gender pay gap compared to Australia overall—the ACT advantage is not so evident when the territory overall figures are considered. Detail on the drivers of gender inequality in the ACT and what the Government is doing to address them in our wider community.<sup>118</sup>
- The Commissioner for International Engagement filling the role of the Local Business Commissioner during COVID-19—and role assisting local businesses to access government support and providing services such as the Commercial Tenancy Mediator.<sup>119</sup>
- Misconduct referrals received by the Professional Standards Unit (PSU) in 2019–20—relating to 62 matters from 8 directorates and the nature of the complaints.<sup>120</sup>

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<sup>118</sup> Transcript of Evidence, 22 February 2021, pp. 92–93; QToN CM No. 7, 22 February 2021.

<sup>119</sup> Transcript of Evidence, 22 February 2021, pp. 86–92.

<sup>120</sup> Transcript of Evidence, 22 February 2021, p. 99.



## 8 ECONOMIC DEVELOPMENT PORTFOLIOS

- 8.1 The Committee heard from both the Minister and Assistant Minister for Economic Development; and directorate and agency officials on 23 February 2021 to discuss relevant 2019–20 Annual Reports relating to the economic development portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:

### Minister for Economic Development

- Output 3.1—Innovation, Industry and Investment [*excluding functions relating to: (i) Commissioner for International Engagement (Chief Minister); (ii) aviation industry development (Minister for Tourism); (iii) advanced technologies, creative industries, key industry capability area sector development, science, manufacturing, and Screen Canberra (Assistant Minister for Economic Development); and (iv) business advocacy and development, small business functions (Minister for Business and Better Regulation)*];
- Output 3.2—VisitCanberra (*including Event Attraction and Special Events Fund*);
- Output 3.3—Sport and Recreation (*Elite sporting performance and venue agreements*);
- Output 3.6—Higher Education, Training and Research; and
- Output 9.2—Venues (*Venues Canberra infrastructure upgrades only—remainder of output resides with Special Minister of State*).

### Assistant Minister for Economic Development

- Output 3.1—Innovation, Industry and Investment (functions relating to: advanced technologies, creative industries, key industry capability area sector development, science, manufacturing, and Screen Canberra); and
- Output 3.4—Events (functions relating to: ACT events fund and community events).

## QUESTIONS

- 8.2 Three questions were taken on notice at the hearing. Two questions on notice (with multiple parts) were submitted by members following the hearing(s). The question coverage included: detail on the nature of support the ACT Government been asked to provide by the ACT's universities in relation to the loss of international students during the COVID-19 pandemic; and projects funded through the Government's Mature Workers Grant Program in 2018–19 to deliver additional services targeting mature workers who live and/or work in the ACT and their existing or potential employers.

## IMPACT OF COVID-19 ON ACT-OWNED VENUES

8.3 The Committee sought further information as to how ACT-owned venues have managed to attract other types of events or attractions to keep operating throughout COVID-19.

8.4 The Committee heard that at the designation of the global pandemic and the period of shuttering venues—Venues Canberra identified that it:

...needed to be able to reach back into government and provide support. And in a very short period of time—I think it was over a 24-hour period—we were able to set EPIC up as a COVID testing centre. Still, to this day, I think, we are averaging around 250 people a day. We have had some peaks of up to 700 people a day through that testing centre, which has been challenging but a really positive thing we have provided through the use of that space. We also had some commercial opportunities in difficult times. We were able to provide parking around some of our venues for rental car services that had more stock of cars than they had ever had sitting in a lot before. We were able to do that both at GIO Stadium and at EPIC.<sup>121</sup>

8.5 Venues Canberra worked closely with the Office of the Chief Health Officer and the Health Directorate to identify and establish ‘what the new norm would look like’ in the context of venues and event management. Venues Canberra were:

...one of the first areas in the events sphere to start developing our COVID-safe plans. Those COVID-safe plans allowed us to deliver events and probably led to getting events happening in the ACT. This was from our smaller venues. At Albert Hall we had a citizenship ceremony in, I think, June. Then we progressed through to delivering the first rugby league matches and rugby union matches in early July. That was really our ability to work closely both with Health and across the wider government, understand the needs, be nimble, respond to the needs of the NRL and Super Rugby teams and get football back—but, more importantly, get Canberrans back to sport and, also more importantly, get our contractors back working at the stadium.<sup>122</sup>

8.6 Leveraging off its COVID-19 ready work—Venues Canberra worked with Cricket Australia to determine what COVID-safe plans would look like for Manuka Oval in the context of the Oval being a suitable venue to hold international events. This work resulted in Venues Canberra negotiating two international matches for delivery at Manuka Oval: Australia versus India in a men’s one day international and Australia versus India in a men’s T20.<sup>123</sup> Further work with Cricket Australia and the Big Bash League (BBL) resulted in 13 Big Bash

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<sup>121</sup> Mr Matthew Elkins, Transcript of Evidence, 23 February 2021, p. 139.

<sup>122</sup> Mr Matthew Elkins, Transcript of Evidence, 23 February 2021, p. 139.

<sup>123</sup> Mr Matthew Elkins, Transcript of Evidence, 23 February 2021, p. 139.

matches to be also held at Manuka Oval. As to the significance of hosting these events for Canberra, a directorate official explained:

Thirteen Big Bash matches, just for context, is what a double season would look like normally in the Big Bash. It was an iterative process where we kept going back and working with, and having a good relationship with, Cricket Australia and the BBL to make sure that we could keep providing support and keep providing opportunities for the ACT to host these matches, which culminated in two finals matches and stretched the period from December to early February.<sup>124</sup>

## ACT GOVERNMENT AND UNSW MEMORANDUM OF UNDERSTANDING

- 8.7 The Committee noted the impact of COVID-19 on the higher education sector, including UNSW—and queried whether the UNSW development may be delayed. The Minister commented:

The ACT government does not intend it, but obviously we are cognisant of the issues that the higher education sector is facing.<sup>125</sup>

- 8.8 As to whether the ACT Government was planning to factor in a contingency for delay, the Minister added:

We have flexibility in terms of the milestones within our agreement with UNSW to allow for a longer period, noting their financial pressures. They have, however, commenced their community engagement on the campus master plan, and I have spoken with the vice-chancellor, who has reiterated the university's commitment to the project.<sup>126</sup>

- 8.9 The Committee noted that while there was flexibility time-wise regarding the Agreement, it queried whether there was a prescribed period in which the Agreement must be executed. The Minister explained:

There are certain milestones but they are subject to further detailed negotiation as we get into the next phases. We outlined a broad plan. At this point they are meeting the time frames. But the government's financial contributions are tied to milestone outcomes, so if they are delayed then so too are the government's contributions towards the new campus.<sup>127</sup>

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<sup>124</sup> Mr Matthew Elkins, Transcript of Evidence, 23 February 2021, p. 139.

<sup>125</sup> Mr Andrew Barr MLA, Transcript of Evidence, 23 February 2021, p. 140.

<sup>126</sup> Mr Andrew Barr MLA, Transcript of Evidence, 23 February 2021, p. 140.

<sup>127</sup> Mr Andrew Barr MLA, Transcript of Evidence, 23 February 2021, p. 140.

- 8.10 As to detail on the upcoming milestone date—the Committee was told that it was the completion of the community consultation on the draft master plan for the campus—with its completion being ‘imminent’. The Minister added:

That is obviously a pretty significant milestone, completing that. Clearly, this is also on designated land: it sits within the parliamentary triangle. The National Capital Authority is the planning approval body, so engagement with them is another piece of work that the university needs to undertake.<sup>128</sup>

- 8.11 The MOU provides for the UNSW to open a campus in Canberra CBD. It is reported that the ACT Government agreed to spend \$25 million throughout the project development. The Government has also agreed to provide 8 hectares of land in Reid under a peppercorn lease agreement to allow the project to proceed. The campus will be located along Constitution Avenue is also set to house a new Defence and Security Innovation Precinct. Further as part of the Agreement, the Government will also pay administration and remediation costs—which could be significant should asbestos be found on the site.<sup>129</sup>

## IMPACT OF COVID-19 ON INVESTMENT IN THE ACT

- 8.12 The Committee inquired about the impact of COVID–19 on investment in the ACT, access to capital and its flow on effect for government revenue and long-term plans across various sectors. The Minister explained:

Obviously, it closed international borders. There is a global recession. There is a lack of capital for many businesses who have had to absorb significant financial losses because the recession has really hit their balance sheet. The capital available to invest has been reduced, and that is both a national challenge and a global one. It is worse elsewhere in the world because some of our biggest sources of investment have suffered significantly as a result of COVID. Balance sheets have just been run down, businesses have failed and economies have collapsed. That is a global issue.<sup>130</sup>

- 8.13 It was also noted that another source of significant investment for Australia was from China—which has been impacted by ‘geopolitical issues at play at the moment’.<sup>131</sup>

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<sup>128</sup> Mr Andrew Barr MLA, Transcript of Evidence, 23 February 2021, p. 140.

<sup>129</sup> Giannini, D. (2020) ‘Government seals deal for new UNSW campus in Canberra’, *About Regional*, 7 March, accessed 25 March 2021.

<sup>130</sup> Mr Andrew Barr MLA, 23 February 2021, p. 152.

<sup>131</sup> Mr Andrew Barr MLA, 23 February 2021, p. 152.



