



## **Legislative Assembly for the Australian Capital Territory**

Select Committee on the Proposed  
Amendment to the Appropriation Bill  
2025–2026

# **Inquiry into the Proposed Amendment to the Appropriation Bill 2025–2026**

**Report of the Select Committee on  
the Proposed Amendment to the  
Appropriation Bill 2025-2026**

Legislative Assembly for the Australian Capital Territory  
Select Committee on the Proposed Amendment to the Appropriation Bill 2025–2026

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Approved for publication

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Report 1  
11th Assembly  
September 2025



# About the committee

## Establishing resolution

At its meeting on 3 September 2025, the Assembly passed the following resolution:

‘That:

- (1) a Select Committee on the Proposed Amendment to the Appropriation Bill 2025-2026 be appointed to consider the proposed amendment circulated by Minister Stephen-Smith to the Appropriation Bill 2025-2026, determine whether or not to undertake public hearings into the proposed amendment and prepare a report to the Assembly;
- (2) the Committee be composed of the same membership as the now dissolved Select Committee on Estimates 2025-2026;
- (3) the Chair of the now dissolved Select Committee on Estimates 2025-2026 be appointed as Chair of the Committee;
- (4) the Committee is to report by 15 September 2025;
- (5) if the Assembly is not sitting when the Committee has completed its inquiry, the Committee may send its report to the Speaker or, in the absence of the Speaker, to the Deputy Speaker, who is authorised to give directions for its printing, publishing and circulation;
- (6) a shorter timeframe for answers to Questions on Notice and Questions Taken on Notice to be provided would significantly contribute to the considerations and deliberations of the Committee and that notwithstanding standing order 254D, the Assembly approves the following:
  - (a) Questions on Notice from Members must be lodged within one day of conclusion of the relevant hearing;
  - (b) an answering entity must respond to a Question on Notice within two business days of the answering entity receiving the question; and
  - (c) an answering entity must respond to a Question Taken on Notice within two business days of the answering entity receiving the uncorrected proof *Hansard*; and
- (7) 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.’<sup>1</sup>

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<sup>1</sup> ACT Legislative Assembly, *Proof Minutes of Proceedings, No 27*, 3 September 2025, p 383.

## Committee members

Mr Ed Cocks MLA, Chair

Mr Shane Rattenbury MLA, Deputy Chair

Ms Fiona Carrick MLA

Ms Caitlin Tough MLA

## Secretariat

James Bunce, Committee Secretary

Nicola Straker, Assistant Secretary

Justice-Noah Malfitano, Acting Assistant Secretary

Satyen Sharma, Administrative Officer

## Contact us

**Mail**      Select Committee on the Proposed Amendment to the Appropriation Bill 2025–2026  
Legislative Assembly for the Australian Capital Territory  
GPO Box 1020  
CANBERRA ACT 2601

**Phone**      (02) 6205 0199

**Email**      [LACommitteeEstimates@parliament.act.gov.au](mailto:LACommitteeEstimates@parliament.act.gov.au)

**Website**    [parliament.act.gov.au/parliamentary-business/in-committees](http://parliament.act.gov.au/parliamentary-business/in-committees)

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# Acronyms & Abbreviations

<b>Acronym or Abbreviation</b>	<b>Long form</b>
ACT	Australian Capital Territory
CNA	Calvary Network Agreement
MLA	Member of the Legislative Assembly
The Act	<i>Health Infrastructure Enabling Act 2023</i>
The Regulation	<i>Health Infrastructure Enabling Regulation 2023</i>

# Recommendations

## Finding 1

The Committee finds that the Minister for Health's amendment to the Appropriation Bill 2025-2026 will increase both the Health Appropriation, and borrowings, with an ongoing impact on the Territory's debt position and interest expense.

## Finding 2

The Committee finds that amending the Appropriation Bill 2025-2026 to provide funding for the settlement with Calvary Health Care provides greater transparency than other options.

## Finding 3

The Committee finds that the two-stage approach to public communication regarding the costs of the acquisition of Calvary Public Hospital on 2 and 3 September 2025 could have been undertaken with greater clarity to provide a full picture of the cost of the settlement at the outset.

