



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

**STANDING COMMITTEE ON CLIMATE CHANGE,  
ENVIRONMENT AND WATER**

(Reference: [Inquiry into the ecological carrying capacity of the ACT and region](#))

**Members:**

**MS M HUNTER (The Chair)  
MS M PORTER (The Deputy Chair)  
MR Z SESELJA**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**THURSDAY, 8 SEPTEMBER 2011**

**Secretary to the committee:  
Ms S Salvaneschi (Ph: 6205 0136)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

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## **Privilege statement**

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*Amended 9 August 2011*

**The committee met at 10.00 am.**

**GALLAGHER, MS KATY**, Chief Minister, Minister for Health and Minister for Industrial Relations

**DAVOREN, MS PAM**, Deputy Director-General, Policy and Cabinet Division, Chief Minister and Cabinet Directorate

**STEWART, MR DANIEL**, Executive Director, Ministerial, Cabinet and Policy, Economic Development Directorate

**THE CHAIR:** I declare open this sixth public hearing of the inquiry into the ecological carrying capacity of the ACT and region. I welcome Ms Gallagher, the Chief Minister of the ACT, Ms Pam Davoren, from the Chief Minister and Cabinet Directorate, and Mr Dan Stewart, who was formerly with CMCD and is now with the Economic Development Directorate. I remind you of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement before you on the table. Could you confirm for the record that you understand the privilege implications of that statement?

**Ms Gallagher:** Yes.

**Ms Davoren:** Yes.

**Mr Stewart:** Yes.

**THE CHAIR:** Chief Minister, would you like to start by making an opening statement?

**Ms Gallagher:** Thank you, chair; only briefly. The government remains very interested in this committee inquiry and we look forward to the report when it is finalised. I think the former Chief Minister and Minister Corbell have either appeared before or provided submissions to this inquiry.

In addition to supporting the comments that have been made by my colleagues, since I took over the Chief Minister's role, I have had a couple of meetings with the New South Wales government, both the health minister and the Premier, and I am arranging a further meeting with the Premier in the not-too-distant future, to discuss matters of regional cooperation with the ACT and the surrounding outlying areas. I have also met with the Queanbeyan mayor to discuss issues of mutual interest across our borders.

There are a number of regional frameworks and agreements that are in place. I think it is timely, particularly for a number of them, to have a look at them, refresh them and see where improvements need to be made or new content needs to be put in. The ACT-NSW regional management framework was signed in 2006, under former Premier Iemma and the former Chief Minister. Certainly, in terms of my discussions with Premier O'Farrell, the focus would be on having a look at that agreement. There are a number of other agreements which we have provided to the committee.

There are also a number of structures—Regional Development Australia (ACT) and a

number of other groups which meet. I think there is an opportunity maybe to have a look at those, see how they operate and make sure they are relevant and are not duplicating work or areas of interest. So that is a big piece of work that I am at the beginning of at the moment. With respect to a lot of what you are looking at in terms of our role in the region, some of those issues around transport, health and water will all form very important parts of those discussions.

**THE CHAIR:** Thank you. That is a good place to start because, as we have gone through the inquiry, we have come across a number of different forums, groups or strategies. Thank you for providing us with a number of agreements or MOUs that have been signed. It has been a little bit confusing as to how these things fit together, whether they do fit together, whether they have actually had any sort of outcomes for the ACT, particularly when we are needing to look outside our borders. We know how many people come into the ACT every day to go to school, to work, to use our hospital services, for instance. Whether it be about the economy, whether it be about our environment or our infrastructure, there is very much that we need to be looking at not just within the borders of the ACT but regionally. So it was really about trying to work our way through, to get some understanding about these different groups and how they fit together. Of course, now we have Regional Development Australia (ACT). That is another body that is in place. I guess that would be my question, Chief Minister. Do you have some sense of how these things fit together or when that piece of work you are talking about is going to start and what it will involve?

**Ms Gallagher:** I have not discussed this with Premier O'Farrell in any detail other than to, I think, have a discussion with him around how our two jurisdictions interact together and cooperate together. It was a very civilised, polite, cooperative discussion that we had, but we did not get into any of the detail. It was: "It's in both of our interests to have agreements that sit across the ACT and surrounding New South Wales that maximise the potential of our region, the efficiency of delivering services." That was the discussion that we had. We agreed that we should have a meeting within a month to progress that. It is my hope that we will be able to agree to a time very shortly.

My hope would be that the regional management framework would be the overarching agreement. The agreements that sit under that are specific purpose ones. There is water and there is the settlement strategy. There is the health cross-border agreement. I am not sure you will be able to get rid of those because they deal with a particular purpose. Perhaps you would be able to have them included in an overarching agreement so that you did not have that level of confusion around what took precedence and what was more important.

The health cross-border agreement, for example, is worth in excess of \$80 million a year, whereas the regional management framework is more of a high level document about how we are all going to work together in the interests of both of our regions. It is difficult to say one is more important or not more important. From a financial point of view, the health cross-border agreement is much more important to the ACT government than something that does not have \$80 million worth of revenue sitting there impacting on our budget.

I think if we could get some overarching agreement that identified the other sub-

agreements or specific agreements that exist and put a plan about how all of that works together it would make sense, because then people who are not involved in those specific agreements would understand how it all works together. But, again, I do not want to pre-empt anything that I have not raised in discussing detail with the Premier. I sense from the discussion we have had that we are both on the same page.

**THE CHAIR:** As you said, there would be this regional management framework that may well be refreshed and re-signed on to and underneath there would be things around water and the specifics that you were talking about. Obviously that is an agreement between you and the New South Wales government.

**Ms Gallagher:** Yes.

**THE CHAIR:** How then does the Regional Leaders Forum link to that? How does your relationship with the Queanbeyan mayor relate to that? It is also—

**Ms Gallagher:** The local government flavour as well.

**THE CHAIR:** That is right. Will there be some link from that agreement to these forums and structures that are on the ground?

**Ms Gallagher:** I think there can be. Again, whether you could deliver it all under one agreement—whilst it might be optimal for us, it might not be as agreeable for all of the local government areas. But it is possible. Again, trying to get my head around Regional Development Australia (ACT) and the different groups—there is the South East Regional Organisation of Councils, the Regional Leaders Forum and the south-eastern transport task force. There are the Mayor of Queanbeyan meetings that come up. There is the cooperation that happens at an official level between the two levels of government. There are a number of different fora.

Whenever I go to each one of these meetings I always think it would be a brave person who said, “Well, I don’t think you need to exist because there’s this other forum that seems to do a similar job.” At every meeting I have had with the regional leaders, the Queanbeyan mayor or Regional Development Australia (ACT) and their surrounding counterparts I have found them to be very enthusiastic and focused people who are involved in that. Even though I think there could be some opportunity to streamline our consultative processes, it really is about working with the existing ones and looking at how we can work together rather than change what we have in place at the moment.

**THE CHAIR:** What do you see as some of the achievements? For instance, let us take the Regional Leaders Forum. What would you see as an achievement that has happened over the last couple of years from that forum?

**Ms Gallagher:** Perhaps it is better if Pam speaks about that because she has had more experience than I have had. I would have to say that the Regional Leaders Forum, from my experience, is a good opportunity for all of the local regional leaders to get together and talk about issues that are affecting all of their jurisdictions, to learn from each other and to listen to each other. I do not know if you are looking for an iconic project or something that has been delivered out of that.

**THE CHAIR:** It is more about getting a sense of it. Obviously it is about sharing information, but I would also see it being around the discussions about planning within the region—looking at things like transport, for instance, and being able to focus in on, say, transport between Yass and down that road and into Canberra and how you then work together to identify what the issues are and come up with a solution.