## OTHER MATTERS

### 8.14 Other matters discussed by the Committee included:

- The strategy for 2020 Canberra Day activities, events and footprints—including funding allocations, total estimated attendance for Canberra Day 2020 activities—changes to Canberra Day as informed by survey responses.<sup>132</sup>
- The restart of events and experiences in 2021—including, Canberra Day and Enlighten illuminations.<sup>133</sup>
- CBR Screen Fund—providing specific support to ACT Screen professionals to develop new projects with potential to connect with markets and global audiences.<sup>134</sup>
- Ongoing performance sponsorship support for elite sporting teams—budget allocated for this specific item in 2019–20—budget versus actual; performance agreements and impact, if any, on match payments during COVID-19.<sup>135</sup>
- Initiatives to connect a self-isolating Canberra community while maintaining physical distancing—including the RISE Canberra events and calendar and the Where You Are Festival. As to participation and attendance figures—340 events were listed on the RISE Canberra Calendar, the total estimated attendance across the program was 184,000 people engaging in different ways—approximately 140,000 attended through the Where You Are Festival, which comprised approximately 18,500 physical attendees at events that were ticketed and approximately 126,000 through digital engagement. The balance of the 184,000 were people attending third-party events that were promoted through the RISE Canberra Calendar.<sup>136</sup>
- Market sounding process and plans to build a ‘low-scale, small, boutique facility that is consistent with the types of built form at the Arboretum’—detail on the actual expenditure to undertake the Eco-Lodge Feasibility and Concept Design Project (included the Market Sounding process).<sup>137</sup>
- Funding of \$1.2 million annually to the Canberra Innovation Network (CBRIN) to develop an integrated local innovation network/system to encourage and support entrepreneurs, start-ups and high growth potential businesses.<sup>138</sup>
- Masterplan for Stromlo Forest Park—and clarification that the Government has considered developing it into a multi-sports facility.<sup>139</sup>

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<sup>132</sup> Transcript of evidence, 23 February 2021, pp. 133–134; QToN ED No. 1, 23 February 2021.

<sup>133</sup> Transcript of evidence, 23 February 2021, p. 134.

<sup>134</sup> Transcript of evidence, 23 February 2021, pp. 135–136.

<sup>135</sup> Transcript of evidence, 23 February 2021, pp. 142–145.

<sup>136</sup> Transcript of evidence, 23 February 2021, pp. 132–133.

<sup>137</sup> Transcript of Evidence, 23 February 2021, pp. 146–147; QToN ED No. 2, 23 February 2021.

<sup>138</sup> Transcript of Evidence, 23 February 2021, pp. 149–150.

<sup>139</sup> Transcript of Evidence, 23 February 2021, p. 145.

- Whether information on the number of start-ups launched through the Canberra Innovation Network (CBRIN) is collected.<sup>140</sup>
- COVID-19 response and recovery initiatives—work undertaken to collaborate with CBRIN and the innovation community to implement a range of measures—to support and encourage entrepreneurship and innovation business development—including: scholarships to subsidise its ‘Idea to Impact’ lean business model generation training program for business operators and entrepreneurs; collaboration Innovation Labs to focus on economic recovery from COVID-19; and two COVID-19 specific streams of Innovation Connect (Boosting Innovation grants program and the Griffin Accelerator Program).<sup>141</sup>
- The hosting of the *Blacklight*—international film in Canberra from 14 to 19 January 2021. The film had an estimated production budget of US\$34.7 million. Canberra was fortunate in being selected as a filming location for shooting the film as the production company had to find a suitable alternative option due to Victoria going into lockdown. Positive feedback was reported by the production company as to the benefits of dealing with one layer of government and the logistical ease and efficiency of working through a single agency to connect with other parts of government—Access Canberra, Transport Canberra and City Services—to ensure that all the licensing and regulatory requirements were processed, questions addressed and required permits provided. The production brought over \$2 million in revenue to the ACT economy—which included approximately 100 local jobs, 30 of which were directly related to the screen industry *per se* and upskilling of local screen industry participants.<sup>142</sup>

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<sup>140</sup> Transcript of Evidence, 23 February 2021, p. 151.

<sup>141</sup> Transcript of Evidence, 23 February 2021, pp. 149–151.

<sup>142</sup> Transcript of Evidence, 23 February 2021, pp. 135–136.

## 9 INDUSTRIAL RELATIONS AND WORKPLACE SAFETY PORTFOLIO

9.1 The Committee heard from the Minister for Industrial Relations and Workplace Safety; and directorate and agency officials on 23 February 2021 to discuss relevant 2019–20 Annual Reports relating to the industrial relations and workplace safety portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:

- Output 5.1—Workforce Injury Management and Industrial Relations Policy;
- EBT Class (EBT1.1)—Public Sector Workers Compensation Fund;
- ACT Long Service Leave Authority;
- Output Class 1: Worksafe ACT [Output 1.1—Regulatory Compliance and Enforcement]—Office of the Work Health and Safety Commissioner (Worksafe ACT);
- Default Insurance Fund; and
- Public Sector Workers Compensation Fund.

### QUESTIONS

9.2 Seven questions (some with multiple parts) were taken on notice at the hearing. Three questions on notice (some with multiple parts) were submitted by members following the hearing(s). The question coverage included matters related: adjustment of some actions identified in the *Healthy Minds, Thriving Workplaces strategy* to focus on risks associated with COVID-19; the Public Sector Workers Compensation (PSWC) Fund—unable to meet the Accountability Indicator on maintaining a PSWC fund asset to liability ratio greater than or equal to 100 per cent due to the transfer of assets from Comcare to the PSWC Fund not being completed as at 31 December 2020, variance in Investment Revenue for the 2020–21 Budget compared to the 2019–20 Audited Outcome and explanation for the Claims Expense for the 2020–21 Budget for the PSWC Fund being 31% higher than the 2019–20 Audited Outcome; ACT Long Service Leave Authority expenses in 2019–20; ministerial declarations under section 12 of *Long Service Leave (Portable Schemes) Act 2009*; review under the *Administrative Decisions (Judicial Review) Act 1989* (ACT) (ADJR Act) in relation to section 13 of the Portable Schemes Act and other review rights; and initiatives implemented by the ACT Government to address insecure work.

## HEALTHY MINDS—THRIVING WORKPLACE STRATEGY

- 9.3 The Committee discussed with the Minister and directorate officials—the Healthy Minds—Thriving Workplace strategy, in particular detail on the establishment of Executive Champions to drive implementation of Healthy Minds—Thriving Workplaces.
- 9.4 The Committee was told that the Strategy is an ACT public sector focused initiative that has been identified and implemented under a broader health and wellbeing strategy.<sup>143</sup>
- 9.5 As to the Executive Champion model—a directorate official explained:
- ...I might begin by offering some background and context. This strategy was one where we took a slightly different tack in comparison to similar workplace interventions. It was identified that psychosocial/psychological health and wellbeing were a particularly important contributor to a significant proportion of public sector workers compensation claims and notified incidents and that was one of our key workplace risks that we were seeking to address as part of that strategy.
- 9.6 The Committee was told that an executive champion model—would build capacity for promoting workplace health and wellbeing across the ACTPS. Using a process of consultation—potential executive champions were identified—with 14 designated executive champions across directorates now in place. As to further detail on the capacity building responsibilities of the Executive Champions—the Committee was told:
- We have used them as a mechanism to promote all of the key elements and interventions of that strategy, which include things like the mental health guru program, which is designed to reduce stigma around mental health and wellbeing, and training for managers and supervisors in how to identify and respond to staff who may be exhibiting signs of having difficulties.<sup>144</sup>
- 9.7 The Committee queried what KPIs would be used to measure the success of the program and discussion ensued as follows:
- Mr Young: We have a number of whole-of-government measures in place that are, as you have suggested, focused on reducing the number and the severity of work injury and mental health injury occurrences.
- THE CHAIR: And duration?

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<sup>143</sup> Transcript of Evidence, 23 February 2021, p. 170.

<sup>144</sup> Mr Michael Young, Transcript of Evidence, 23 February 2021, p. 171.

Mr Young: Yes; that is one of the measures for severity—the amount of time that people need to be away from the workplace. Ideally, there is no absence from the workplace: injuries are managed by reasonable adjustment and people are able to continue to work in that same workplace. Where people do need to leave, we have indicators around providing a safe and timely return to work.

Likewise, awareness of WHS policies and programs, particularly around mental health, is something that we measure by way of periodic employee survey. So there are those measures as well. There is both the front-end awareness and the tail-end incident and injury data.<sup>145</sup>

9.8 The Committee noted that due to the COVID-19 pandemic several actions identified in the Strategy were adjusted to focus on risks associated with COVID-19—and sought an update on the status of these initiatives. The Committee was told that key items of work in this regard have included:

- development of a whole-of-government psychosocial risk register to address risks associated with the COVID-19 response;
- development of targeted mental health and wellbeing messaging and supports that were delivered through a whole-of-government intranet site and tailored messages delivered by directorate Mental Health Champions;
- consulting with all ACTPS workers about their health and safety during COVID-19 through a validated whole-of-government work health and safety and wellbeing survey administered online (website and QR code) during COVID-19; and
- a review of psychosocial risk assessment tools and considerations for use at a whole-of-government and directorate level in preparation for a psychosocial risk assessment pilot.<sup>146</sup>

## NEW LABOUR HIRE LICENSING SCHEME FOR THE ACT

9.9 The Committee noted that it had been reported that CMTEDD officials had ‘engaged with stakeholders to design a new labour hire licensing scheme for the ACT’ and ‘the scheme will provide better protections for workers in vulnerable or insecure employment’. The Committee sought further information as to what activities had been undertaken to ensure that all businesses were aware of their responsibilities to ensure compliance under the new scheme. A directorate official explained:

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<sup>145</sup> Transcript of Evidence, 23 February 2021, pp. 171–172.

