



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

JEREMY HANSON MLA (CHAIR), MICHAEL PETERSSON MLA (DEPUTY CHAIR), SUZANNE ORR MLA,
MARK PARTON MLA

Inquiry into referred 2015–16 Annual and Financial Reports ANSWER TO QUESTION ON NOTICE 27 February 2017

QON 5* Asked by MR COE:

In relation to: administrative restructuring

1. What administrative restructuring was undertaken within the Directorate during 2014-15 and 2015-16?
2. Were external consultants engaged to advise the Directorate on the restructuring strategy?
3. What did the external consultants cost?
4. What administrative cost savings were forecast to be made as a result of the restructuring?
5. How were those savings to be achieved?
6. To what extent were the forecast savings met?
7. To what extent were administrative processes streamlined or 'red tape' removed in the restructure?
8. To what extent did the balance change between executive staff, middle management and lower level staff?
9. To what extent were staff numbers reduced?
10. What was the quantum of staff reductions in each staffing group – executive staff, middle management and lower level staff? and
11. If redundancies were involved, what was the number of staff made redundant and the cost?

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

1. CMTEDD was formed in July 2014, bringing together the former Chief Minister and Treasury Directorate, the former Commerce and Works Directorate, the former Economic Development Directorate, along with ArtsACT, community facilities and community concessions from Community Services Directorate and ACT Property Group from the former Territory and Municipal Services Directorate.

The new directorate was formed in recognition of the continued focus on creating a one government approach to the delivery of services to the people of the ACT, along with the critical importance of ensuring economic development is at the centre of government deliberations. Further changes were made during 2014-15, establishing Access Canberra, bringing together shopfronts and regulatory services, including the former Canberra Connect, into a single entity to make it easier for business, community organisations and individual to work with ACT Government. The Urban Renewal portfolio was also created during the year to

drive economic activity and improve the liveability of the city, and the Asbestos Response Taskforce established to coordinate the government's response to loose-fill asbestos. CMTEDD Annual Report 14-15
In August 2015, the Office of the Chief Digital officer was created to lead digital strategy and transformation initiatives across government to benefit the Territory. In January 2016, further to the 2014-15 changes to better focus economic development activity, Training and Tertiary Education was transferred from the former Education and Training Directorate and the National Arboretum Canberra was transferred from the former Territory and Municipal Services Directorate. CMTEDD Annual Report 15-16

2. No

3. N/A

4. Following the formation of CMTEDD, the 2015-16 Budget applied \$2.5 million per annum in savings.

5. These savings were to be achieved through the rationalisation of functions and other efficiencies associated with the transfer of the Economic Development Directorate and the Commerce and Works Directorate into CMTEDD.

6. These savings were fully met by reducing CMTEDD's budgeted appropriation as part of the 2015-16 Budget process (refer response to question 5, above).

7. Details of streamlining of processes and improving access, particularly through Access Canberra, are available at: CMTEDD Annual Report 14-15 and CMTEDD Annual Report 15-16.

8. Comparative historical data is not readily available. Analysis of data available in the directorate annual reports for 2014-15 and 2015-16 indicates no material change.

9. The 2014-15 CMTEDD annual report shows staffing of 2325.2 FTE and the 2015-16 CMTEDD annual report shows staffing of 2422.5FTE.

10. N/A

11. There were no redundancy programs directly related to the restructuring referred to at question 1. In CMTEDD there were 10 voluntary redundancies in 2014-15 at a cost of \$805,583.11 and in 2015-16 there were 53 voluntary redundancies at a cost of \$3,201,940.17.

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature: 

Date: 29.3.17

By the Chief Minister, Andrew Barr MLA