**Ms Davoren:** One of the stand-out things for the Regional Leaders Forum for me, apart from building those very strong relationships across the region which are increasingly important, given the changing demographics and growth across the region, is the kind of broader perspective for the state of the environment reporting and the role played by the former Commissioner for Sustainability and the Environment across that region. It has been quite interesting to see how that has developed over the years. It is interesting to see that that is the one area in terms of that kind of regional approach to environmental matters that has seemed to cohere more with the Regional Leaders Forum. As you say, over time there are opportunities now to look at transport and stronger collaborations.

One of the challenges we have found with the leaders forum is that it is quite a big group. It is from 17 local government areas with quite diverse interests. So there is that kind of issue. Do you tighten it so that it is easier to get those connective interests that are clearer, to build collaborative activity? But then others say, “We’ve got a role in this too.” So it is a matter of how we juggle the interests of having a broader membership of a regional leaders forum, as it might make it a little bit harder to get areas of common interest for all of the 17 mayors.

That is the kind of issue we are looking at at the moment. With the new involvement of the commonwealth in regional issues and working through how we make use of the RDA (ACT) and the collaborative relationships with other RDAs in the adjoining region, I think that there might be some opportunities for getting some of those collaborative projects going. I think that is an issue that we have really got flagged for the next bit of work.

**THE CHAIR:** RDA will be appearing before the committee this afternoon. As I understand it, they do have MOUs with a number—

**Ms Davoren:** With one; the Southern Inland—

**THE CHAIR:** Only one at the moment? I understood earlier on that they had more. But we will discuss that with them this afternoon. I also note that Minister Crean made the announcement yesterday about the first round of funding for the RDAs and the ACT was the only jurisdiction which did not get any funding.

**Ms Gallagher:** I think the south-east RDA did not either—the one immediately adjacent to us.

**THE CHAIR:** Yes. So I will be asking some questions. I think it is rather unfortunate that we have missed some funding in that first round.

**Ms Gallagher:** I agree.

**MS PORTER:** I want to explore a little bit more the relationship with the commonwealth now in regard to the region, and particularly around water agreements and health agreements. Where do you see that and what more work will need to be done? How does that fit in with all of these different groups that we have, and with the commonwealth now being another player in all of that?

**Ms Gallagher:** I do not think there has necessarily been any significant change in terms of health or water, other than that the Murray-Darling Basin agreement remains under consideration. But in terms of our local water supply agreement, that agreement is in place for 150 years, unless terminated for some other reason.

In relation to health, there is some capacity through national health reform for the commonwealth to be involved in discussion of disagreements about cross-border arrangements. But they have previously had that power as well. In terms of health, my own view is that we have to be working towards the provision of a regional health service. This is probably the biggest area in which you could make a difference to the regional community, if you had a regional health service. It sounds easy but it is not easy. It is incredibly difficult to achieve. But I have had some good meetings with New South Wales health ministers, under the previous government and more recently with Jillian Skinner, the new health minister, about how we are to move to that.

The issue which will become difficult is that, even though it appears that both governments agree that we need to move to the provision of a regional health service, it is a matter of who runs it, who takes over whom, and some of the very significant industrial issues that would exist under any agreement for a regional health service. But it is firmly my view that that is the best way to go. Canberra Hospital is the major hospital with respect to Calvary, Yass, Cooma and Queanbeyan, and it already provides that role, in a sense, on an operational basis. But from an organisational basis, it does not. I think that presents challenges, particularly to us, as a major tertiary hospital system. So I think there is an opportunity to take significant steps forward in relation to the provision of health services.

In relation to water, a lot of work is going on under the Murray-Darling Basin agreement. But as far as uncertainty around Queanbeyan, Googong and the ACT, I am of the view that that has been resolved satisfactorily.

**MR SESELJA:** I am interested in Regional Development Australia (ACT). What is the relationship between that body and the ACT government? Is there a set part of the directorate that deals with them and, if so, how often, and in what capacity do you deal with them? I am not that familiar with them; we will find out more about them today. Are they a commonwealth organisation?

**Ms Gallagher:** They are jointly funded.

**MR SESELJA:** So what is the nature of the relationship with the ACT government?

**Ms Gallagher:** Pretty close, I think. I have certainly met with them a number of times, and I am meeting with them again tomorrow. I have spoken at meetings that they have

had recently. So from my point of view it is pretty close but I am sure that there are other officer-level discussions.

**Ms Davoren:** We generally participate in the meetings. Also, I maintain contact with the chair and also with the deputy chair, Barbara Norman. In fact, I will be meeting with the chair to talk about the next cycle of strategic planning and bringing in some of the thoughts that we have just been talking about in terms of how we build up stronger collaborative relationships with some of the adjoining RDAs and looking at that question of stronger collaboration on specific project areas, so really trying to get some specifics built into that cross-RDA regional planning.

**MR SESELJA:** When you say “collaboration on project areas”, do you mean between what the ACT government is doing and RDA, or RDA and other—

**Ms Davoren:** RDA and other RDAs, saying, “Can we use the RDA structures as the basis for stronger collaboration on particular areas across the region, looking at issues of, say, transport or innovation and trying to get an understanding of what are the issues where we have common interests and how do we progress work on those.” If you are going to take a regional approach you have to find a mechanism to do that. So we are very interested in continuing that work with the RDA. I think that is a good mechanism that is there. It is jointly funded by the ACT and commonwealth governments and then in New South Wales by the New South Wales and commonwealth governments. We want to build those relationships and see whether we can use that as a very strong mechanism for the future.

**Ms Gallagher:** Certainly the RDA, in the meetings I have had with them, are very keen to work alongside the ACT government. We provide them with information about what we are working on and some of the pressures and challenges. At my last meeting with them they were very encouraging, saying: “Let’s work together in the interests of our region. We’ve got connections with other RDAs, but we want to make sure that, in terms of what we are advocating for, we’re not out of step with the local ACT government, that we’re actually working in partnership, not in competition.” That was the nature of the discussion.

**MR SESELJA:** What role, if any, would they have in something like the proposal for development on both sides of the border up in the northern part of Canberra that we were hearing about recently? The minister was talking about it a little bit in here and then it was—

**Ms Gallagher:** In Riverview?

**MR SESELJA:** Yes. Obviously that presents real challenges from a governance point of view. Do the RDA have a role in that or do you see the ACT government directly just negotiating with Yass and looking at whether or not there is any possibility of that going ahead?

**Ms Gallagher:** I think if a project like Riverview were to go ahead there would certainly be a role for the RDA. I think it is probably a bit early for that formal engagement with them. One of the big areas of discussion is development and settlement patterns around the ACT. I know that they have had discussions with

Southern Inland, the RDA, around that. I certainly think it would be something they would be interested in and would be encouraged to be involved in.

**MR SESELJA:** Is there any progress on those discussions from your perspective?

**Ms Gallagher:** On Riverview?

**MR SESELJA:** Yes, with Yass.

**Ms Gallagher:** What I can say is the cabinet have asked for more information around the proposal before we make any decision about whether we are prepared to be involved with it. So it is ongoing.

**MR SESELJA:** But in terms of discussions over the border there has not been any at a whole-of-government level?

**Ms Gallagher:** An IDC was formed. I cannot speak necessarily for the IDC about whether it has had discussions with Yass formally. I have not. Again, I think it is a little pre-emptive. We are trying to work through the issues that we have to work through as an ACT government around whether or not we would support this. Primarily I think one of the issues is around a long-term lease issued for a certain purpose being essentially used for another purpose and some of the challenges that presents to the government.