<sup>146</sup> Response to QoN CM No. 5—following on from public hearing of 22 February 2021.

As you would be aware, the scheme has been legislated. However, it has not yet commenced. The legislation will commence in May this year. There will be a six-month transition period. Between now and the commencement of that legislation, I expect that there will be a series of subordinate regulations issued that provide further clarity around the scope of coverage in terms of which labour hire providers are covered and which may not be.<sup>147</sup>

9.10 After subordinate regulations have been issued, a coordinated communication campaign will commence targeting registered labour hire providers in the ACT. The campaign will continue throughout the six-month transition period—as per a provision in the ‘legislation for covered employers to become aware of the need to apply and receive a licence’.<sup>148</sup>

9.11 The Committee queried further whether there was a level of confidence that the scheme will achieve its aims of both more secure work and safer workplaces and was told:

In response to that, I would note that a number of other jurisdictions are somewhat ahead of the ACT and have legislated and commenced labour hire licensing schemes. We have consulted with them in the design of the work that we are doing. In that sense I think the product that we will have in place from the outset will be a more mature and nuanced one as a result of that consultation and the learnings from those other jurisdictions that have been operating for some time.<sup>149</sup>

## WORKPLACE HEALTH AND SAFETY INSPECTIONS

9.12 In the context of the reported 1,629 workplace inspections across numerous industries and government agencies conducted by WorkSafe ACT during 2019–20—the Committee sought clarification on interpreting the level of compliance based on the improvement notices, prohibition notices and infringement notices that were issued. The Work Health and Safety Commissioner explained:

You are referring there to the improvement notices, prohibition notices and infringement notices. Some of those may be repeat notices. They may be in relation to the same workplace. It does not necessarily mean that they are separate notices that have been issued at every one of those sites. It could be one site that has 10 notices, for instance.<sup>150</sup>

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<sup>147</sup> Mr Michael Young, Transcript of Evidence, 23 February 2021, p. 175.

<sup>148</sup> Transcript of Evidence, 23 February 2021, p. 175.

<sup>149</sup> Mr Michael Young, Transcript of Evidence, 23 February 2021, p. 176.

<sup>150</sup> Ms Jacqueline Agius, Transcript of Evidence, 23 February 2021, p. 180.

9.13 On notice the Committee was provided with further information to assist with interpreting compliance rates:

The case management system relied upon by the Office of the Work Health and Safety Commissioner (WorkSafe ACT) during 2019–2020 does not allow for any further breakdown of the data, particularly the issuing of multiple notices on a single Person Conducting a Business or Undertaking (PCBU).

WorkSafe ACT has implemented a new case management system which allows for greater clarity in the data it collects and reports - particularly in regard to workplace visits and notices issued as a result. From 2020–2021 onward WorkSafe ACT will report in detail on its compliance activities in line with its Compliance and Enforcement Policy, particularly the issuing of notices and the use of other enforcement tools.<sup>151</sup>

9.14 The Committee queried why in some cases the level of compliance was low and the Minister responded:

...what we have seen overall is very poor performance by employers across the sector, in relation to the safety of worksites across the ACT. The commissioner has identified these particular issues and has, I think, done quite an effective job in issuing a notice to those employers that they have to lift their game.

You would have seen that most recently we visited Denman Prospect. We visited a sector where there was a multi-unit development going on. There were a number of infringements notified by WorkSafe the week before, I think. Almost all were rectified—a really good result from the visit from WorkSafe. The site next door to them was a very poor site. Nobody was there. It was not secure. They issued more than 20 infringements. I got to see it personally. The work that WorkSafe are doing is incredibly important. The more we talk to the community about the importance of having safe worksites across the ACT, and having these workers be able to return home at the end of the day to their families, is very important.<sup>152</sup>

## OTHER MATTERS

9.15 Other matters discussed by the Committee included:

- ACT Worksafe visit to Denman Prospect the week beginning Monday 15 February 2021—confirmation whether any of the 77 notices issued were repeat notices.<sup>153</sup>
- Exemption requests under the portable long service leave scheme legislation—confirmation regarding numbers of exemption requests for 2019–20.<sup>154</sup>

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<sup>151</sup> Response to QToN IR&WS No. 3, Transcript of Evidence, 23 February 2021.

<sup>152</sup> Mr Mick Gentleman, Transcript of Evidence, 23 February 2021, p. 180.

<sup>153</sup> Transcript of Evidence, 23 February 2021, p. 180; QToN IR&WS No. 4, 23 February 2021.

- ACTPS performance against injury management targets—whilst there are a number of targets for monitoring changes in injury management, or the number of workers compensation claims that occur—the headline measure is the one that appears against the Public Sector Workers Compensation Fund accountability indicators. This headline measure is a requirement to reduce the ACT public sector incidence of serious workplace injury year on year—these targets were selected to align with the National Workplace Health and Safety Strategy, which required a 30 per cent reduction in certain types of injury over a 10-year period.<sup>155</sup>
- Request for exemption review rights—review rights of Ministerial decision to determine specific employers to be outside the portable LSL scheme—and whether the *Administrative Decisions (Judicial Review) Act 1989* applies.<sup>156</sup>

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<sup>154</sup> Transcript of Evidence, 23 February 2021, p. 185; QToN IR&WS No. 6, 23 February 2021.

<sup>155</sup> Transcript of Evidence, 23 February 2021, pp. 174–175.

<sup>156</sup> Transcript of Evidence, 23 February 2021, p. 186; QToN IR&WS No. 7, 23 February 2021.



## 10 SPECIAL MINISTER OF STATE PORTFOLIO

10.1 The Committee heard from the Special Minister of State and directorate and agency officials on 23 February 2021 to discuss relevant 2019–20 Annual Reports relating to the special minister of state portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:

- Output 1.4—Digital strategy;
- Output 7.1—Shared Services;
- Output 8.2—Goods and Services Procurement;
- Output 9.1—Property Services (*excluding Aquatic facilities management*);
- Output 9.2—Venues (*excluding Venues Canberra Infrastructure upgrades*);
- ACT Insurance Authority;
- ACT Government Procurement Board;
- Lifetime Care and Support Fund (EBT Class 1);
- Motor Accident Injuries (MAI) Commission (including ACT Compulsory Third-Party Insurance (TPI) Regulator—MAI Commission replaced the ACT Compulsory TPI Regulator on 1 Feb 2020);
- Director of Territory Records; and
- Office of the Nominal Defendant of the ACT.

### QUESTIONS

10.2 Four questions were taken on notice at the hearing. One question on notice (with multiple parts) was submitted by members following the hearing(s). The question coverage related to efficiencies in procurement activities delivered through the centre-led procurement model.

### ROLE OF SPECIAL MINISTER OF STATE

10.3 The Committee sought further detail on the concept of the newly introduced role of Special Minister of State—a first for the ACT—and was told:

The role provides support to the Chief Minister and his portfolio in the areas of procurement, the ACT Insurance Authority in particular, electoral reform and a range of different areas. It is perhaps a new concept in the ACT government but certainly not in relation to other state governments and also commonwealth. It is probably the best title to describe a very broad ranging set of portfolio areas.<sup>157</sup>

## CENTRE-LED PROCUREMENT MODEL

- 10.4 The Committee discussed efficiencies in procurement activities delivered through the centre-led procurement model—attributable to the establishment and maintenance of common tools, document templates and processes for the conduct of procurement in the ACT Government.<sup>158</sup>

## ACT PROPERTY GROUP—COMMUNITY GROUP SUPPORT

- 10.5 The Committee was interested in further information about the role of the ACT Property Group during the COVID-19 pandemic and specifically in relation to the support of community groups.

- 10.6 The Committee heard that many of the community groups that tenant ACT Government properties had been affected during the pandemic and the reporting period of the annual report. Approximately 230 different groups were provided with rental relief—with \$8 million in rent waivers over the period which began on 1 April last year<sup>159</sup>.

- 10.7 A directorate official advised that the:

ACT Property Group was the central coordination point for the community support program, given that ACT Property Group have the majority of community tenants for government. To date—this is very fresh data—we have supported over 230 tenants.

Of that number, 186 are community groups, 43 are commercial groups and one is a residential group. That funding has been for a total, as the minister said, of \$8.9 million.<sup>160</sup>

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<sup>157</sup> Mr Chris Steel, Transcript of Evidence, 23 February 2021, p. 195.

<sup>158</sup> Response to QoN SMOs No. 1—following on from public hearing of 23 February 2021.

<sup>159</sup> Transcript of Evidence, 23 February 2021, pp. 196–197.

<sup>160</sup> Mr Daniel Bailey, Transcript of Evidence, 23 February 2021, p. 197.

10.8 The Committee also heard that program upgrades were undertaken to community facilities as part of the screwdriver-ready stimulus project. As part of this project, a number of properties tenanted by community groups were upgraded.