# 1. Introduction

## About this inquiry

- 1.1. The Appropriation Bill 2025–2026 was presented in the Assembly on 24 June 2025 and referred to the Select Committee on the Proposed Amendment to the Appropriation Bill 2025–2026. The Select Committee on Estimates 2025–2026 conducted public hearings and reported to the Assembly on 29 August 2025.
- 1.2. On 3 September 2025, the Minister for Health presented proposed amendments to the Appropriation Bill 2025–2026. The proposed amendments were referred to the Select Committee on the Proposed Amendment to the Appropriation Bill 2025–2026 in accordance with its resolution of establishment for inquiry and report by 15 September 2025.

## Conduct of the inquiry

- 1.3. The Committee held a public hearing on Monday, 8 September 2025 with the Minister for Health and relevant officials.
- 1.4. Witnesses who appeared before the Committee and gave evidence are listed at **Appendix A**. A transcript of the hearing is available on the Assembly website, as is footage of the hearing.
- 1.5. Committees began collecting information on the gender of witnesses in April 2023, in response to an audit by the Commonwealth Parliamentary Association. The aim is to determine whether committee inquiries are meeting the needs of, and allowing the participation of, a range of genders in the community. Participation is voluntary and there are no set responses. A table showing the distribution of witness gender is at **Appendix B**.

## Questions taken on notice at hearings and questions placed on notice

- 1.6. A total of nine questions were taken on notice during the inquiry.
- 1.7. A list of questions is available at **Appendix C**, with answers available on the inquiry website.
- 1.8. Due to the short timeframe for the Committee’s report, the Committee’s resolution of establishment provided for shorter response timeframes than would normally apply under the standing orders of the ACT Legislative Assembly.
- 1.9. There was one unanswered question taken on notice as at 12.00pm Friday, 12 September 2025.

## Submissions

- 1.10. The Committee received 1 submission which is listed at **Appendix D**.

## References to Hansard transcripts

- 1.11. Footnotes in the report reference the proof transcripts of evidence. Page numbers may vary between the proofs and the final Hansard transcript.

## Acknowledgements

- 1.12. The Committee thanks everyone who participated in, or otherwise assisted, this inquiry. This includes the ACT Government ministers and directorate officials that appeared at the public hearing. The Committee extends particular thanks to the Hansard and Broadcasting staff of the Office of the Legislative Assembly.

## 2. Proposed amendments to the Appropriation Bill 2025–2026

### Background

- 2.1. In May 2023 Ms Rachel Stephen-Smith, Minister for Health, introduced a bill to enable the compulsory acquisition of Calvary Public Hospital<sup>2</sup> and terminate the Calvary Network Agreement (CNA).<sup>3</sup>
- 2.2. The bill was passed by the Assembly on 31 May 2023,<sup>4</sup> following which Calvary Health Care commenced legal action in the ACT Supreme Court to challenge the validity of the legislation. The *Health Infrastructure Enabling Act 2023* (the Act) commenced on 2 June 2023,<sup>5</sup> and the Supreme Court held hearings on 7 June 2023.<sup>6</sup>
- 2.3. The Supreme Court dismissed the challenge on 9 June 2023. The Court found that the Act was within the power of the ACT Government to legislate, and further dismissed the claim that ‘the procedures in the Act did not involve just terms’.<sup>7</sup> Following this judgement, in line with section 7 of the Act, Calvary Public Hospital transitioned to Canberra Health Services on 3 July 2023 and was renamed North Canberra Hospital.<sup>8</sup>
- 2.4. Division 4.4 and 4.5 of the *Health Infrastructure Enabling Regulation 2023* (the Regulation) provided for a process to settle compensation claims between the ACT and Calvary Health Care.<sup>9</sup> Calvary Health Care lodged 35 claims between 28 June 2023 and 2 July 2025.<sup>10</sup> A deed of settlement and release between the parties was finalised on 28 August 2025.<sup>11</sup>
- 2.5. According to the Minister for Health, this settlement concluded the ‘just terms considerations for the acquisition of the land and hospital, the termination of the CNA’, and released the ACT from all current claims and ‘claims that ought to have been reasonably known at the time of settlement’. The settlement included a cash payment to Calvary Health Care of \$65 million, in addition to the \$23.3 million paid in early

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<sup>2</sup> ACT Legislative Assembly, *Minutes of Proceedings, No 83*, 11 May 2023, p 1169.