**MR SESELJA:** Who is on the IDC?

**Mr Stewart:** I appear as the former director, economic, regional and planning in Chief Minister and Cabinet. The IDC is being coordinated by the Economic Development Directorate, so chaired out of that group, with representatives from Treasury, Chief Minister's and TAMS. I think those are the three. Input has been sought from JACS in relation to the potential ESA issues but, in terms of the substantive representatives, it is those directorates.

**MR SESELJA:** What discussions has the IDC had, if any, with representatives of Yass?

**Mr Stewart:** I was not party to those discussions, but I believe there were meetings held. In terms of the current proposal before government—and it has been discussed publicly—it would not actually see development on the New South Wales side of the border. The proposed residential settlement is entirely within the ACT. At that point, once that decision had been taken by the proponent, in a sense the cross-border issue was somewhat ameliorated because there was no longer that potential service population sitting on the New South Wales land but with the connectivity only back into the ACT.

When the proposal was that there would be potential settlement on both sides of the border there was obviously a big implication for New South Wales, and Yass in particular, but as the proposal developed and it became focused wholly on the ACT I think Yass at that point were of a view that it was not a big issue for them.

**MR SESELJA:** Does the government have an in-principle view on that proposed development? There is no official view from the government at this stage; it is just investigating it?

**Ms Gallagher:** We are, yes.

**THE CHAIR:** I would like to pick up on the issue of the cross-border settlement. I understand in your correspondence, Chief Minister, you mention in there that regarding the cross-border regional settlement strategy the MOU was never finalised. There was a lot of discussion and obviously a lot of effort that went into it. It was to be in place by 2007, but basically it did not get off the ground. In that correspondence you mention, for instance, that there can be differences of opinion and sticking points, such as the Tralee development, that can be in the way. Will that become part of your discussions with the Premier?

**Ms Gallagher:** Yes.

**THE CHAIR:** Is it your intention, hopefully, to have some sort of agreement in place?

**Ms Gallagher:** Yes, if it can be reached. As to the issue of Tralee, our position is that it should not be developed, but we have always been clear that, if it is—mindful of the fact that the decision is not ours—we will work collaboratively with the New South Wales government on how to make that work. We have not necessarily stood in the way of Tralee, but we believe the impact on the ACT in terms of some changes that would be made about flight paths would impact on the ACT. That is why we have argued against it. It has been the major sticking point. I see it remains the sticking point for the new New South Wales government about what exactly to do with Tralee.

**THE CHAIR:** Obviously there are more and more proposals. Mr Seselja has mentioned Riverview. I am aware of another cross-border settlement. It is becoming quite an issue that obviously needs to be dealt with.

**Ms Gallagher:** Absolutely. I think, from our point of view, it is always going to be difficult in the sense that the local government areas surrounding the ACT are growing faster than we are, and we are growing pretty fast. In fact, I think they are the fastest growing areas. We can see what is happening and the pressure that is there. It is outside of our capacity to influence necessarily. We can have a strategy where there is some MOU and agreement about that, but ultimately these are decisions for local governments and, in this case, the New South Wales state government, about planning. But we can certainly make sure our work is done about what we believe the impact to be on our city and our services. It is always going to be a difficult one. This is very much something that I would like to see progressed through new discussions and refreshed agreements between the New South Wales and ACT governments.

**THE CHAIR:** As you say, the local government areas are fast growing. We have an ACT demographer that I understand still sits within Chief Minister and Cabinet.

**Ms Gallagher:** Yes.

**THE CHAIR:** Does that ACT demographer analyse, for instance, population across the region and not just within the ACT?

**Ms Gallagher:** Yes.

**Ms Davoren:** In terms of the capability that we have built up in Chief Minister and Cabinet, the priority in the first instance has been releasing ACT population projections, which we do every two years. Every other year, we have another project. This year the project is regional demography. We will be looking at the issue of how we encompass our demography function to look at population growth in the region and also more broadly at some of the kinds of statistical parameters that we might want to look at in terms of better understanding our region.

A few years ago we did some work on the economic footprint, which we released on our website. So it is continuing that work around not just population but what is a service footprint, just to try to nail the interrelationship between the ACT and the region statistically. So that is a bit of work. We think this year we would be unpacking the model. In terms of analysis of population data, we will probably defer until we get the results of this year's census, which will probably be in the second half of next year, and then we will start to do some intensive work on that. So that is quite a big bit of work, in addition to the work we do on our own population.

**THE CHAIR:** What would you then use it for? Is it just for how we design our services in the ACT or do you see that that has—

**Ms Gallagher:** It certainly informs that.

**THE CHAIR:** a wider regional application?

**Ms Davoren:** I think it would be relevant for research. It is interesting that at the University of Canberra there is a group called Canberra Urban and Regional Futures. I think that in the future there is the prospect of collaborative research with that group. Also, local governments in the region would share the benefits of that kind of work. It is something that we think is very important. It is really about trying to explore the parameters of the regional interrelationship and the impact statistically in terms of our demographic data.

**THE CHAIR:** I will come back to population in a moment. Ms Davoren, you mentioned Canberra Urban and Regional Futures. We have invited Dr Norman to appear before the committee in a couple of weeks time. That is a UC-ANU project?

**Ms Davoren:** Yes.

**THE CHAIR:** Are there formal relationships or connections with the ACT government? I understand that ACTPLA, for instance, does have some connection with that group. Will there be a formal relationship?

**Ms Davoren:** At this stage it is a collaborative relationship with CURE. Obviously we have relationships with the University of Canberra in different ways, in terms of our funding of the ANZSOG chair; we share the funding of that. At this stage, with CURE,

it is a matter of working together and being interested in the projects we have underway. For example, last week I participated in a conference that was held at Batemans Bay which involved people from around the region. So it is that kind of informal relationship at this stage. We have not taken up any kind of formal relationship. But I also know that, given the nature of the group at UC, which is obviously planners, there is a strong relationship with ACTPLA. But I am not aware of any formal relationship at this stage.

**THE CHAIR:** I think there is quite an environmental focus to it as well, with sustainability.

**Ms Davoren:** Very strong.

**THE CHAIR:** I want to bring it back again to population. Last year the ACT population projections were released, and that happens every couple of years. Chief Minister, there has been talk of the ACT getting up to around half a million people, or a little bit over that, in the next couple of decades. Do you have a particular view on—

**Ms Gallagher:** On what it should be?

**THE CHAIR:** That is right. Obviously, from what we understand, a lot of that is just a natural increase in population.

**Ms Gallagher:** Yes, it is.

**THE CHAIR:** So that will occur. Is there a view from you and your government around what sort of size—

**Ms Gallagher:** I think the view is, and there is an acknowledgement, that the ACT does not control our population. For a government to say, “We think it should be this,” and we use figures in our planning, is useful, but at the end of the day we are not going to put the borders up and lock everybody out once we reach a certain point. We cannot.

In terms of the data that is before the government, it is essentially natural population growth. So the effort and focus by the government should be on how we prepare for that, on the change that that number of people in Canberra and the surrounding region will have on our city, and managing that change carefully. The projections are rising to about 430,000 or 440,000 by 2030 within the ACT. In the immediate surrounding region at that point it would be closer to 600,000. So that is informing all of the decisions we take about our health infrastructure, our urban infrastructure, our schools, everything. We are using that as a guiding light.

My own view is that it is difficult for a government to say, “I think we should be this size, and this size only.” We have to be mindful of the fact that we cannot control that, and we do not control the levers that might influence that. People keep having babies and living longer.