10.9 A directorate official explained:

The whole idea of the screwdriver-ready packages and the subsequent fast-track programs was to try and provide a variety of different work, particularly labour-intensive work, to create employment during the period in which there was great uncertainty.<sup>161</sup>

10.10 The nature of upgrades ranged from: disability access upgrades through to solar panel installation to help bring down energy costs in certain properties, electrical upgrades, audio-visual upgrades, HVAC upgrades, carpeting and painting. The project enabled the Property Group to bring forward a range of different maintenance works which would have taken place over a longer period and to take advantage of the opportunity of COVID, where a lot of the buildings were vacant, as well as the upgrades providing economic stimulus.<sup>162</sup>

## OTHER MATTERS

10.11 Other matters discussed by the Committee included:

- Implementation of the new Motor Accident Injuries (MAI) Scheme—in particular, the impact it has had on insurance premiums. The Scheme, in its first year of operation, during the reporting period of the annual report—since coming into force there has been a reduction in the average premiums under the MAI Scheme—in percentage terms, there has been a reduction of, on average, 14.7 per cent, on the commencement of the scheme, from 1 February last year to 1 July during the reporting period. This equates to an average reduction of about \$78.<sup>163</sup>
- The work undertaken by the previous Government on the development of a charter of procurement values—explanation for why the Charter is not specified in the goods and services procurement document—as there being a range of ways in which Procurement ACT has been working across government to embed the Charter during the first period of its operation.<sup>164</sup>
- Explanation for why the ACT Data Analytics Centre did not meet two of its accountability indicators for the reporting period.<sup>165</sup>

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<sup>161</sup> Mr Daniel Bailey, Transcript of Evidence, 23 February 2021, p. 197.

<sup>162</sup> Transcript of Evidence, 23 February 2021, p. 197.

<sup>163</sup> Transcript of Evidence, 23 February 2021, pp. 188–189.

<sup>164</sup> Transcript of Evidence, 23 February 2021, p. 189.

<sup>165</sup> Transcript of Evidence, 23 February 2021, p. 210.

- Procurement charter—aspects relating to Aboriginal and Torres Strait Islander procurement policy. Further detail as to how the policy supported the outcome that for the 2019–20 reporting period—the proportion of goods and services contracts awarded to Indigenous suppliers or social suppliers exceeded the target.<sup>166</sup>
- Role of Procurement ACT in providing advice on construction procurement for infrastructure projects within the capital framework—its work with each of the agencies, in particular, Major Projects Canberra.
- ACT Insurance Authority—explanation for 437% gain on investment compared to 2019–2020 audited outcome—cause of variation, what methodology and data were used to determine/calculate the 437% projected increase; and further detail on nature of ‘extraordinary investment return’.<sup>167</sup>
- How many unsolicited proposals have come into government since the appointment of the role of Special Minister of State—the nature of a typical unsolicited proposal and as advised in the annual report assessments of unsolicited proposals did not meet the prescribed time scales—what if any, financial repercussions, were there for not meeting these timeframes.<sup>168</sup>
- The privately operated accommodation facility north of Exhibition Park—the long-term lease in place with Free Spirit for 30 years. Free Spirit has invested quite a lot of money and infrastructure and is part way through a three-stage process.<sup>169</sup>
- The delivery of the election commitment in regard to the 10,000-square-metre multi-purpose indoor venue for the multicultural community to have weddings and large-scale events. Early planning work re the suitability of a particular location within the Exhibition Park footprint to locate that facility.<sup>170</sup>
- The delivery of the digital services that reflect reforms to the Working with Vulnerable People scheme—an element of the policy and legislative change is the term of registration shifted from three years to five years. This was accompanied by a digital service aspect implementing an automatic/continuous monitoring throughout the registration term against the criminal charge data.<sup>171</sup>
- ACT Insurance Authority—detail on the percentage gain over the past 10 years for investment returns.<sup>172</sup>
- Motor Accident Insurance (MAI) Commission—actual numbers of FTE staff that carry out the MAI Commission’s functions.<sup>173</sup>

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<sup>166</sup> Transcript of Evidence, 23 February 2021, pp. 191–192.

<sup>167</sup> Transcript of Evidence, 23 February 2021, pp. 203–204; QToN SMoS No. 1, 23 February 2021.

<sup>168</sup> Transcript of Evidence, 23 February 2021, p. 193.

<sup>169</sup> Transcript of Evidence, 23 February 2021, p. 201.

<sup>170</sup> Transcript of Evidence, 23 February 2021, p. 202.

<sup>171</sup> Transcript of Evidence, 23 February 2021, pp. 209–210; QToN SMoS No. 2, 23 February 2021.

<sup>172</sup> Transcript of Evidence, 23 February 2021, p. 204; QToN SMoS No. 3, 23 February 2021.

## 11 TOURISM PORTFOLIO

11.1 The Committee heard from the Minister for Tourism and directorate and agency officials on 23 February 2021 to discuss relevant 2019–20 Annual Reports relating to the tourism portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:

- Output 3.1—Innovation, Industry and Investment (functions relating to aviation industry development);
- Output 3.2—VisitCanberra; and
- Output 3.4—Events (Major events—including Floriade, Enlighten, Innovation Festival).

### QUESTIONS

11.2 One question was taken on notice at the hearing. The question related to the Visiting Journalists and influencer program—confirmation was given that the 82 people who were invited to experience Canberra were journalists and travel/trade agents who sell Canberra as a destination in the key international markets of Singapore, Malaysia, China, the United Kingdom, New Zealand and India. The total cost of the program was \$53,000.<sup>174</sup>

### AVIATION ATTRACTION AND PARTNERSHIPS

11.3 The Committee discussed how aviation partnerships also contribute to the ACT Government’s tourism and our international freight strategy. The Minister elaborated:

Obviously, aircraft carry cargo and our relationship with Singapore Airlines involved both passengers and freight and had been part of a quite extensive exercise, in partnership with Canberra Airport, to create an exporting capability from the airport for fresh produce. So we had seen, pre-COVID, when the flights were daily, produce from the Canberra region being exported into Singapore and South-East Asia in the belly of the Singapore Airlines plane that was flying into Canberra every day. That was a partnership with Austrade. The New South Wales government were involved as well, together with the Canberra Region Joint Organisation, which is the collective of all of the surrounding New South Wales local government areas. It was a multi-level government—local government, territory government, state government and

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<sup>173</sup> Transcript of Evidence, 23 February 2021, p. 212; QToN SMoS No. 4, 23 February 2021.

<sup>174</sup> Response to QToN Tourism No. 1, 23 February 2021.

Australian government—partnership with Canberra Airport, Singapore Airlines and the local exporters network.<sup>175</sup>

- 11.4 The Committee heard that the rationale for why an output class had been created for aviation attraction—was to address some of the challenges faced by potential visitors and the like in not being able to get direct flights to Canberra. The Minister elaborated:

Having to fly here from another city is clearly a barrier. Particularly in the international market, they want to know the product and know the sort of experience they are going to get. They make their booking decision based upon: do they know the airline and do they know the sort of hotel that they are going to be staying at? That is clearly a segment of the market. They are a Marriott loyalty member, so they will only stay at Marriott hotels. If we do not have a Marriott hotel, they are not staying here.

We do now have one, but we spent a lot of time getting one. The same argument applies: the hotel chains have hundreds of millions of members. Some of the gaps that we have identified in our market include not having enough low-cost airlines, so it is too expensive to fly here. We are chasing cheaper means for people to get here, both domestically and internationally. They have got to have an understanding of the product, so we want more and diversified hotel offerings. That does not mean boring business hotels. It can mean a wide variety of innovation.<sup>176</sup>

## VISITING JOURNALIST AND INFLUENCER PROGRAM

- 11.5 The Committee inquired about the visiting journalist and influencer program. Through the program the ACT Government hosts journalists—either international or domestic journalists—for a range of purposes. The journalist can come from mainstream media such as newspapers, including major publications—or they could be travel agents. The program is used as a mechanism to help people become familiar with Canberra as a destination.

- 11.6 Discussion ensued as follows:

Mr Kobus: ... We use those as mechanisms to help people become familiar with the destination. In the instance that we would host a travel agent or sales agent, that would be about ensuring that they have the capacity to sell the destination better when they go back to where they come from. If it were from a journalist's perspective, that would be a mechanism to assist those people in creating content that they can distribute to the market that they are talking to. From a domestic perspective, the cost

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<sup>175</sup> Mr Andrew Barr MLA, Transcript of Evidence, 23 February 2021, p. 158.

<sup>176</sup> Mr Andrew Barr MLA, Transcript of Evidence, 23 February 2021, p. 161.

that we incur, on average, per visit is less than \$1,000. That is per visit for those journalists.

MS CASTLEY: Per person.

Mr Kobus: Per person, yes. Generally, we would cover the cost of accommodation or any other product that they want to experience or see. In the instance of the international visitors—this is an example of where we worked in partnership with Singapore Airlines—we would want those international agents to travel on Singapore Airlines to Canberra to have that experience. Part of our arrangement would be that they travel on Singapore Airlines. They come here and we cover the cost of things like accommodation, meals and other things that help them experience it.<sup>177</sup>

## RECOMMENCING DOMESTIC AND INTERNATIONAL FLIGHTS

11.7 The Committee discussed with the Minister the work being undertaken with Canberra International Airport and state, federal and national governments to identify opportunities to recommence domestic and international flights. This included the identification of new aviation providers and routes for domestic travel.