<sup>3</sup> Ms Rachel Stephen-Smith MLA, Minister for Health, *Assembly Debates*, 11 May 2023, p 1279.

<sup>4</sup> ACT Legislative Assembly, *Minutes of Proceedings, No 84*, 31 May 2023, pp 1188–1190.

<sup>5</sup> ACT Legislation Register, *Health Infrastructure Enabling Act 2023*, <https://www.legislation.act.gov.au/a/2023-17/>, accessed 9 September 2025.

<sup>6</sup> Supreme Court of the Australian Capital Territory, *Calvary Health Care ACT Ltd v Australian Capital Territory*, [2023] ACTSCFC 1, <https://www.courts.act.gov.au/supreme/judgments/Calvary-Health-Care-ACT-Ltd-v-Australian-Capital-Territory>, accessed 9 September 2025.

<sup>7</sup> Supreme Court of the Australian Capital Territory, *Calvary Health Care ACT Ltd v Australian Capital Territory*, [2023] ACTSCFC 1, ‘Judgement Summary’, pp 1-2, [https://www.courts.act.gov.au/data/assets/pdf\\_file/0004/2243569/Calvary-Summary.pdf](https://www.courts.act.gov.au/data/assets/pdf_file/0004/2243569/Calvary-Summary.pdf), accessed 9 September 2025.

<sup>8</sup> ACT Government, *A new northside hospital for Canberra*, 1 June 2024, <https://www.act.gov.au/our-canberra/latest-news/2023/june/a-new-northside-hospital-for-canberra>, accessed 9 September 2025.

<sup>9</sup> ACT Legislation Register, *Health Infrastructure Enabling Regulation 2023*, Division 4.4 and 4.5, <https://www.legislation.act.gov.au/sl/2023-11/>, accessed 9 September 2025.

<sup>10</sup> Minister for Health, *Submission 1*, p 1.

<sup>11</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Assembly Hansard*, 3 September 2025, p 2280.

compensation, as well as the waiving of debts to the ACT, liabilities and other financial offsets.<sup>12</sup>

- 2.6. The Committee received correspondence from Chris Steel MLA, Treasurer, providing an addendum to the 2025-2026 Budget to reflect the changes proposed in the amendment to the Appropriation Bill 2025-2026. The Committee notes that this was provided on 10 September 2025, after the hearings were concluded and report drafting had commenced, and there was no opportunity to adequately scrutinise this information and incorporate it in the report.

## Proposed amendments

- 2.7. The Appropriation Bill 2025-2026 was presented to the Assembly on 24 June 2025.<sup>13</sup> Given the deed of settlement and release with Calvary Health Care was finalised on 28 August 2025, with final payment to Calvary due in mid-October,<sup>14</sup> the Minister for Health introduced an amendment to the Appropriation Bill 2025-2026 on 3 September 2025.<sup>15</sup>
- 2.8. The amendment to the Appropriation Bill 2025-2026 amends five parts of the Appropriation Bill 2025-2026. It increases the total appropriation for the 2025-2026 financial year, increases the Health and Community Services appropriation for net controlled recurrent payments by \$65 million, and adjusts the Treasurer's Advance to one per cent of the new total appropriation.<sup>16</sup>
- 2.9. The Standing Committee on Legal Affairs (Legislative Scrutiny Role) examined the amendment and made no comment.<sup>17</sup>

## Matters considered

### Method and timing of payment

- 2.10. According to the Minister for Health, the ACT Government did not expect that negotiations would 'be finalised as quickly as they were', and the settlement with Calvary Health Care in the Appropriation Bill 2025-2026 is provisioned in the 2026-2027 financial year.<sup>18</sup> Officials stated that this provision - \$89.565 million - was established in the 2023-2024 financial year 'for the purchase of non-financial assets for Calvary', and has since been carried forward as negotiations took place.<sup>19</sup>

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<sup>12</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Assembly Hansard*, 3 September 2025, pp 2280-2281.