**MS PORTER:** That is right, and grandparents are not moving out but are moving into the ACT to be near their families. That is a trend, is it not?

**Ms Gallagher:** I think we are seeing less of moving to the south coast than we have seen in the past. People are staying in Canberra. I have to say, as a long-term Canberran, I think there are benefits from that. As our city grows and matures, the options available for young people particularly are greater than they were perhaps when I was growing up. The big push once you were 18 was to get out of the ACT. I think that slowly and over time our city is changing, and that is to its benefit.

**MS PORTER:** Some young people are moving away but they are coming back when they marry and have children. It is certainly changing. It is not a transit town as it used to be. At one stage when you came here you just spent some time here and went on. It appears to me that it is now more a place to live and to have your whole family. Is that coming out in the figures?

**Ms Gallagher:** I think we are seeing that slowly changing.

**Mr Stewart:** Yes, that is right. Although we still see relatively large numbers of people moving out at those younger ages, we see large numbers coming in too. The arriving students who are studying at our tertiary institutions are somewhat offsetting, or mostly offsetting, the traditional departure of those younger people who might choose to study elsewhere or work elsewhere at that point in their lives.

**THE CHAIR:** There is some tension that has grown within the community around growth versus the argument that we should not be growing to that size, that it is putting pressure on our environment and that it is forcing this change on our community, which is about urban infill and so forth. How do you see that those concerns can be balanced or worked through?

**Ms Gallagher:** I think you are right. I think this balance is going to be a job for every government right up to when we see the population growth figures change. We can predict forward the next 20 years at least. Governments in the ACT are going to be balancing those difficult issues. Canberra is changing, and change is hard, particularly for people who have a firm view about what Canberra was and what it should remain. I think the key here is for the community leaders—that involves all of us—to manage that change as sensitively as we can. That does not mean no change, but it means where change occurs that our processes and procedures are right to ensure that we are taking the community with us, even if they disagree.

One of the things that annoy people the most about infill, in my sense, is the redevelopment within suburbs where you have six units being squashed on a block next to a suburban house. That seems to be the cause of a lot of concern. We have to get better about this. In terms of the benefits that can be brought from infill development, I think all of us need to concentrate on the major transport corridors. That should be the focus of our effort—encouraging redevelopment in places where it makes sense to people and where they can see that it makes sense.

I think that is a way of going carefully with the community but allowing the city to develop and have a new side to it, without causing that suburban angst that seems to come from those suburban redevelopments. I am not saying that you would not do any suburban redevelopments but that the government in the short term should be

concentrating on those areas where I think there is agreement that we should see, in particular, increased residential occupancy.

**THE CHAIR:** There is also, I guess, a bit of an issue, when we talk about population and size and ecological carrying capacity, about whether it is a particular number or whether it is the way we live. We know that the ACT has probably the highest consumption rate. We have got high disposable incomes, we buy a lot of stuff and we use a lot of stuff—

**Ms Gallagher:** We sure do.

**THE CHAIR:** particularly the goods and services and so forth. Do you have a view or is there work being done to look at how government might play a role—obviously it is not just the responsibility of government—in putting some focus on this issue of consumption?

**Ms Gallagher:** I think we have already shown some signs of that in terms of our programs around energy efficiency. Transport would probably be the second area where we need to lead the way. We know that in terms of our greenhouse gas emissions it is our electricity consumption that is the major area of output, with transport being not as close but second overall. Those are the two areas that I think government needs to lead the way on in terms of promoting energy-efficient goods.

Our focus at the moment is on those with lower incomes. I had a roundtable with people last week around how we support those households that are doing it a bit tough. The feedback from the service providers is that the capacity to encourage people to get energy-efficient goods in their house is making a really big difference on their hip pockets. I think we have made a start, but they are targeted programs with concessions and connections to people who are in receipt of government assistance already. The next step is to look at how we can broaden that out and target it. I think it still needs to be targeted. The government cannot afford to accept all the responsibility for this. The other area is transport. I think we have got a bit more work to do there, but it is very firmly on the government's agenda.

**THE CHAIR:** Hopefully, if there are any further questions, you will take them on notice.

**Ms Gallagher:** Yes.

**THE CHAIR:** Chief Minister, thank you very much for appearing today, and thank you to Ms Davoren and Mr Stewart.

**Meeting adjourned from 10.44 am to 2.32 pm.**

**SLOAN, MR CRAIG**, Chair, Regional Development Australia (ACT)

**VAN AALST, MR ROBERT**, Executive Officer, Regional Development Australia (ACT)

**THE CHAIR:** I welcome Mr van Aalst and Mr Sloan from Regional Development Australia. I remind you of the protections and obligations afforded by parliamentary privilege and draw your attention to the privilege statement that is before you on the table. Could you confirm for the record that you understand the privilege implications of the statement?

**Mr Sloan:** Yes.

**Mr van Aalst:** Yes.

**THE CHAIR:** Would you like to start by making an opening statement?

**Mr Sloan:** I will give the committee a bit of background in terms of who the RDA is, so that we are all across that, and what our charter is, because that may well frame some of the responses we have to questions. I will be reading out some of what is included in our strategic plan which the Chief Minister is actually launching tomorrow morning.

Regional Development Australia is a network of 55 committees formed in 2008-09 as an amalgam of previous federal, state and territory government endeavours in regional development. Each RDA committee represents a region of Australia and all of Australia is represented by an RDA committee.

The role of RDA committees is to build partnerships between key regional stakeholders and to facilitate locally relevant responses to economic, environmental and social issues that affect local communities across Australia. RDAs facilitate regional planning at a strategic level based on informed community consultation with key local region stakeholders, including all levels of government, be it federal, state, territory or local, with business and industry, education, training and research institutions and community organisations.

RDAs also form a two-way link that communicates community messages to governments and vice versa. RDAs are funded through a partnership of state, territory and federal governments. In the case of RDA (ACT), the Australian and ACT governments provide joint funding.

Under the agreement of our RDA guidelines with the federal government, and which are also included in the territory government arrangement, we have five key outcomes that we are looking to achieve. The first one is enhanced community engagement and consultation. The second is improved regional planning. The third is an enhanced whole-of-government approach. The fourth is enhanced awareness of government programs and the fifth is improved community and economic development.

The RDA national charter states that a key focus of RDAs will be on the economic, social and environmental issues affecting communities. RDA will be an important

contributor to and driver of regional business growth plans and strategies which will help support economic development, the creation of new jobs, skills development and business investment, environmental solutions which will support ongoing sustainability and the management of climate change, including the impact of drought, flood or bushfires, and social inclusion strategies which will bring together and support all members of the community.

Regional Development Australia, in consultation with the community, business, not-for-profit organisations and all levels of government, will articulate local priorities, identify and align resources, engage stakeholders and promote solutions. In doing this, RDA will support the growth and development of regional communities across the country.

RDA will support, promote and disseminate information on government policy initiatives to the benefit of local communities. To this end, RDA committees and chairs will have a strong understanding of federal, state and local government policies and initiatives and the ways in which local communities can engage with them.

RDA will take a leading role in bringing together organisations to take advantage of government programs, policies and initiatives. RDA will be an effective conduit between governments and regional communities. It will enable all communities to provide input to governments about the strengths and weaknesses of regional Australia.

That provides a bit of context in relation to what the role of RDAs are nationally. Certainly the one in the ACT is built around those sorts of premises. So we are not a “doing” body in terms of running and managing all programs and all things; it is really a facilitation role where we try and connect the relevant parties and try and promote relevant projects, working together with local and regional communities to actually deliver on those economic, environmental and social outcomes, which is what we are here for.