11.8 The Minister elaborated:

We continue to actively engage with each of the New South Wales regional, Canberra regional, national and international airlines. In partnership with Canberra Airport, we have been able to secure an expansion of Pelican air services. That has included up to Byron, Ballina, Port Macquarie and Newcastle. Link Airways, a new Canberra-based airline that was previously known as Corporate Air, I understand, who had mostly a corporate focus, has switched to undertaking passenger flights. It flies to Hobart and Newcastle at the moment.

I have had a series of meetings with Rex, Regional Express, and we look forward to them re-entering the Canberra market. I will meet with Qantas and QantasLink in coming weeks. I am also hoping, once things have settled down a little for Virgin, to meet with them. I met with Singapore Airlines last week. I am meeting with Jetstar later this week. We will continue our engagement with all of the players, be they small regional, either Canberra or New South Wales-based, up to the national level operators.

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I have left out Alliance Airlines, flying to the Sunshine Coast as well.<sup>178</sup>

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<sup>177</sup> Transcript of Evidence, 23 February 2021, pp. 158–159.

<sup>178</sup> Mr Andrew Barr MLA, Transcript of Evidence, 23 February 2021, p. 165.

11.9 The Committee heard that one of the benefits arising during the last six months was that direct services from Canberra to different destinations had ‘exploded at a domestic level’. The Minister added:

We work closely with Canberra Airport, VisitCanberra and the aviation development area to prioritise this. Why? Because the cheaper and easier it is to get to Canberra, the more tourists and the more economic activity we will experience. Aviation is a key part of a key strategy, but it is not the only transport strategy we have to get more people to Canberra.<sup>179</sup>

11.10 The Committee was told that Canberra’s biggest market conducive to air travel were routes that did not have a close competitor in terms of driving or rail. The Canberra to Melbourne route was prioritised as the biggest market, followed by Brisbane, Gold Coast, Adelaide and Perth, and then Hobart.<sup>180</sup>

11.11 The Minister explained that getting competition back on the Canberra–Melbourne route was a priority and that he was ‘talking to Jetstar about that. We definitely want Virgin back on that service with a decent frequency, and Qantas and QantasLink with their different products’.<sup>181</sup>

## OTHER MATTERS

11.12 Other matters discussed by the Committee included:

- The cost of the ACT Government partnership with Singapore Airlines—clarification that it is within budget allocation for aviation partnerships as specified in the previous budget papers. The specifics of individual contracts across the different airlines remain commercial-in-confidence. The global amount allocated in the budget across all of aviation programs per annum was a commitment of approximately \$800,000—with a component of that committed to Singapore Airlines.<sup>182</sup>
- Tourism Cooperative Marketing Fund—providing matched funding to businesses to collaborate on innovative marketing campaigns to drive overnight visitation and increase awareness of Canberra as a leisure travel destination.<sup>183</sup>
- The ACT as an associate member of the Canberra Region Joint Organisation (an organisation comprised of New South Wales councils)—and its designation/branding as ‘the Canberra region’.<sup>184</sup>

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<sup>179</sup> Transcript of Evidence, 23 February 2021, p. 165.

<sup>180</sup> Transcript of Evidence, 23 February 2021, p. 165.

<sup>181</sup> Transcript of Evidence, 23 February 2021, p. 165.

<sup>182</sup> Transcript of Evidence, 23 February 2021, p. 157.

<sup>183</sup> Transcript of Evidence, 23 February 2021, pp. 162–163.



- Improvements to the Canberra-Sydney rail corridor—with the New South Wales government: (i) investment in improving the rail line in the Southern Highlands to make it more direct and to cut some time off the journey; and (ii) recently putting out a contract for renewal and operation of new trains on the CountryLink regional fleet. The benefits of improvements to this transport corridor being that Sydney is the ACT's biggest domestic tourism market—having an alternative to driving and flying for this market has been a priority.<sup>185</sup>
- Climate impacts of the aviation industry—and advocacy work undertaken by the ACT Government with the aviation industry on discussions around reducing emissions and looking at new fuel types to fuel planes—noting that it is matter that needs to be led by the aviation sector on a global scale.<sup>186</sup>
- Previous feasibility studies about high-speed rail—and whether the ACT Government is a passive or active contributor to the ongoing conversation. Confirmation that the ACT Government has been an 'active contributor in the context of spending a lot of money over the last 30 years on route planning and feasibility studies on where stations would be located; would it be a spur route; would it be a through line—Sydney, Canberra, Melbourne—and how would you possibly accommodate high speed rail through the centre of the Canberra CBD'. Notwithstanding there have been many studies on the feasibility of this infrastructure project to which the ACT Government has participated in—it was made clear that 'there is no way that the ACT Government will be building high-speed rail'.<sup>187</sup>

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<sup>184</sup> Transcript of Evidence, 23 February 2021, pp. 163–164.

<sup>185</sup> Transcript of Evidence, 23 February 2021, p. 165.

<sup>186</sup> Transcript of Evidence, 23 February 2021, p. 166.

<sup>187</sup> Transcript of Evidence, 23 February 2021, p. 167.



## 12 TREASURY PORTFOLIO

12.1 The Committee heard from the Treasurer and directorate and agency officials on 22 February 2021 to discuss relevant 2019–20 Annual Reports relating to the treasury portfolio—outcomes (performance analysis) and 2020–21 Budget outputs related to:

- Output 4.1—Economic Management; and Output 4.2—Financial Management;
- EBT Class 1: Territory Banking Account (TBA);
- EBT Class 1: Superannuation Provision Account (SPA);
- Output 6.1—Revenue Management;
- Output 8.1—Infrastructure Finance;
- Output 1.1—Major Projects Canberra;
- Independent Competition and Regulatory Commission (ICRC); and
- Icon Water Limited.

## QUESTIONS

12.2 Thirteen questions (some with multiple parts) were taken on notice at the hearing. Ten questions on notice (some with multiple parts) were submitted by members following the hearing(s). The question coverage included matters related to: the superannuation liability valuation; the ACT Government's Responsible Investment Policy; the ACT Performance and Accountability Framework (February 2020); CBR Screen Fund—assessment that has been done to determine the benefit and outcome of this investment; outcomes of the ACT Vice Chancellors Forum held in June 2020; objectives of the ACT Government's Active Travel Framework; rebates to high-intensity club users of non-potable water for charges incurred in the 2020–21 financial year relating to the use of surface water, ground water and recycled water; the review into water costs for high-intensity club users of non-potable water; and current status of the MOU between the Territory and UNSW signed in December 2017.

## BUDGET OUTLOOK

- 12.3 The Committee discussed with the Treasurer and officials the ACT's economic performance during the pandemic period—across several parameters. The public health response in handling the COVID-19 pandemic to date has contributed positively to this performance together with non-health related initiatives targeting further growth and diversification of the Territory's employment and industry bases.<sup>188</sup>

## COMMITTEE COMMENT

- 12.4 The Committee acknowledges the ACT has experienced economic growth during the pandemic period—that includes: an increased local labour market and an improved fiscal position to that which was projected. Notwithstanding, the Committee notes that the budget outlook is reliant on a successful vaccination strategy, minimal disruption from any further lockdown and domestic border closure events, and the staged re-opening of Australia's international borders (in particular, the flow on effects for local industry and for the higher education and tourism sectors).
- 12.5 The Committee further notes that the vaccination program is a joint initiative with the Commonwealth—with the 2020–21 Budget allocating \$100 million for the continued provision of testing sites and funds to facilitate the vaccine rollout—and opening of international borders are a decision for the Commonwealth Government.

## LIGHT RAIL STAGE 2 TO WODEN

- 12.6 The Budget allocates a total of \$914 million in 2020–21 and \$4.3 billion across the forward estimates into the Territory's infrastructure investment program. The 'Fast-track Infrastructure Program' was also an initiative under the Jobs and Economic Recovery Plan to create jobs and diversify local industry.
- 12.7 \$172 million has been allocated in 2020–21 to support a number of priority transport projects. This allocation includes the progress of the Light Rail Stage 2 to Woden, which is expected to secure more than 1000 new jobs. Given the Commonwealth has granted approval for stage 2A of the light rail—the Committee inquired what the next anticipated steps and indicative time frames over the next 12 months for the project would be. The Treasurer told the Committee:

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<sup>188</sup> Transcript of Evidence, 22 February 2021.

...the commonwealth environment department has given EPBC approval. That is one of two commonwealth approvals, the other being the works approval that will be necessary from the National Capital Authority. Then a third approval requirement is an approved DA from the ACT Planning and Land Authority for the works that are on non-designated land. That is where we are at.<sup>189</sup>

- 12.8 The Committee discussed with the Treasurer and a directorate official the role of Major Projects Canberra in progressing the remaining Commonwealth works approval and the DA approval from the ACT Planning and Land Authority as the works that are on non-designated land. A directorate official elaborated:

Over the coming 12 months or so, as the Chief Minister mentioned, a large focus will be on making the final planning approval submissions that need to be made, the NCA works approval in particular, which we will be looking at later in Q3 or early Q4 of this calendar year.