<sup>13</sup> ACT Legislation Register, *Appropriation Bill 2025-2026*, [https://www.legislation.act.gov.au/b/db\\_72727/](https://www.legislation.act.gov.au/b/db_72727/), accessed 9 September 2025.

<sup>14</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Assembly Hansard*, 3 September 2025, pp 2291.

<sup>15</sup> ACT Legislative Assembly, *Minutes of Proceedings No. 27*, 3 September 2025, p 383.

<sup>16</sup> Rachel Stephen-Smith MLA, Minister for Health, *Assembly Amendments to the Appropriation Bill 2025-2026, Supplementary Explanatory Statement*, September 2025, pp 1-2.

<sup>17</sup> Standing Committee on Legal Affairs (Legislative Scrutiny Role), *Scrutiny Report 9*, September 2025, p 8.

<sup>18</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Assembly Hansard*, 3 September 2025, p 2291.

<sup>19</sup> Scott Austin, Acting Under Treasurer, *Proof Committee Hansard*, 8 September 2025, p 2.

- 2.11. Officials told the Committee that the \$65 million payment is being moved from 2026-2027 to the 2025-2026 appropriation, but is being recognised in 2024-2025.<sup>20</sup> While the payment is being made in October 2025, the ACT Audit Office advised Government that the rules of accrual accounting led to the determination that, given ‘all the conditions were in place to make the payment’ in 2024-2025, ‘it should be reflected in that year’.<sup>21</sup>
- 2.12. According to the Audit Office, while this determination was the subject of debate and external advice, ultimately the payment constitutes an ‘adjusting event’ rather than a ‘non-adjusting event’. Under the requirements of Australian Accounting Standard AASB110 relating to ‘events after the reporting period’, an adjusting event refers to events ‘that provide evidence of conditions that existed at the end of the reporting period’. As such, the draft financial statements of ACT Health Directorate and Canberra Health Services for 30 June 2025 ‘will now be revised to reflect the final settlement arrangements to correctly recognise the liability’ and disclosures related to the payment.<sup>22</sup>
- 2.13. When the payment was established as a central provision in the 2023-2024 budget papers, it did not have an appropriation until 2026-2027.<sup>23</sup> With the amendment bringing the appropriation forward to 2025-2026, the Minister for Health confirmed that the ACT Government would be borrowing an additional \$65 million.<sup>24</sup>
- 2.14. The Minister for Health subsequently advised that the payment approach reduces interest revenue by \$1.58 million in 2025-2026, and \$822,000 in 2026-2027. According to the Minister, this approach ‘has the same impact on net debt as issuing additional debt’.<sup>25</sup>
- 2.15. The Committee notes that the amendment brings forward borrowing. This is taking place in the context of S&P Global Ratings’ decision to downgrade the ACT’s credit rating from AA+ to AA,<sup>26</sup> which according to Pegasus Economics ‘could be expected to increase the interest burden on ACT taxpayers’.<sup>27</sup>

### Finding 1

The Committee finds that the Minister for Health’s amendment to the Appropriation Bill 2025-2026 will increase both the Health Appropriation, and borrowings, with an ongoing impact on the Territory’s debt position and interest expense.

<sup>20</sup> Scott Austin, Acting Under Treasurer, *Proof Committee Hansard*, 8 September 2025, p 2.

<sup>21</sup> Scott Austin, Acting Under Treasurer, *Proof Committee Hansard*, 8 September 2025, p 4.

<sup>22</sup> Correspondence from the ACT Auditor-General to the Minister for Health, 8 September 2025, pp 1-2.

<sup>23</sup> Scott Austin, Acting Under Treasurer, *Proof Committee Hansard*, 8 September 2025, p 5.

<sup>24</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Committee Hansard*, 8 September 2025, p 3.