Certainly, at the federal level, Minister Crean is very keen on RDAs working together collaboratively to make some of these initiatives bigger and broader than simply local solutions. To that end, we have signed an MOU with our neighbouring RDA, Southern Inland, which takes in the whole belt. We are like the hole in the doughnut; we only look after the ACT. There is another RDA that surrounds the whole of the ACT. So we have signed an MOU to basically work together on initiatives that come up where we have common interests.

**THE CHAIR:** I wanted to start with that issue about working together. In your strategic plan you do have the map of the RDAs. As you said, the ACT sits surrounded by the Southern Inland RDA. You signed the MOU. What sorts of things are you looking at working together on? How will that MOU roll out?

**Mr van Aalst:** That is a good question. Obviously we cannot speak on behalf of the Southern Inland RDA directly, but they have an agenda to develop the 14 local government areas that surround the ACT. They have representatives on their committee that are from all parts of their region, just as our committee is comprised of ACT residents—except for one; on our committee we have the general manager of

Queanbeyan City Council, which is very good.

**THE CHAIR:** I noticed that.

**Mr van Aalst:** The RDA Southern Inland Committee has that primary responsibility for their region. At the secretariat level, we work together almost weekly. We are talking about what each other is up to, what our priorities are and how our committees are thinking and directing their thoughts. From a practical perspective, I think we have had one joint meeting and we are looking at organising another one at some stage soon—a joint meeting between the two committees so that they can discuss potential projects and activities that they could work on together.

Certainly, at the secretariat level, we have been exploring a number of things for which we have not really got endorsement from our committees yet to progress. In the area of the environment, there is a proposal being worked up at the moment for a south-east region of renewable energy excellence, which builds in to the New South Wales government work about renewable energy precincts which stops at the ACT border. We would like to overcome that barrier and make sure that it includes the ACT's strengths in solar energy and in research and development in particular.

We have also had some early discussions with the secretariat about the role of the NBN and how the NBN might be utilised to help roll out health and education services across the broader region. These are fairly early discussions at this stage. There is nothing concrete as far as projects go that have come out of that.

**Mr Sloan:** Discussions have also centred around transport links in the region, whether that be through connecting better to the airport and those links through, also coming down the highway through Majura and to Cooma, and the surrounding roads linking in to the ACT. Also, importantly, there is that link between Queanbeyan and the ACT—how we might work together to look at projects in that sort of space. You cannot do anything in the ACT without considering the region. That is just the nature of who we are and that is the uniqueness and the beauty of it, I think, frustrating as it may be for people with some of those decisions. It is a big opportunity for us, and that is the way we see it. If we can connect with them we can hopefully start to influence and work with the New South Wales government to get them to the table on some of these initiatives that are being considered at the moment.

**THE CHAIR:** I guess that is where our invitation came from. We are doing this inquiry into the ecological carrying capacity of the ACT and region and it involves a whole range of issues. It is around planning, infrastructure, transport, the environment, social issues and so forth. Along the way we have found that there seem to be a number of different groups and forums and we have some agreements that have been in place for some time with New South Wales. It is just a matter of how all of this comes together or gets coordinated. It seems that we have not quite figured out whether it does or not yet. On top of that, of course, the RDA is reasonably recent, in a way. Are you aware of these regional leaders forums, the connection that we have with the Queanbeyan City Council through the mayor? There is also the Sydney to Canberra corridor strategy around development and so forth. Are you aware of these? How do you see that what you are doing links in with some of these things that are in place?

**Mr van Aalst:** We are aware of all those other relationships and other bodies that are around. I have had some experience in regional development around the region as well. From 2002 to 2005 I was executive officer of the Capital Region Development Board, which was the joint ACT-New South Wales regional development organisation. I have been involved with the Regional Leaders Forum over time. I am aware of the regional management framework that the ACT government has had in place and is trying to renew. We are also a member of SEATS—the South East Australian Transport Strategy. We try to keep ourselves involved in or knowledgeable about all the other regional bodies, what they are doing and what their roles are.

As you mentioned, RDAs are a fairly new beast and a new part of the regional ecosystem in the country. They certainly have a specific role as far as the commonwealth is concerned—and that is articulated in what Craig was saying before—and in our funding arrangements with the commonwealth. We are one of 55 large organisations, a network of organisations around the country. So we have particular roles and activities in that. We are also co-sponsored by the ACT government, so for our particular patch of Australia we also have an agenda to push what is beneficial for the ACT.

**Mr Sloan:** It is a good question. There are all those forums. I spoke at the last Regional Leaders Forum. I think it was my second week in the chair at that one. I think I said to the Chief Minister of the day, in terms of what is the benefit of that particular forum, that the question turns on where does the RDA fit into that because they have the RDAs from some of those regions present as well. I think that was where I was getting a little bit confused: “Why are we here if you have got the mayors gathered around and the general managers of those city councils seem to be in attendance as well? So what is the role of the RDAs?”

I think, in fairness, it has probably taken two years for us to really work that out. That was really on the back of the federal government creating these things but they really did not do anything with them, and now there is a billion-dollar pot of money, there are big funds. The RDA fund is out there. I do not know whether you saw the list that came out yesterday of the first round of projects.

**THE CHAIR:** Yes, it was quite disappointing that the ACT did not get any funding.

**Mr Sloan:** It was very disappointing, but I do not think we were the worst off. I think about half of the RDAs got something. Obviously we are the only state or territory jurisdiction that did not get anything.

**THE CHAIR:** That is right.

**Mr Sloan:** We only had three projects that went up. It was a really short time line. We are different because we do not have local government. If you look at Southern Inland, Southern Inland has 14 local government bodies within it. So it has 14 of these councils out there all thinking of projects which they want to do in their local communities, all throwing ideas on the table. Even with Southern Inland, they had 28 projects that that RDA basically endorsed. None of them got up. We had three. Whilst it is disappointing, I would go the other way and say it is a great opportunity now

because we have got to get something and we just really have to work together and say, “What is the best project?”

**THE CHAIR:** What were the projects that went up?

**Mr van Aalst:** They were all ACT government projects. For the purpose of the Regional Development Australia fund, the ACT government is treated as a local government. It is only local governments and not-for-profit organisations or consortia led by those groups that were eligible to apply, and it was for infrastructure. There were three that went up. One was for low-cost accommodation at Stromlo Park to meet the needs of Stromlo Park for their sporting events but also, and primarily, to meet the needs of the education-tourism market. There is a real lack of low-cost accommodation available for that. It was a very worthwhile project.

That was one through TAMS and there were two through the Department of Education and Training. One was for some additionality to the Bonner primary school, an Indigenous cultural centre, and expanding the planned Indigenous focus of the Bonner primary school. The third one was for an extension of the Canberra college cares program at Canberra college at the Weston campus to increase the capacity of that program to accept more of their client base, which is year 11 and 12 mothers, back into the education system. They were three worthwhile projects, we thought.

**MR SESELJA:** What is the process for these projects coming to you and then being put up to the government?

**Mr van Aalst:** One of the rules, I guess, under the guidelines for the Regional Development Australia fund, which are set by the commonwealth, is that any proponent who puts in more than one application has to rank those in order of priority. There was only about an eight or nine-week window, I think, for putting applications in this time. We worked fairly busily with a whole range of ACT government agencies and a few not-for-profit organisations that were ready for project activity. I think it was coordinated through the Chief Minister’s Department—at that stage it was the department. A list was put together of the potential projects from across the ACT government and then my understanding was that it was cabinet that ranked them one through to whatever.

**Mr Sloan:** We passed it to the RDA.

**MR SESELJA:** From the cabinet?

**Mr Sloan:** We are not here to assess them.

**MR SESELJA:** So the ACT government had its process and said, “These are the three,” and then you took them up to the federal government. Is that right?