In order to get to the works approval application point, there is ongoing design work that is needed to be undertaken by Major Projects Canberra. Depending upon the outcome of the commonwealth planning approval process, that will culminate in early physical activities, primarily utility relocation activities happening potentially towards the back end of this year or early 2022. In turn, that would feed into the next step in the process, which is the component of the project of raising London Circuit. So 2021 will be a particularly busy year for the project and Major Projects Canberra.<sup>190</sup>

- 12.9 The Committee also discussed at length with witnesses the complexity, logistics and staging of the raising London Circuit component of the project—to bring the southern portion of London Circuit at grade to Commonwealth Avenue.<sup>191</sup> The Budget allocates \$1.47 million, primarily for design works prior to procurement being finalised, for this component of the project.<sup>192</sup>

## TAX REFORM

- 12.10 The Committee discussed with the Treasurer and officials the tax reform program objectives to change how tax is collected in the ACT. The overarching aim is to create a more reliable revenue source through general rates to fund essential services with the eventual phasing out of taxes such as stamp-duty.<sup>193</sup>

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<sup>189</sup> Mr Andrew Barr MLA, Transcript of Evidence, 22 February 2021, p. 35.

<sup>190</sup> Mr Duncan Edghill, Transcript of Evidence, 22 February 2021, p. 35.

<sup>191</sup> Transcript of Evidence, 22 February 2021, p. 36.

<sup>192</sup> Transcript of Evidence, 22 February 2021, pp. 35–38.

<sup>193</sup> Transcript of Evidence, 22 February 2021, pp. 29–30; p. 82.

- 12.11 The Budget indicates that by 2019–20, 51 per cent of insurance and stamp duty previously collected will have been replaced with general rates, in addition to the ongoing stamp duty reductions.
- 12.12 The Budget also indicates that stage three of the Tax Reform Program will commence in 2021–22, a year earlier than was initially planned. Further, the Budget indicates that average general rates will increase by 3.75 per cent per year.<sup>194</sup>
- 12.13 The Committee discussed the assumptions in the Budget concerning the status of the tax reform program and its outlook for property price increases. This included matters related to conveyance duty, in addition to rates, property taxes and land tax.
- 12.14 As part of the tax reform program—first home buyers with a household income under \$160 000 will pay no stamp duty on the purchase of their first home—irrespective of whether the home is new or existing or of the purchase price. Further, eligible pensioners will pay zero or reduced stamp duty and owner-occupiers can continue to receive temporary stamp duty concessions for new land and off-the-plan unit purchases.

## RESPONSIBLE INVESTMENT POLICY

- 12.15 The Committee discussed with the Treasurer and directorate officials various aspects of the Responsible Investment Policy—including matters related to its policy scope and coverage, its intent and implementation.
- 12.16 Discussion included: detail on the different and effective approaches to responsible investment implementation and active ownership; quarterly publication of the share voting activity reports; the merits of developing a specific ACT Government proxy voting policy; the Sustainability Proxy Voting guidelines and the Proxy Voting framework established by the Government to exercise its voting rights.<sup>195</sup>

## INFORMING CONSUMERS OF BETTER ELECTRICITY PLAN OFFERS

- 12.17 The Committee inquired about whether work had commenced regarding the obligation for electrical retailers to proactively contact the consumer to inform them of better electricity plan offers. The Senior Commissioner of the ICRC advised:

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<sup>194</sup> Transcript of Evidence, 22 February 2021, p. 6.

<sup>195</sup> Transcript of Evidence, 22 February 2021, p. 50.

We are waiting to get the formal request for the work, but I think the indication of the government has been pretty clear that, as per our recommendation, there will be two key things. One is setting a reference bill so that offers made by retailers are compared to that reference bill, so that people do not offer discounts that are off some high bill that means very little. That reference bill work is, I understand, underway. The code that we are, I believe, being asked to develop will be to ensure that that is done and to ensure that retailers are required to provide information to their customers about a better offer, if there is a better offer. Again, that is part of the code requirements that we are currently working to draft. These are things that are on the way, but all the nuts and bolts are being developed at the moment in getting it done.<sup>196</sup>

12.18 The Committee observed that having a robust policy in this regard, is important, but its effectiveness would be limited if there were not sufficient energy retailers in the market to provide options for consumers. As to views on whether there are currently enough energy retailers in the ACT to provide competition, the ICRC Commissioner responded:

There are a number of retailers. Of course, ActewAGL is still the dominant retailer. There are quite a number of others, and if you simply looked at the number of retailers you would say that it looks like a competitive market. But it is a bit more complex than that. Effective competition requires not just a number of retailers. The complexity that could be in the market with a particular product or service might make it difficult to have what I would describe as good, solid competition.

Part of helping the market work well, or work better, is helping consumers to understand what they are being offered, what the alternatives are and what else is available, without them having to do undue searching and requiring a whole lot of expertise—because, again, that could be part of the barrier to making a market work effectively. So, yes, there are a number of retailers but it needs more than just the retailers. It needs a bit of assistance, if I can put it that way, to make sure that the market does work effectively.<sup>197</sup>

## NON-POTABLE WATER CHARGES FOR CLUBS

12.19 The Committee discussed with the Treasurer and the ICRC Senior Commissioner when the Government would provide full rebates to high-intensity club users of non-potable water for charges incurred in the 2020–21 financial year relating to the use of surface water, ground water and recycled water—in particular, for golf clubs.<sup>198</sup>

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<sup>196</sup> Mr Joe Dimasi, Transcript of Evidence, 22 February 2021, p. 50.

<sup>197</sup> Mr Joe Dimasi, Transcript of Evidence, 22 February 2021, p. 50.

<sup>198</sup> Mr Joe Dimasi, Transcript of Evidence, 22 February 2021, pp. 52–53.

12.20 Discussion ensued as follows:

Mr Dimasi: I understand that the government has indicated that it will ask us to provide some pricing advice as part of its review on non-potable water for golf courses.

MR COE: I see that is in the statement of intent as well.

Mr Dimasi: Yes.

MR COE: As far as things stand at the moment, what are the potential issues?

Mr Dimasi: We have not started looking at it, so I cannot get ahead of myself here, but we have seen the arguments from the golf clubs that the cost of water is very high. Even when they use non-potable water, they are arguing that it is high compared to others. Depending on what the government asks us to do, our advice would be to try to ensure that the prices that have been offered reflect efficient costs relevant for that market. That is what we would be looking to do.

MR COE: Obviously it is going to have a different impact on different courses.

Mr Dimasi: Yes.

MR COE: The Belconnen situation is quite well publicised.

Mr Dimasi: Yes.

MR COE: As it stands at the moment, is there scope for the government to take action or is it a regulatory or even a legislative issue?

Mr Barr: I will step in quickly. We have provided a hardship fund, a relief fund, so as to address the—

MR COE: The cause.

Mr Barr: Yes.

MR COE: Or the effect.<sup>199</sup>

12.21 Following the hearing, the Committee was advised that the review into water costs for high-intensity club users of non-potable water commenced with the release of a Discussion Paper through the ACT Government's YourSay website on 2 March 2021.<sup>200</sup>

12.22 As to the timing for providing rebates to high-intensity club users of non-potable water, the Treasurer advised:

Rebates will be applied automatically to bills for non-potable water consumed in 2020-21. The timing of the rebate will vary, depending on the billing cycle of the entity supplying the water.<sup>201</sup>

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<sup>199</sup> Transcript of Evidence, 22 February 2021, p. 52.

<sup>200</sup> Response to QoN CM No. 9 following on from the public hearing of 22 February 2021.

<sup>201</sup> Response to QoN CM No. 9 following on from the public hearing of 22 February 2021.



## COMMITTEE COMMENT

- 12.23 The Committee notes that there are a range of pricing arrangements in place for non-potable water in the ACT together with assistance programs (Market Equity Scheme) that provide support as required. The Committee welcomes the announcement of the Review and the call for submissions from interested parties ‘on whether the current framework for non-potable water is appropriate and, if not, what improvements could be made’.<sup>202</sup>
- 12.24 The Committee concurs with the principles that will underpin assessment of feedback provided in submissions—namely, that: the price of non-potable water should generally reflect the cost of supply; any subsidy provided should be transparent and based on a demonstrated need; and cases for support will have regard to the ongoing wider benefits to the community such as economic, social and environmental outcomes. Further, the Committee is of the view that any changes to pricing frameworks for non-potable water arising from the review should be consistent with these principles.<sup>203</sup>

## Recommendation 15

- 12.25 The Committee recommends that any recommended changes to pricing frameworks for non-potable water arising from the Non-potable Water Review into water costs for high-intensity club users of non-potable water should be consistent with the following principles: (i) the price of non-potable water should generally reflect the cost of supply; (ii) any subsidy provided should be transparent and based on a demonstrated need; and (iii) cases for support should have regard to the ongoing wider benefits to the community such as economic, social and environmental outcomes.**

## COVID-19 DEBTOR PERFORMANCE—ICON WATER

- 12.26 The Committee discussed with witnesses the impact of COVID–19, from a financial perspective, on Icon Water in terms of its cost base, attributable to debtor performance.
- 12.27 Icon Water’s Chief Financial Officer elaborated:

A key impact from a COVID financial implication perspective is from a debtor perspective. I will just refer to my notes. We have been very conscious of the potential implications from a customer perspective. I will speak to that first in terms of what we

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<sup>202</sup> Response to QoN CM No. 9 following on from the public hearing of 22 February 2021.

<sup>203</sup> CMTEDD. (2021) Non-potable Water Review—Discussion paper.

are doing for our customers and then update you on what that means from a debtor perspective.

From a customer lens perspective, we have expanded our Staying Connected hardship program to also encompass small businesses. We have put a pause on escalating debt recovery action and a pause on interest on overdue accounts. We have increased the flexibility for customers to pay their bills, whether this be through payment arrangements or payment extensions.