<sup>25</sup> Rachel Stephen-Smith MLA, Minister for Health, *answer to QTON 1: Interest on borrowing*, 8 September 2025 (received 11 September 2025, p 2).

<sup>26</sup> ACT News, *Budget deficit and proportionally high debt sees ACT’s credit rating downgraded to AA*, 5 September 2025, <https://www.abc.net.au/news/2025-09-05/act-credit-rating-downgraded-health-spend-deficit-infrastructure/105741368>, accessed 9 September 2025.

<sup>27</sup> Pegasus Economics, *Review of the ACT Budget 2025-2026*, p. 19.

- 2.16. The Committee accepts the need for the proposed amendment to the appropriations. The Legislative Assembly passed legislation to acquire the former Calvary Public Hospital, and the deed of settlement and release requires payment by 15 October 2025.<sup>28</sup>
- 2.17. The timing of the final settlement of claims with Calvary Health Care also raised questions about the process of using an amendment to the Appropriation Bill 2025-2026 to facilitate the payment.
- 2.18. For example, officials discussed the potential use of the Treasurer’s Advance. However, officials told the Committee that the Advance is ‘for those unexpected things later in the financial year’ and ‘not intended for something that you know’.<sup>29</sup> Given that a central provision for the Calvary Health Care settlement had been allocated in 2023-2024, the argument that the Treasurer’s Advance could not be used accords with this evidence.
- 2.19. The Minister for Health also noted that, had the Appropriation Bill 2025-2026 already passed the Assembly before the settlement was finalised, consideration had been given to introducing a second appropriation bill instead of using the Treasurer’s Advance. According to the Minister, avoiding the use of the Treasurer’s Advance was considered in terms of ‘transparency and accountability for the Assembly’.<sup>30</sup>
- 2.20. In the Committee’s view, using legislation to provide the money for the payment is appropriate, and provides for a greater level of transparency than using a mechanism such as the Treasurer’s Advance.

## Finding 2

The Committee finds that amending the Appropriation Bill 2025-2026 to provide funding for the settlement with Calvary Health Care provides greater transparency than other options.

## Communication

- 2.21. The Committee also examined the various public announcements of the full cost of the acquisition of the North Canberra Hospital.
- 2.22. On 2 September 2025, the Minister for Health announced via media release the \$65 million payment to Calvary Health Care, noting that \$23.3 million had already been paid in early compensation. The media release also stated that the ACT Government had ‘waived some debts, liabilities and other financial offsets’ as part of the settlement but did not state the amount.<sup>31</sup>
- 2.23. In reporting on the Minister for Health’s announcement, ABC News reported that it had further been revealed that ‘the total cost to the government for the entire takeover was

<sup>28</sup> Exhibit 2, *Deed of Settlement and Release*, p 5.

<sup>29</sup> Russ Campbell, Acting Head of Service, *Proof Committee Hansard*, 8 September 2025, p 18.

<sup>30</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Committee Hansard*, 8 September 2025, p 18.

<sup>31</sup> Rachel Stephen-Smith MLA, Minister for Health, Media Release, *Settlement reached with Calvary Health Care*, 2 September 2025, [https://www.cmtedd.act.gov.au/open\\_government/inform/act\\_government\\_media\\_releases/rachel-stephen-smith-mla-media-releases/2025/settlement-reached-with-calvary-health-care](https://www.cmtedd.act.gov.au/open_government/inform/act_government_media_releases/rachel-stephen-smith-mla-media-releases/2025/settlement-reached-with-calvary-health-care), accessed 9 September 2025.

just over \$150 million’, which included ‘some debts, liabilities and other financial offsets having been waived’ at a cost of \$63 million.<sup>32</sup>

- 2.24. On 3 September 2025, the Minister for Health informed the Assembly of the detailed costs of the waived debts, liabilities and other financial offsets:

A large component of this is the employee entitlements that transferred to the territory on 3 July 2023, along with the 2,000 staff. The territory has assessed the value of this component at just under \$48 million. The remaining financial considerations include \$14.4 million of waived debts. This figure is made up of pre-acquisition debts of \$13.46 million for services provided by ACT government entities to Calvary prior to acquisition, Supreme Court costs of \$220,000, and utility costs of approximately \$750,000 for gas and water across the hospital precinct since acquisition.<sup>33</sup>

- 2.25. The Minister for Health told the Committee that the \$88 million paid to Calvary Health Care was ‘in many ways the new information’ in the media release.<sup>34</sup> Additionally, the Minister stated that at a media conference questions were put around the waivers, and while she could not recall her exact response, she told journalists that the details would be provided in the 3 September ministerial statement.<sup>35</sup>
- 2.26. The Minister for Health noted that the announcement of the settlement details, particularly in relation to the waived liabilities, debts and offsets, was undertaken in this way due to a process agreed with Calvary.<sup>36</sup> Specifically, officials stated that disagreements about where the leave liabilities sat, with the ACT disputing Calvary’s view that accrued leave liabilities already sat with the Territory, made those details ‘difficult to include’ in the broader announcement.<sup>37</sup>
- 2.27. Officials advised that Calvary Health Care requested that the media release avoid the ‘grossed up’ number<sup>38</sup> and the Minister noted that additional details on the waived liabilities, debts and offsets was included in the Ministerial Statement to the Assembly the following day.<sup>39</sup> The Committee considers this process contributed to public confusion about the exact total costs of the Calvary Public Hospital acquisition, and contributed to the impression that the Minister was not being fully transparent.

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<sup>32</sup> ABC News, *ACT Government reaches \$88 million compensation settlement for Calvary Public Hospital takeover*, 2 September 2025, <https://www.abc.net.au/news/2025-09-02/calvary-hospital-takeover-act-government-cost/105723724>, accessed 9 September 2025.

<sup>33</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Assembly Hansard*, 3 September 2025, p 2280.

<sup>34</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Committee Hansard*, 8 September 2025, p 23.

<sup>35</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Committee Hansard*, 8 September 2025, p 24.

<sup>36</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Committee Hansard*, 8 September 2025, p 24.

<sup>37</sup> Sam Engele, Deputy Director-General, City and Environment Directorate, *Proof Committee Hansard*, 8 September 2025, p 25.

<sup>38</sup> Sam Engele, Deputy Director-General, City and Environment Directorate, *Proof Committee Hansard*, 8 September 2025, pp 25-26.

<sup>39</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Committee Hansard*, 8 September 2025, p 24.

### **Finding 3**

The Committee finds that the two-stage approach to public communication regarding the costs of the acquisition of Calvary Public Hospital on 2 and 3 September 2025 could have been undertaken with greater clarity to provide a full picture of the cost of the settlement at the outset.

### **3. Conclusion**

- 3.1. The Committee would like to express its thanks to all those who attended as a witness at the public hearing.
- 3.2. The Committee has made three findings in this report.

Mr Ed Cocks MLA

Chair, Select Committee on the Proposed Amendment to the Appropriation Bill 2025–2026

12 September 2025

# Appendix A: Witnesses

Monday, 8 September 2025

**Ms Rachel Stephen-Smith MLA**, Minister for Health

**Chief Minister, Treasury and Economic Development Directorate**

- **Mr Russ Campbell**, Acting Head of Service
- **Mr Scott Austin**, Acting Under Treasurer

**ACT Government Solicitor**

- **Mr Peter Garrison**, Solicitor-General

**Canberra Health Services**

- **Ms Janet Zagari**, Chief Executive Officer

**City and Environment Directorate**

- **Mr Sam Engele**, Deputy Director-General

**Health and Community Services Directorate**

- **Ms Caitlin Bladin**, Acting Executive Branch Manager, Strategic Infrastructure Branch

## Appendix B: Gender distribution of witnesses

Beginning in April 2023, in response to an audit by the Commonwealth Parliamentary Association, Committees are collecting information on the gender of witnesses. The aim is to determine whether committee inquiries are meeting the needs, and allowing the participation of, a range of genders in the community. Participation is voluntary and there are no set responses.