**Mr Sloan:** No. What basically happens is that we simply provide a letter of endorsement. The whole idea is that those projects should fit in with our strategic plan. So when we look at the current one, or the one that will be released tomorrow, we try to make it focused and broad enough so that projects that meet the criteria, whatever they happen to be, can be ticked off. We basically need to be able to say that that

proposal fits with our strategic plan. We think it is a good thing for meeting all the economic, environmental and social aspects—whatever it might be—and we as a committee then decide to endorse it or not. Some we did not. But we absolutely thought those three would fit the bill. We simply do a letter and that gets put back to the applicant and they submit the application. The RDA itself is not able to put in an application. We are not able to get funding so we are not able to run any of those particular projects. We can only strongly endorse—

**MR SESELJA:** How many came to you? You said you do not necessarily endorse them all, so how many came to you before you endorsed three?

**Mr van Aalst:** There were three others.

**Mr Sloan:** Three others or two others?

**Mr van Aalst:** Two others.

**Mr Sloan:** There was a national one that was seeking endorsement from every RDA across Australia for a national project.

**MR SESELJA:** What was the rationale for the ones that missed out? Why did they miss out?

**Mr Sloan:** The other one was almost like a renovation of the ACT—

**Mr van Aalst:** Commercial.

**Mr Sloan:** racing club. We thought, “That doesn’t really fit the bill when we’re looking to some new things.” We thought the other three projects were much stronger rather than simply supporting the refit of a racing club. That was the reason we knocked that one out.

**Mr van Aalst:** The other national one was a commercial company who wanted to provide a back-of-house IT system for the aged-care industry across Australia. It sounded like quite a worthwhile project. I think they were after about \$5 million or so and they would roll it out across the whole country. They did not really demonstrate to us the local benefits.

**MR SESELJA:** How was the community informed of this process? How were the community organisations informed that they could put in a submission? Did the government do that or did RDA do that?

**Mr van Aalst:** No, we did that. In all honesty, that first period was quite hectic because the announcement was made for the fund out of the blue at the forum that we went to. There was quite a short period, so we did our best to try to get around to the community organisations and to the government, obviously, and let them know that this pot was there and available for applications. We also used the other methods of emails, websites and that type of stuff. We got quite a bit of interest but there were not a lot of people who were actually ready.

**Mr Sloan:** That was one of the criteria under this, that the project had to be ready to go within six months. So \$150 million went now and \$150 million will go in the second round. That opens in November. We would expect that, again, we will start to get everybody lined up and say, “Okay, what have we got on the agenda? Who’s got projects? Let’s start getting those ready so that by July next year they are projects that are ready to roll. We’ll get approval in January, February or whenever it rolls out.” That is the sort of time line we need to be thinking of now: what projects do we have on the go in the territory that we should be looking at trying to get funding for and that are ready to go?

**THE CHAIR:** You mentioned earlier community engagement—engagement with the community and so forth. I want to pick up on Mr Seselja’s questions. How are you building up those relationships so that when a funding round, for instance, comes around or, for whatever reason, there might be something that you want to consult on and get people’s feedback and advice to government—it might be some information that government wants to get out—how are you going about building those networks and letting people know that you exist and building the communication?

**Mr van Aalst:** That is probably what the secretariat spend 70 per cent of our time doing—talking to people. I often get jibbed for having too many coffees with people, but that is what it is all about—talking to people and letting them know what is available and what is coming up. Our committee is meant to be comprised of 10—we are a couple short at the moment; we have eight—who are community members as well and who have extensive networks in their own right. So they have good connections right through lots of different community groups.

We held, on 17 May this year, what we called the Canberra leaders consultative forum. We had around 100 people attend on that day from over 50 or 60 different organisations from around the ACT. That was as a result of us tapping into the database that we had, and we have built it up since then as well. We had representation from a wide range of organisations right across the spectrum, from ACTCOSS through to the Canberra Business Council, government agencies, the Housing Industry Association, the MBA, and local community councils—Gungahlin Community Council, Belconnen Community Council. So we had a wide range. I am sure we did not get them all, but it is a continual work in progress to spread the news. But our database is building quite nicely and we have some good ways of getting some information out these days.

**Mr Sloan:** We are also going down the path of co-badging. Last week we held the high-speed rail function in partnership with the Canberra Business Council. That, surprisingly, brought in other RDAs from the Illawarra, the South Coast and the like. It is a matter of trying to raise that profile. I think half of this is really about understanding.

My involvement with the Canberra Business Council is through all of its task forces. We plant members on those relevant task forces where we can, where we think it is necessary. That starts, again, to get the linkages out there to businesses and other community groups in terms of what we are here for and how we really want to connect in and help out where we can. I have been very strong on this since I have been in the chair: it is not about making the RDA an empire and replacing anything

else that is happening out there. There are a lot of very good organisations out there doing a lot of this stuff already. Our aim is to try and connect in with those while allowing us to bring in our connections, particularly with the federal government—to those organisations as well.

**THE CHAIR:** You said earlier that you have the general manager of the Queanbeyan council on your board—Mr Chapman. I noted that there was also someone from Queanbeyan on the previous board. The name escapes me; it was not someone from the council but it was someone from the southern tablelands who was on your board, I believe—someone based in Goulburn. So you have obviously had some sort of regional connection. With that connection to the Queanbeyan City Council, is part of that to be able to have a look at how there could be better connection, better planning between Queanbeyan and the ACT? You were talking about transport. What is the purpose of having someone from, say, the Queanbeyan council? What are the benefits? What are you hoping to get from that?

**Mr van Aalst:** The benefits are that we have someone who is directly involved with our biggest regional neighbour. Just like with the Canberra Business Council when I have worked with the Mayor of the Queanbeyan City Council on the board of that council, it is similarly the case with this one. I think Gary brings enormous connection, knowledge and probably understanding of regional issues to our table, which we could quite easily skip over if he is not sometimes keeping us honest. He has that great reach into understanding what some of the issues are from the council's point of view in some of the discussions when we are looking at key focus areas. So it is a deliberate strategy to have someone who is connected with other governments on the board.

Certainly, when we do our skills audit of board members, that is one of the key areas that was ticked that we do need to have. So if it is not Gary, it needs to be someone else who is connected in there. It is very much the case that we understand what are some of the immediate region issues that he can put on the table or even challenge us on when we are talking around solutions or even our own positioning around when we are putting our own strategy together. He is able to challenge us as to what it means from a regional perspective. So we are thinking of that all the time.

**MS PORTER:** What is the history behind the situation now where the ACT is surrounded by this doughnut, as you called it? Given its regional development, why are there two separate bodies? It does not seem logical to me; if it is regional development why would there not be the one RDA rather than having the two that are obviously needing to talk to one another, have very strong relationships and develop things that are going to be affecting the region, as you very clearly pointed out? I am just wondering what the history behind all of that is. Do you know?

**Mr van Aalst:** When the federal government were establishing RDAs back in 2008 and 2009, they did so in a bilateral way with the states and territories. There was very little discussion between the states and territories about what was happening. Each of the states and territories has a unique relationship and arrangement with the commonwealth about how their RDAs work and how they are split up. By way of example, the whole of Sydney is one RDA; the 40 or 50 local government areas are one RDA. Melbourne has four—north, south, east and west. Brisbane has one which

covers the local government area of Brisbane, which is huge in itself, but they have six surrounding it which they call urban and metro RDAs as well. So each state and territory has handled it differently and has built that relationship with the commonwealth independently of the other states and territories.