Overall, a key focus for us has been on ensuring that our customers are talking to us. We find that when there is active dialogue, we can ensure that we understand our customer's personal situation and act accordingly. During this time, we have put on extra resources in our customer contact centre to proactively reach out to our customers and encourage them to work with us. On the whole, that probably covers our focus for our customers.<sup>204</sup>

12.28 As to the financial implications of debtor performance in this regard, the Committee heard that 'the arrears for the residential water customers is generally holding steady'. This is attributable to the activities Icon Water has 'had underway in increasing the overall dialogue and the ongoing benefits from JobKeeper and JobSeeker'.<sup>205</sup> However, the Committee was told that 'business arrears is a greater concern for us, with some large balances outstanding and some payment arrangements in place'.<sup>206</sup>

12.29 In its submission, ACTCOSS recommended that there should be:

Continued funding of the Utilities Hardship Fund and the lack of a commitment to continue to provide the Utilities Concession to eligible asylum seekers after 2020–21.<sup>207</sup>

## COMMITTEE COMMENT

12.30 The Committee acknowledges Icon Water's expansion of its Staying Connected hardship program to include small businesses in addition to residential water customers. The Committee notes that Icon Water has put a pause on: (i) escalating debt recovery action; and (ii) interest on overdue accounts. Further, Icon Water has also increased the flexibility for customers to pay bills—either through payment arrangements or payment extensions.

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<sup>204</sup> Ms Joy Yau, Transcript of Evidence, 22 February 2021, p. 56.

<sup>205</sup> Ms Joy Yau, Transcript of Evidence, 22 February 2021, p. 56.

<sup>206</sup> Ms Joy Yau, Transcript of Evidence, 22 February 2021, p. 57.

<sup>207</sup> Submission No. 4—ACT Council of Social Service Inc. (ACTCOSS), p. 9.

- 12.31 The Committee also acknowledges Icon Water’s genuine efforts to engage with its customers, where required, to ensure that debt does not accumulate and its work with entities such as ACTCOSS in terms of how it can support the community during this challenging time.
- 12.32 The Committee is concerned that whilst the arrears for residential water customers is generally holding steady, this may change when the JobKeeper scheme comes to an end. Further, the Committee is also concerned about those businesses in arrears with large balances outstanding and for which payment arrangements are in place.
- 12.33 The Committee notes that under Part 12 of the *Utilities Act 2000*, the ACT Civil and Administrative Tribunal Energy and Water (ACAT E & W) has jurisdiction to determine applications for hardship assistance from utilities customers who are facing disconnection or restriction of supply because they cannot afford to pay their energy and/or water utilities bill.
- 12.34 The Committee is of the view that more needs to be done to support and assist individuals and businesses facing difficulties in meeting utilities bills. This should include continued funding of the Utilities Hardship Fund, not reducing access to previously eligible ACT residents to the Utilities Concession and extending Icon Water’s expansion of its Staying Connected hardship program to include small businesses for the 2021–22 financial year.

## Recommendation 16

- 12.35 The Committee recommends that the ACT Government ensure continued funding of the Utilities Hardship Fund for 2020–21 and across the Budget outyears.**

## Recommendation 17

- 12.36 The Committee recommends that the ACT Government continue to provide the Utilities Concession to eligible asylum seekers after 2020–21.**

## Recommendation 18

- 12.37 The Committee recommends that Icon Water extend expansion of its Staying Connected hardship program to include small businesses for the 2021–22 financial year.**

## OTHER MATTERS

- 12.38 Other matters discussed by the Committee included:

- Standard and Poor's (S&P) Global Ratings Research Update report on the ACT's credit rating dated 10 September 2020—discussion also included the nature of credit ratings as a forward-looking view about the capacity of a jurisdiction to meet its financial commitments as they arise and influence on accessing finance and borrowing rates.<sup>208</sup>
- Debt refinancing program—the ACT Government's approach to the market including how the refinancing of some previous debt due to mature will position the balance sheet.<sup>209</sup>
- Status on the release of the ACT Tax Expenditure Statement 2019–20—detail on revenue forgone in 2019–20 and anticipated release of the Statement with the 2021–22 Budget in August.<sup>210</sup>
- Increases in supplies and services expenses in 2020–21—the main drivers for this increase attributable to new initiatives announced in the 2020–21 Budget or previous budgets and the re-profiling of funding from 2019–20 to 2020–21.<sup>211</sup>
- ACT Government Notifiable Contracts Register and the Professional Services Panel database—how many consultants have been hired by the Government since 2019 and how many contractors have been hired by the Government since 2019.<sup>212</sup>
- New accounting standards for public-private partnerships coming into force—assessment and incorporation in the 2021–22 Budget.<sup>213</sup>
- Infrastructure finance—clarification as to whether the attractive rates that the ACT Government is getting in the bond issuance—changes or impact decisions about how PPPs operate in the ACT.<sup>214</sup>
- The ACT Courts Facilities Public Private Partnership finance lease confirmed as an interest-bearing liability.<sup>215</sup>
- Assumptions for the number of transactions and growth in residential average transaction prices for property in the ACT that underpin the residential conveyance duty forecasts in the 2020–21 Budget.<sup>216</sup>
- Explanation for why the Territory Banking Account's total assets as at 30 June 2020 were \$692.9 million higher than the 2019–20 original budget.<sup>217</sup>
- Clarification of the role of Major Projects Canberra with infrastructure projects—as being across two dimensions: (i) MPC assists other directorates with their infrastructure

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<sup>208</sup> Transcript of Evidence, 22 February 2021, pp. 7–10; QToN T No. 1, 22 February 2021.

<sup>209</sup> Transcript of Evidence, 22 February 2021, pp. 13–14.

<sup>210</sup> Transcript of Evidence, 22 February 2021, pp. 10–11; QToN T No. 2, 22 February 2021.

<sup>211</sup> Transcript of Evidence, 22 February 2021, pp. 18–19.

<sup>212</sup> Transcript of Evidence, 22 February 2021, p. 19.

<sup>213</sup> Transcript of Evidence, 22 February 2021, p. 23.

<sup>214</sup> Transcript of Evidence, 22 February 2021, p. 23.

<sup>215</sup> Transcript of Evidence, 22 February 2021, pp. 24–25; QToN T No. 5, 22 February 2021.

<sup>216</sup> Transcript of Evidence, 22 February 2021, p. 31.

<sup>217</sup> Transcript of Evidence, 22 February 2021, pp. 33–34; QToN T No. 8, 22 February 2021.

projects; and (ii) for designated major projects—MPC holds the budget and has direct ministerial accountability for these projects as they ‘are large and complex’, and also ensures that they factor in implementation of broad ACT Government policies in relation to each of those projects.<sup>218</sup>

- Clarification as to whether MPC has a policy around gas connection with new projects—either major projects or directorate specific infrastructure projects.<sup>219</sup>
- Cladding rectification—of the ACT Government Buildings identified as having flammable cladding—details of how many require major works; and how many require minor rectifications.<sup>220</sup>
- The application of the ACT Government’s Zero Emissions policy to major projects or directorate-specific infrastructure projects.<sup>221</sup>
- The halving of Icon Water’s community service obligations to \$6.8 million in 2019–20 and the increase back to \$11.3 million in the 2020–21 budget—the increase being primarily related to COVID rebates. The COVID rebates—are twofold: (i) one is the hotels rebate for four quarters; and (ii) the other is the clubs rebate for two quarters. Taking these rebates out of the mix, ‘the rest of the rebates compare to previous years there or thereabouts’.<sup>222</sup>
- Impact of COVID–19, from a financial aspect on Icon Water in terms of its cost base. Key areas that are relevant are twofold—(i) the price freeze—at 1 July 2020, Icon Water chose to freeze prices; by that, freezing the average household bill to a 200-kilolitre household. The cost implication for Icon Water was a \$3.7 million impact in terms of revenue not collected; and (ii) debtor performance.<sup>223</sup>
- Icon Water—findings of smart water metering research conducted in 2016—and work being undertaken to trial deployment and testing of smart devices and the associated networks—expected to take place either in 2021 or 2022.<sup>224</sup>
- Icon Water—Modern Slavery statement—work being undertaken within the business to raise awareness around the risks of modern slavery, improving policies to include requirements to consider impacts of modern slavery; and training and capacity building across the business to make sure that staff within Icon Water involved in undertaking procurement activities are giving due consideration to the risks of modern slavery.<sup>225</sup>

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<sup>218</sup> Transcript of Evidence, 22 February 2021, p. 40.

<sup>219</sup> Transcript of Evidence, 22 February 2021, pp. 39–41; QToN MPC No. 1, 22 February 2021.

<sup>220</sup> Transcript of Evidence, 22 February 2021, pp. 41–42; QToN MPC No. 2, 22 February 2021.

<sup>221</sup> Transcript of Evidence, 22 February 2021, p. 44.

<sup>222</sup> Transcript of Evidence, 22 February 2021, pp. 55–56.

<sup>223</sup> Transcript of Evidence, 22 February 2021, pp. 55–56.

<sup>224</sup> Transcript of Evidence, 22 February 2021, pp. 66–67; QToN Icon Water No. 2 and 3, 22 February 2021.

<sup>225</sup> Transcript of Evidence, 22 February 2021, pp. 58–60; QToN Icon Water No. 1, 22 February 2021.