<b>Gender indication</b>	<b>Total</b>
Female	2
Male	4
Non-binary	Nil
Gender neutral	Nil
No data	Nil

## Appendix C: Questions taken on notice

### Questions taken on notice

No.	Date	Asked by	Subject	Response received
1	08/09/25	Castley, Leanne	Interest on the \$65 million in borrowings	11/09/25
2	08/09/25	Carrick, Fiona	Copy of transactions	11/09/25
3	08/09/25	Rattenbury, Shane	Economic effectiveness of acquisition	11/09/25
4	08/09/25	Carrick, Fiona	Condition of existing buildings	12/09/25
5	08/09/25	Carrick, Fiona	Claims for costs	11/09/25
6	08/09/25	Cocks, Ed	Spending on advertising and public communication	11/09/25
7	08/09/25	Carrick, Fiona	Staff safety and parking	11/09/25
8	08/09/25	Cocks, Ed	Parking issues	11/09/25
9	08/09/25	Carrick, Fiona	Breakdown of activity by specialty	Not received

## Appendix D: Submissions and exhibits

### Submissions

No.	Submission by	Received	Published
1	Rachel Stephen-Smith MLA, Minister for Health	08/09/25	12/09/25

### Exhibits

No.	Title	Received	Published
1	Operations Agreement between the Australian Capital Territory and Calvary Health Care ACT Ltd and others	08/09/25	08/09/25
2	Deed of Settlement and Release between the Australian Capital Territory and Calvary Health Care ACT Ltd and others	08/09/26	08/09/25
3	Correspondence from the Auditor-General to the Minister for Health	08/09/25	12/09/25

## Appendix E: Additional comments by Ms Fiona Carrick MLA

I would like to highlight my concern that the Directorate did not provide the 2025-26 Budget Addendum until after the hearings. This removed the Committee's ability to ask questions about the transaction and the Budget Addendum, leading to a lack of transparency.

During the hearings we were told that the \$65 million required for settlement of the Calvary Hospital purchase would come from borrowings and attract interest payments.<sup>40</sup> When we received the Budget Addendum, we found that the \$65 million payment would come from deposits and reduce interest receipts.<sup>41</sup>

We asked questions about the wrong transaction.

QTON 002 shows a reversal of \$89.6 million from the central provision, which also had a \$26.6 million asset component, neither can be found in the 2025-26 Budget Addendum.<sup>42</sup>

The Budget Addendum shows a \$66.2 million net asset provision liability gain that has a positive impact on the Headline Net Operating Balance and offsets the settlement expense.<sup>43</sup>

The Committee did not have the appropriate documents at the hearings, so it was unable to scrutinise the transactions thoroughly and ask questions about them.

This is a concerning lack of transparency.

Ms Fiona Carrick MLA

15 September 2025

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<sup>40</sup> Rachel Stephen-Smith MLA, Minister for Health, *Proof Committee Hansard*, 8 September 2025, p 3.

<sup>41</sup> ACT Government, *Budget 2025-26: Addendum*, September 2025, [https://www.treasury.act.gov.au/data/assets/pdf\\_file/0007/2916160/2025-26-Budget-Addendum.pdf](https://www.treasury.act.gov.au/data/assets/pdf_file/0007/2916160/2025-26-Budget-Addendum.pdf), accessed 15 September 2025; and Rachel Stephen-Smith MLA, Minister for Health, *answer to QTON 1: Interest on borrowing*, 8 September 2025 (received 11 September 2025), p 2.

<sup>42</sup> Rachel Stephen-Smith MLA, Minister for Health, *answer to QTON 2: Funds management*, 8 September 2025 (received 11 September 2025), pp 3-4.

<sup>43</sup> ACT Government, *Budget 2025-26: Addendum*, September 2025, p 6, [https://www.treasury.act.gov.au/data/assets/pdf\\_file/0007/2916160/2025-26-Budget-Addendum.pdf](https://www.treasury.act.gov.au/data/assets/pdf_file/0007/2916160/2025-26-Budget-Addendum.pdf), accessed 15 September 2025.