I am unaware of the exact details of discussions at the time because I was not around at that time to be aware of those. My personal view on it, having been involved in regional development for quite a while, is that it is actually more beneficial for the territory to have an RDA that just represents the territory. If you look at it from the Regional Development Australia fund perspective, definitely a stand-alone RDA for the ACT gives us a bit more of an opportunity to access funds through that program. If we were linked up with five, 10 or 14 local government areas in New South Wales, there would be absolutely no way that the ACT would ever get any funding through that program. At least now we have a bit of a chance of getting some funding.

Also, harking back to my experience with the Capital Region Development Board, which was cross-border and involved the ACT and 17 local government areas originally, before some were amalgamated, 95 per cent of the effort and work was done out in the regions which were obviously perceived to have greater needs than the ACT. You could not argue against that. So the bulk of the work of that organisation was focused on helping Jindabyne, Bombala, Boorowa, Harden or wherever, and very little focus was on the ACT.

With this model now, where we have an RDA for the ACT, we can focus particularly on the needs and building the prosperity of the ACT itself, which in turn obviously impacts on the region in a positive way. The Southern Inland RDA have their role in representing the 14 local government areas around the ACT. As long as there is a good working relationship between the two RDAs, we obviously get double the resources that way, because the RDAs in New South Wales get funded by the commonwealth as well as the New South Wales government. I think there is more effort, and more focused effort, on trying to get positive outcomes for each part of that region.

**THE CHAIR:** Going back to those grants, I understood what you were saying was that the RDA itself cannot put in for the grants; that is not your role. It can be local government, in this case the ACT government, or community organisations. From what I could see when we discussed it before, the majority of projects that went into the process were ACT government proposals. Is that something that you are going to be looking at as far as ensuring it just does not become a funding stream for ACT government proposals and bypasses what might be some fantastic innovative proposals out there in the community? It could be from some of our tertiary institutions, for instance, or it could be from community organisations.

**Mr van Aalst:** Absolutely. I think because the time frame on the first one was so short and no-one even knew the program was coming, the government agencies were the ones that were ready with projects quite quickly. They could open the top drawer and pull out three or four that they wanted to progress. It was also neatly attuned with the budget cycle. It actually worked quite nicely. The not-for-profits that we talked to during that period just were not ready. They were not prepared. In the interim, we have been having conversations with a few different groups and that will ramp up

because it was announced yesterday that the next round will open in November and will probably close on Christmas Eve or something like that.

**THE CHAIR:** At least they are not opening it on Christmas Eve.

**Mr van Aalst:** Yes, that is true. So we do have time to work with the not-for-profit sector. It is infrastructure as well—

**Mr Sloan:** That is the other challenge.

**Mr van Aalst:** which is sometimes a hard fit, especially for small not-for-profits, because the minimum value you can ask for under this fund is half a million and the maximum is \$25 million.

**Mr Sloan:** And owning infrastructure that would provide that economic, environmental and social benefit does not always fit naturally with a not-for-profit. That is why, when you look at the list of the ones that were announced yesterday, shire councils are everywhere. And our shire council is the ACT government. So that is how we look at it, and we clarified that as soon as it was announced: “Does that mean the ACT government is a local government?” So the ACT government is our shire. We would expect that there will be a very strong focus on what the ACT government is looking to achieve collectively as good projects. But naturally we are already talking to some, and some community organisations are phoning us now and saying, “What about lights for Manuka oval so that we can bring in regional athletes, the tourism industry,” or whatever it might be. So I think that will play out a lot more, simply because we got more notice. But we are certainly not limiting it just to ACT government; definitely not. That is all about the network, promoting who we are and what the fund is all about.

While the fund is there and it sounds really attractive, the other important element we have is that our strategic plan gets used by secretariats of all other federal government agencies. So if we are saying we believe that transport links, light rail, high-speed rail or whatever it might be, the Majura parkway, are a vital part for the territory and we are putting that up there and that is in our strategic plan, the relevant secretary of that department will know that is a key element for the ACT. We are able to then keep pushing that barrow outside the fund to enhance other projects or issues for the territory and obviously the region as well.

**THE CHAIR:** You were talking about the launch of your next strategic plan tomorrow. How did you go about putting that strategic plan together? Who did you involve in that process?

**Mr van Aalst:** We have had significant engagement with a whole range of people since probably about April this year. The major thing was our Canberra leaders consultative forum, where we had over 100 people attend. That was a full-day exercise. That provided us with a really useful bunch of information that we could start compiling. We had our previous plan, which obviously has a whole lot of information and useful stuff in there as well.

Operating under our committee, we have three subcommittees at present. One is

education, one is environment and one is transport or connectivity. We have had those subcommittees engaging quite heavily with stakeholders from across the relevant sectors. Also our larger committee has had some presentations from stakeholders. As I said before, the secretariat is involved in engaging with interested people on a daily basis. So it is ongoing work and there are always groups and organisations that have never heard of you before, much to our surprise. But we continue to make that a priority as to what we do, especially at the secretariat level—to engage with people all the time and let them know what we do.

We let them know about the Regional Development Australia fund, which is a significant bucket of money for infrastructure, and also that we have those strong linkages, as Craig mentioned, back into federal government departments. I think increasingly more federal government agencies are going to require RDA committee endorsement for their funding projects. By way of example, the TQUAL grants, which is a federal tourism grant program, stipulated in their guidelines a little earlier this year that having endorsement from their local RDA committee would be very favourably looked upon as part of their application. I think we will see that growing and stretching across other agencies as well.

We also have, as you said before, close connections with the education sector, with the universities and such. They are doing some work around the health area. So we have been aware of and involved at the periphery with a number of their bids that they are putting in for significant funds under the higher education funding programs and the health funding programs. Our role is also to help them shape their proposals so that they make more sense for the government agency, and also include that regional angle that is often missed when ACT proponents put in funding bids.

We often have to remind people that Canberra is not just the national capital and not just the largest inland city in Australia—the eighth largest city in Australia, I think it is—but that we are also a regional services hub for another 200,000 to 250,000 people in New South Wales. So whether it is health, education, tourism, innovation or business development, the more regional aspects we can put into funding applications, the better the chances are under the current environment that they will have a successful funding outcome.

**THE CHAIR:** I notice that the deputy chair is Dr Barbara Norman. Dr Norman is also involved with Canberra Urban and Regional Futures. Is there some connection into the RDA with the work that is being done under that project?

**Mr van Aalst:** Yes, there is. CURF held a seminar series, half of it here in Canberra and half in Batemans Bay, last week, that a couple of us attended. I am meeting with Barbara next week to try and talk through some potential activities that CURF could be driving that would have involvement of the RDAs from the ACT, Southern Inland and the South Coast, and maybe the Illawarra as well.

**MR SESELJA:** The funding for the organisation: how much funding is there from the commonwealth and how much from the ACT?

**Mr van Aalst:** Our base funding from the commonwealth was \$200,000 a year, which has increased each year by wage-cost index. I think we are up to about \$205,000 for

this year. From the ACT government it is \$150,000 a year, non-indexed. So we operate on a fairly mean, lean budget. We have three staff, which equates to 2.5 full-time equivalents.

**MS PORTER:** Obviously consultation is a really important aspect of what you are doing, as you were outlining before when you did your presentation. How many people are on the board?