## 13 CONCLUSION

- 13.1 The Committee has made **18** recommendations in relation to its inquiries into Annual and Financial reports 2019–20 and ACT Budget 2020–21. The Committee would like to thank Ministers and accompanying directorate and agency staff, for their time and cooperation during the course of the inquiry process.
- 13.2 The Committee also acknowledges and thanks key interest and stakeholder groups and organisations who made written submissions.
- 13.3 The Committee reiterates its previous acknowledgement of the extraordinary efforts that have been undertaken by the ACT Public Service and its employees to manage the risks for the ACT community at the time the COVID-19 crisis was unfolding in March 2020, throughout 2020, and now into 2021. The Committee further acknowledges that it is these efforts that have managed the health response, worked to keep the ACT community safe, provided economic support to businesses and individuals under considerable stress, and supported operational areas to provide services during the pandemic.
- 13.4 The Committee also recognises the co-operation, work and contribution from the Federal government, state governments, private sector, non-government organisations, the community services sector, the ACT community and countless other organisations and individuals that have been instrumental in the efforts and initiatives to support the health, economic and social challenges faced by our community during this unprecedented time.

Ms Nicole Lawder MLA

Chair

7 April 2021





## Appendix A COMMITTEE PUBLIC HEARINGS

Witnesses who appeared before the Committee at public hearings:

PUBLIC HEARING OF MONDAY 22 FEBRUARY 2021

### **Treasury portfolio**

- Mr Andrew Barr MLA, Treasurer;
- Mr Stephen Miners, Acting Under Treasurer, Chief Minister, Treasury and Economic Development Directorate (CMTEDD);
- Ms Sue Vroombout, Acting Deputy Under Treasurer, Economic Budget and Industrial Relations, CMTEDD;
- Mr Patrick McAuliffe, Executive Branch Manager, Asset Liability Management, Economic and Financial / Economic Budget and Industrial Relations, CMTEDD;
- Mr Mark Whybrow, Executive Group Manager, Finance and Budget / Economic, Budget and Industrial Relations, CMTEDD; and
- Mr David Hedley, Executive Branch Manager, Macroeconomic and Federal Financial Relations / Economic and Financial / Economic Budget and Industrial Relations / CMTEDD.

PUBLIC HEARING OF MONDAY 22 FEBRUARY 2021

### **Treasury portfolio—Major Projects Canberra**

- Mr Andrew Barr MLA, Treasurer; and
- Mr Duncan Edghill, Chief Projects Officer, Major Projects Canberra.

PUBLIC HEARING OF MONDAY 22 FEBRUARY 2021

### **Treasury portfolio—Independent Competition and Regulatory Commission**

- Mr Andrew Barr MLA, Treasurer;
- Mr Joe Dimasi, Senior Commissioner, Independent Competition and Regulatory Commission (ICRC); and
- Dr Annette Weier, Chief Executive Officer, ICRC.

PUBLIC HEARING OF MONDAY 22 FEBRUARY 2021

### **Treasury portfolio—Icon Water**

- Mr Andrew Barr MLA, Treasurer;
- Mr Ray Hezkial, Managing Director, Icon Water; and
- Ms Joy Yau, Chief Financial Officer, Icon Water.

PUBLIC HEARING OF MONDAY 22 FEBRUARY 2021

**Chief Minister portfolio**

- Mr Andrew Barr MLA, Chief Minister;
- Ms Kathy Leigh, Head of Service and Director-General, Chief Minister, Treasury and Economic Development Directorate (CMTEDD);
- Mr Robert Wright, Executive Group Manager, Corporate, CMTEDD;
- Dr Damian West, Deputy Director-General, Workforce Capability and Governance, CMTEDD;
- Ms Leesa Croke, Deputy Director General, Policy and Cabinet, CMTEDD;
- Ms Anita Perkins, Executive Group Manager and COVID-19 Public Information Coordinator (PIC), CMTEDD Communications and Engagement, CMTEDD;
- Mr Russell Noud, EGM WhoG Industrial Relations and Public Sector Employment, Workforce Capability and Governance, CMTEDD;
- Mr Brendan Smyth, Commissioner for International Engagement, Office of International Engagement, CMTEDD;
- Ms Rebecca Cross, Co-ordinator General—Whole of Government (Non-Health) Response to COVID-19, CMTEDD; and
- Mr Ian McPhee, ACT Public Sector Standards Commissioner.

PUBLIC HEARING OF TUESDAY 23 FEBRUARY 2021

**Business and Better Regulation portfolio**

- Ms Tara Cheyne MLA, Minister for Business and Better Regulation;
- Mr David Pryce, Deputy Director-General, Access Canberra, Chief Minister, Treasury and Economic Development Directorate (CMTEDD). Statutory Office Holder: Registrar-General and Acting Commissioner for Fair Trading;
- Ms Kate Starick, Executive Group Manager, Economic Development, CMTEDD;
- Mr Morgan Campbell, Senior Director, Economic Recovery and Strategic Policy, Economic Development, CMTEDD;
- Mr Josh Rynehart, Executive Branch Manager, Fair Trading and Regulatory Strategy Branch, Access Canberra, CMTEDD;
- Mr Giuseppe Mangeruca, A/g Executive Branch Manager, Licensing & Registrations Branch, Access Canberra, CMTEDD; and
- Mr Daniel Ng, Executive Group Manager, Legislation, Policy and Programs Branch, Justice and Community Safety Directorate.

PUBLIC HEARING OF TUESDAY 23 FEBRUARY 2021

**Arts portfolio**

- Ms Tara Cheyne MLA, Minister for the Arts;
- Ms Sam Tyler, Executive Branch Manager, artsACT, Economic Development, Chief Minister, Treasury and Economic Development Directorate (CMTEDD);
- Ms Kareena Arthy, Deputy Director-General, Economic Development, CMTEDD; and
- Ms Harriet Elvin, Chief Executive Officer, Cultural Facilities Corporation.

PUBLIC HEARING OF TUESDAY 23 FEBRUARY 2021

**Economic Development portfolios**

- Mr Andrew Barr MLA, Minister for Economic Development;
- Ms Tara Cheyne MLA, Assistant Minister for Economic Development;
- Ms Kareena Arthy, Deputy Director-General, Economic Development, Chief Minister, Treasury and Economic Development Directorate (CMTEDD);
- Mr Matthew Elkins, Executive Branch Manager, Venues, CSIG, Chief Minister, Treasury and Economic Development Directorate (CMTEDD);
- Mr Ross Triffitt, Executive Branch Manager, Events ACT, Economic Development, CMTEDD;
- Ms Jenny Priest, Executive Branch Manager, Business and Innovation, Economic Development, CMTEDD; and
- Mr Glen Hassett, Senior Director Business and Industry Capability, Business and Innovation, Economic Development, CMTEDD.

PUBLIC HEARING OF TUESDAY 23 FEBRUARY 2021

**Tourism portfolio**

- Mr Andrew Barr MLA, Minister for Tourism;
- Mr Ross Triffitt, Executive Branch Manager, Events ACT, Economic Development, Chief Minister, Treasury and Economic Development Directorate (CMTEDD); and
- Mr Jonathan Kobus, Executive Branch Manager, VisitCanberra, Economic Development CMTEDD.

PUBLIC HEARING OF TUESDAY 23 FEBRUARY 2021

**Industrial Relations and Workplace Safety portfolio**

- Mr Mick Gentleman MLA, Minister for Industrial Relations and Workplace Safety;
- Mr Stephen Miners, Acting Under Treasurer, Chief Minister, Treasury and Economic Development Directorate (CMTEDD);
- Mr Michael Young, Executive Group Manager and Public Sector Workers Compensation Fund Commissioner, Workplace Safety and Industrial Relations, Economic, Budget and Industrial Relations, CMTEDD;
- Ms Jacqueline Agius, Work Health and Safety Commissioner, WorkSafe ACT; and
- Mrs Tracy Savage, CEO & Registrar, ACT Long Service Leave Authority.

PUBLIC HEARING OF TUESDAY 23 FEBRUARY 2021

**Special Minister of State portfolio**

- Mr Chris Steel MLA, Special Minister of State;
- Mr Stephen Miners, Acting Under Treasurer, Chief Minister, Treasury and Economic Development Directorate (CMTEDD);
- Ms Lisa Holmes, MAI Commissioner, LTCS Commissioner and Executive Branch Manager, Economic and Financial / Economic Budget and Industrial Relations/CMTEDD;
- Mr Glenn Bain, Executive Group Manager, Procurement ACT, CSIG, CMTEDD;
- Mr Daniel Bailey, Executive Group Manager, Property and Venues, CSIG, CMTEDD;
- Mrs Liz Clarke, Executive Branch Manager, ACT Property Group, CSIG, CMTEDD;
- Mrs Penny Shields, General Manager, ACT Insurance Authority, CSIG, CMTEDD; and
- Ms Bettina Konti, Deputy Director-General and Chief Digital Officer, Digital, Data and Technology Solutions, CMTEDD.

## APPENDIX B LIST OF WRITTEN SUBMISSIONS

Submissions to the inquiry on the ACT Budget 2020–21 received by the Committee:

Sub No.	Author/Organisation
1	Meridian
2	Community and Public Sector Union (CPSU)
3	Friends of Hawker Village Incorporated
4	ACT Council of Social Service Incorporated (ACTCOSS)
5	ACT Gifted Families Support Group Incorporated