**Mr Sloan:** Eight at the moment.

**MS PORTER:** And you have the other committees as well.

**Mr Sloan:** The committees are made up at the moment of those board members.

**MS PORTER:** Yes, and they are duplicating—

**Mr Sloan:** In total, there are probably 11 of us directly engaged.

**MS PORTER:** With that group, which is not very big, are you continuously doing a round of consultation? Are you picking off the different stakeholder groups or are you bringing the stakeholder groups together so that you are getting some cross-fertilisation? I am just trying to get a picture of how that consultation happens. You mentioned business, for instance, and the not-for-profits. Are you having roundtables where these people are coming together so there is cross-fertilisation happening, or are you having big conference-type things or forums? How does it happen?

**Mr Sloan:** It is probably a bit of a mixture on that one. As I said earlier, we did not want to reinvent a whole heap of groups or task forces. For example, on environmental, we have an environment task force with the Canberra Business Council. A couple of our board members sit and drive that for the large committee. One of those actually sits on the Canberra Business Council task force and feeds into that much broader and better connected entity. Being on the Canberra Business Council board, I have a standing item on the agenda, like at last night's meeting, where I talk around RDA activities and priorities. If we have got things to go then they will reach all of our kindred organisations, which would be 5,000 businesses.

We try and use the existing community groups, the existing networks, that are already there rather than another layer. We try and feed into that as well. I think getting on SEATS and those types of organisations allows us to be connected with some of the main players on other issues. By and large, a lot of it is really just getting out and talking to some of these people. We have been to Greening Australia and we caught up with our friends from the NRM Council. I did not really understand what they did and they had no idea who we were but, as soon as we started telling each other stories, it was almost like a mirror—the way they were formed is exactly the way we were formed; the way they operate and have to report is exactly the way we have to operate. There are things that they do that we can help them with and vice versa.

A lot of it is very much connecting the dots, and that is what our role really is. It is about connecting the right bodies together to further enhance key initiatives or issues so that we actually get them aired. We do a quarterly report from the chair to Minister

Crean that identifies what are our key issues for RDA (ACT) so that Minister Crean, whenever he walks into cabinet, will have that with him. Whether it is about the ACT, Majura, education issues or the amalgamation of CIT and UC—whatever it might be—at least the minister has always got it in his papers and he knows what we should be focusing on. A lot of it is very much around communication, but getting it coordinated rather than creating new entities to do that.

**Mr van Aalst:** We also, depending on the specific topic or theme that comes up from time to time, took the opportunity last week to host this high-speed rail forum. That was based on the fact that the first phase of the commonwealth study, the six-month study, was completed. There was a gap of about two months before they started the year-long phase 2 study. We fairly quickly mobilised and pulled together as many interested people in that space, people interested in high-speed rail. We got 130-odd people together at a function last week, in association with the Business Council, all of whom had a strong interest in high-speed rail. They all wanted to understand what the report was about, where the federal government was up to and how they could actually get involved in the process as part of the year-long phase 2 study.

I think, as Craig mentioned, we had RDA involvement. There was someone from Sydney, the Illawarra, Southern Inland, the South Coast, Riverina and RDA Hume, which is the northern-most one in Victoria. They all came along. We had representatives from regional cities all the way from Wagga to Cooma, Goulburn, Wollongong et cetera. We pulled a really great interest group together that had a common interest in learning about the high-speed rail issue. There is a role, I guess, for the RDA to get involved in trying to understand what it all means. If a government is ever brave enough to put some money towards developing high-speed rail in Australia, we can actually lobby for something to go from Canberra to Sydney—

**Mr Sloan:** Importantly, it is also about understanding the project and what it means for the ACT and the region and positioning ourselves when the first leg is built. So when we are looking at that whole corridor from Melbourne to Brisbane, it is about positioning ourselves and saying: “It is this territory that was the one that flagged it a number of years ago with an application from the government through Infrastructure Australia. No other state or territory government did that. It has been the territory that has led the way.” We want to make sure that we continue that momentum of leading the push by saying, “It makes sense for the Canberra to Sydney leg to be the first leg built.” Obviously we have got a vested interest in doing that, so that is what we will be continuing to push hard for as well.

**THE CHAIR:** You mentioned before the funding in relation to infrastructure. It is around half a million dollars at least and up to some millions of dollars.

**Mr Sloan:** 25.

**THE CHAIR:** \$25 million. You mentioned that you recently met up with Greening Australia, for instance, and the connections you can make there. This is obviously an ecological carrying capacity inquiry so it does have an environmental aspect to it. Is there any focus at all on natural infrastructure? It could be around plantings and bringing back some sort of biodiversity in some area for a profit, or it could be, if there is going to be an infrastructure project, seeing that there is some offsetting. Is

that any part of your thinking or discussions at all, or is it just simply focusing on the concrete bricks and mortar infrastructure?

**Mr van Aalst:** I think there is some flexibility in the guidelines about a description of infrastructure. However, my understanding is that there were over 550 applications for the first round and a whole heap of them were wiped out pretty early because they were seeking funds for something that they could have got funding for through a regular program. My guess is that in relation to a lot of the NRM funding—certainly this came out in our talks with the NRM Council—they seem to have access to a far greater range of funding pools than we do. It may be the case that any applications for funding under the RDA fund may not be deemed eligible because they have access to funding for similar types of things under NRM funding sources. That certainly does not preclude it, but if we worked with someone that wanted to do some environmental infrastructure, for example, one of the key things that we would ask is, “Are there any other sources for this funding?” Because, if there are, under the RDAF guidelines they would get wiped out pretty early on in the assessment process.

**THE CHAIR:** Part of what you are talking about and spoke about earlier was social inclusion. There is obviously a social aspect to what you are doing. There is an economic aspect. Do you see that there is an environmental aspect as well in what you are doing?

**Mr Sloan:** Yes. Certainly, one of our core pillars, as you will see tomorrow when we shoot you a copy of our just-released document, is very much the environment pillar. We state up-front that in that pillar it is about how we assist the government in achieving its environmental targets. They are big targets and a lot of work has got to be done in that space. We need to be thinking innovatively about what are the projects that are actually going to drive that and make it happen. We do not have all the answers to that, but we will be sitting behind organisations and supporting anyone who comes up with ideas. I even notice there was a project in here that got funding of nearly a million dollars for solar power systems at 10 locations.

**THE CHAIR:** So you are connecting in with the government’s renewable energy target?

**Mr Sloan:** Yes.

**THE CHAIR:** And the greenhouse gas reduction target as well?

**Mr Sloan:** Greenhouse reduction, yes, very much so. That is the core. We are looking at projects that are going to help drive that outcome—whether that gets funding through the RDAF or whether it is separate lobbying that we need to do to the relevant federal government bodies to enhance those sorts of projects by getting federal funding through other programs. That is how we see our role. It is not just about the RDAF. It is about how we connect into other government programs to really push harder and put some weight behind that. Quite clearly, in the national forum the secretariat of the other government agencies said, “We are looking at the RDAs giving us a list of their priorities so we can line that up with what they have got on their books.” When organisations roll up and say they want to do a whole lot of tree planting, or whatever it might be, it may not sit with the RDAF but it may well sit

with another government program. If the secretariat can say, “That has been endorsed by the RDA in the ACT and it fits with our strategic plan,” it will carry more weight. That is what we want to be able to do.

**THE CHAIR:** Your connection to the ACT government is through CMCD?

**Mr van Aalst:** Yes, primarily.

**THE CHAIR:** You do not have relationships with other directorates?

**Mr van Aalst:** We certainly do. I guess our contractual relationship is with the Chief Minister and Cabinet Directorate. We talk with them probably weekly anyway about what is going on and they attend our committee meetings as well. We have got relationships across the other agencies as well—absolutely.

**THE CHAIR:** As there are no further questions, thank you very much for attending the hearing this afternoon.

**The committee adjourned at 3.27 pm.**